Independent Auditor's Report

To

The Unitholders of **Brookfield India Real Estate Trust**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Qualified Opinion

We have audited the accompanying consolidated financial statements of Brookfield India Real Estate Trust (the "REIT") and its subsidiaries (together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Unitholders' Equity, for the period July 17, 2020 to March 31, 2021, Statement of Net Assets at fair value as at March 31, 2021, Statement of Total Returns at fair value for the period July 17, 2020 to March 31, 2021 and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid consolidated financial statements gives the information required by the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "REIT Regulations") in the manner so required and gives a true and fair view in conformity with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and the accounting principles generally accepted in India, to the extent not inconsistent with REIT Regulations, of the consolidated state of affairs of the Group as at March 31, 2021, its consolidated profit including other comprehensive income, its consolidated cash flows, its consolidated statement of changes in Unitholders' equity, for the period July 17, 2020 to March 31, 2021, its consolidated net assets at fair value as at March 31, 2021, its consolidated total returns at fair value of the REIT and each of its subsidiaries for the period July 17, 2020 to March 31, 2021 and other financial information of the Group.

Basis for Qualified Opinion

The following matter relates to certain subsidiaries of the REIT:

Paragraph 8(4) of the Unlisted Public Companies (Preferential Allotment) Amendment Rules, 2011 (the Rules), require that any allotment of securities against share application money received by a Company, shall be completed within sixty days from the receipt of application money and in case the Company is not able to allot the securities within the said period of sixty days, it shall repay the application money within fifteen days thereafter, failing which it will be required to be re-paid with interest at the rate of twelve percent per annum. The monies received on such application shall be kept in a separate bank account and shall not be utilized for any purpose other than (i) for adjustment against allotment of securities; or (ii) for the repayment of monies where the Company is unable to allot securities.

Prior to 31 March 2014, Shantiniketan Properties Private Limited (SPPL Noida), subsidiary of the REIT had received certain amounts as share application money ("Share Application Money"), against which SPPL Noida had neither allotted shares nor refunded such Share Application Money. The segregation and maintenance of such Share Application Money in a separate bank account, and the utilization of such Share Application Money for general corporate purposes, was not in accordance with the Rules. Prior to 31 March 2014, (i) SPPL Noida had accrued interest on the Share Application Money in accordance with the requirements of the said Rules; and (ii) the Share Application Money (including accrued interest) was converted in full, to inter corporate deposits, based on legal advice obtained by SPPL Noida. As of date, all such inter corporate deposits have been repaid in full, and there are no outstanding dues payable by SPPL Noida in lieu of having received the Share Application Money. During the period from July 17, 2020 to March 31, 2021, SPPL Noida has filed petition under Companies Act, 2013 for compounding of offence. The impact, if any, of such non-compliances cannot be ascertained.

Prior to 31 March 2014, Candor Kolkata One Hi-Tech Structures Private Limited ("Candor Kolkata"), subsidiary of the REIT had received certain amounts as Share Application Money, against which Candor Kolkata had not allotted shares. The segregation and maintenance of such Share Application Money in a separate bank account, and the utilization of such Share Application Money for general corporate purposes, was not in accordance with the Rules. Prior to 31 March 2014, (i) Candor Kolkata had accrued interest on the Share Application Money in accordance with the requirements of the said Rules and refunded the share application money; and (ii) the accrued interest on share application money was converted in full, to inter corporate deposits, based on legal advice obtained by Candor Kolkata. As of date, all such inter corporate deposits have been repaid in full, and there are no outstanding dues payable by Candor Kolkata in lieu of having received the Share Application Money. During the period from July 17, 2020 to March 31, 2021, Candor Kolkata has filed petition under Companies Act, 2013 for compounding of offence.

The impact, if any, of such non-compliances cannot be ascertained.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SA) issued by Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the 'Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to Note 15(a)(i) which describes the presentation of "Unit Capital" as "Equity" to comply with REIT Regulations. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matter is the matters that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matters described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
Fair Value of investment properties: In accordance with REIT Regulations, the REIT discloses Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets and liabilities. As at March 31, 2021, fair value of total assets was ₹ 123,626.13 million; out of which fair value of investment property is ₹ 114,808.00 million representing 93% of the fair value of total assets. The fair value of investment property is determined by an independent valuer using discounted cash flow method. While there are several assumptions that are required to determine the fair value of investment property; assumptions with the highest degree of estimate, subjectivity and impact on fair values are forecasted market rent, terminal capitalization rate and discount rate. Auditing these assumptions required a high degree of auditor judgement as the estimates made by the independent valuer contains significant measurement uncertainty. Refer Statement of Net assets at fair value and Statement of total returns at fair value in the consolidated financial statements.	Principal Audit Procedures Performed: Our audit procedures related to the forecasted market rent, terminal capitalization rates and discount rate used to determine the fair value of investment property included the following, among others: ■ We obtained the independent valuer's valuation reports to obtain an understanding of the source of information used by the independent valuer in determining these assumptions. ■ We tested the reasonableness of inputs, shared by management with the independent valuer by comparing it to source information used in preparing the inputs such as rent rolls. ■ We evaluated the reasonableness of management's forecasted market rent by comparing it with sample of lease agreements for ongoing rentals, contractual lease escalations and other market information, as applicable. ■ With the assistance of our fair valuation specialist, we evaluated the reasonableness of forecasted market rent, terminal capitalization rates and discount rate by comparing it with market information such as recent market transactions for comparable properties, market surveys by property consultants and broker quotes, as applicable.

Information Other than the Financial Statements and Auditor's Report Thereon

- Brookprop Management Services Private Limited (the "Investment Manager") in its capacity as an Investment Manager is responsible for the other information. The other information comprises the information included in the annual report , but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the annual report , if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Management of the Investment Manager (the "Management") is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows, consolidated changes in unitholders' equity of the Group, net assets at fair value and total returns at fair value of the Group and other financial information of the Group in conformity with the REIT Regulations, the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with REIT Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Investment Manager of the REIT, as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of the Investment Manager and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the REIT and respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Investment Manager along with respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Investment Manager and the respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the condensed consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the REIT and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit and as required by REIT Regulations, we report that:

a) Except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Unitholders' Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.

c) In our opinion, except for the matter described in the Basis for Qualified Opinion section above, the aforesaid consolidated financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with REIT Regulations.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Reg. No. 015125N)

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 21110815AAAABS5515)

Bengaluru, May 20, 2021

Consolidated Balance Sheet

(All amounts are in Rupees million unless otherwise stated)

Particulars	Note	As at March 31, 2021
ASSETS		
Non-Current assets		
Property, plant and equipment	3	101.17
Investment property	4	100,179.76
Investment property under development	4	791.74
Intangible assets	3	0.42
Financial assets		
- Loans	5	517.38
- Other financial assets	6	281.83
Deferred tax assets (net)	43	2,641.23
Non-current tax assets (net)	7	1,407.42
Other non-current assets	8	38.04
Total non-current assets		**105,958.99**
Current assets		
Financial assets		
- Trade receivables	9	204.35
- Cash and cash equivalents	10	3,155.19
- Other bank balances	11	150.65
- Loans	12	0.01
- Other financial assets	13	163.13
Other current assets	14	157.31
Total current assets		**3,830.64**
TOTAL ASSETS		**109,789.63**
EQUITY AND LIABILITIES		
Equity		
Unit Capital	15	81,774.78
Other equity	16	252.75
Total equity		**82,027.53**
LIABILITIES		
Non current liabilities		
Financial liabilities		
- Borrowings	17	21,015.17
- Other financial liabilities (including lease liabilities)	18	1,499.39
Long term provisions	19	10.86
Other non-current liabilities	20	386.47
Total non-current liabilities		**22,911.89**
Current liabilities		
Financial liabilities		
- Trade payables	21	
Total outstanding dues to micro enterprises and small enterprises		1.09
Total outstanding dues to creditors other than micro enterprises and small enterprises		444.41
- Other financial liabilities (including lease liabilities)	22	4,004.21
Short term provisions	23	4.49
Other current liabilities	24	396.01
Total current liabilities		**4,850.21**
Total liabilities		**27,762.10**
TOTAL EQUITY AND LIABILITIES		**109,789.63**

Since Brookfield India REIT was registered pursuant to a trust deed dated July 17, 2020, the management has provided the information in Consolidated Balance Sheet as at March 31, 2021. Consequently, the information for corresponding year have not been presented.

Significant accounting policies 2

The accompanying notes from 1 to 49 form an integral part of these consolidated financial statements.

As per our report of even date attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No.: 015125N

Anand Subramanian
Partner
Membership No: 110815
Place: Bengaluru
Date: May 20, 2021

For and on behalf of the Board of Directors of
Brookprop Management Services Private Limited
(as Manager to the Brookfield India REIT)

Ankur Gupta
Director
DIN No. 08687570
Place: Mumbai
Date: May 20, 2021

Alok Aggarwal
Chief executive officer
DIN No. 00009964
Place: Gurugram
Date: May 20, 2021

Sanjeev Kumar Sharma
Chief financial officer
DIN No. 00211963
Place: Gurugram
Date: May 20, 2021

Consolidated Statement of Profit and Loss

(All amounts are in Rupees million unless otherwise stated)

Particulars	Note	From July 17, 2020 to March 31, 2021*
Income and gains		
Revenue from operations	25	1,309.42
Other income	26	51.65
Total income		**1,361.07**
Expenses and losses		
Cost of material consumed	27	2.48
Employee benefits expenses	28	28.10
Finance costs	29	410.77
Depreciation and amortization expenses	30	316.75
Valuation Expenses		5.78
Trustee Fees		2.21
Other expenses	31	445.55
Total expenses		**1,211.64**
Profit/(Loss) before income tax		**149.43**
Tax expense:	32	
Current tax		
- for current period		0.44
- for earlier years		18.89
Deferred tax charge/ (credit)		(122.93)
Tax expense for the period		**(103.60)**
Profit/(Loss) for the period after income tax		**253.03**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
- Remeasurement of defined benefit obligations		(0.35)
- Income tax related to items that will not be reclassified to profit or loss		0.07
Other comprehensive income for the period, net of tax		**(0.28)**
Total comprehensive income/(loss) for the period		**252.75**
Earnings per unit	39	
Basic		4.26
Diluted		4.26

Significant accounting policies 2

The accompanying notes from 1 to 49 form an integral part of these consolidated financial statements.

* Since Brookfield India REIT was registered pursuant to a trust deed dated July 17, 2020, the management has provided the information in Consolidated Statement of Profit and Loss with effect from said period i.e. July 17, 2020 for period ended March 31, 2021. Consequently, the information for previous year ended March 31, 2020 have not been presented.

As per our report of even date attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No.: 015125N

Anand Subramanian
Partner
Membership No: 110815
Place: Bengaluru
Date: May 20, 2021

For and on behalf of the Board of Directors of
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Chief financial officer
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Place: Gurugram
Date: May 20, 2021

Consolidated Statement of Cash Flows

(All amounts are in Rupees million unless otherwise stated)

Particulars	From July 17, 2020 to March 31, 2021*
Cash flows from operating activities :	
Profit/(Loss) before tax	149.43
Adjustments for :	
Depreciation and amortization expense	316.75
Gratuity expense	1.08
Compensated absences	0.29
Allowance for credit loss	0.05
Interest income on fixed deposit	(3.21)
Deferred Income amortization	(21.01)
Advances written off	1.27
Credit impaired	23.32
Property, plant and equipment written off	0.15
Finance cost	410.77
Other interest	(2.49)
Operating cash flow before working capital changes	**876.40**
Movement in working capital:	
Decrease in other current and non current assets	55.20
Decrease in current and non current fianancial assets	302.32
Increase/(Decrease) in current and non current fianancial liabilities	(118.35)
(Decrease) in other current and non current liabilities	(292.85)
Cash flows generated from operating activities	**822.72**
Income tax refund received (net)	573.50
Net cash flows generated from operating activities (A)	**1,396.22**
Cash flow from investing activities :	
Expenditure incurred on investment property	(132.59)
Purchase of property, plant and equipment	(4.52)
Fixed deposits made #	(347.40)
Interest received on fixed deposits	1.11
Interest received	2.49
Net cash flow generated from / (used in) investing activities (B)	**(480.91)**
Cash flow from financing activities : ##	
Finance costs paid	(592.85)
Proceeds from long-term borrowings	21,200.00
Repayment of non convertible bonds	(256.00)
Repayment of long-term borrowings	(56,620.43)
Proceeds from issue of Units	38,000.00
Expense incurred towards Initial public offerings	(268.14)
Net cash flow (used in) / generated from financing activities (C)	**1,462.58**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**2,377.89**
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents acquired due to asset acquisition:	
Bank balance	
- in current account	447.30
- in deposit account	330.00
	777.30
Cash and cash equivalents at the end of the period (refer note 10)	**3,155.19**

Consolidated Statement of Cash Flows

(All amounts are in Rupees million unless otherwise stated)

Particulars	From July 17, 2020 to March 31, 2021*
Components of cash and cash equivalents at the end of the period	
Balances with banks	
- in current account	1,132.32
- in deposit account	590.00
- in escrow account	1,432.87
	3,155.19

Represents fixed deposits with original maturity of more than 3 months.

Refer note 17 for changes in liabilities arising from financing activities.

Notes:

1. The cash flow statement has been prepared in accordance with "Indirect Method" as set out in Indian Accounting Standard -7 : "Statement on Cash Flows".
2. The Trust has issued Units in exchange for investments in SPVs during the year ended March 31, 2021. The same has not been reflected in Consolidated Statement of Cash Flows since these were non-cash transactions.

Significant accounting policies 2

The accompanying notes from 1 to 49 form an integral part of these consolidated financial statements.

* Since Brookfield India REIT was registered pursuant to a trust deed dated July 17, 2020, the management has provided the information in Condensed Consolidated Statement of cash flows with effect from said period i.e. July 17, 2020 for period ended March 31, 2021. Consequently, the information for previous year ended March 31, 2020 have not been presented.

As per our report of even date attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No.: 015125N

Anand Subramanian
Partner
Membership No: 110815
Place: Bengaluru
Date: May 20, 2021

For and on behalf of the Board of Directors of
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DIN No. 08687570
Place: Mumbai
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Chief executive officer
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Place: Gurugram
Date: May 20, 2021

Sanjeev Kumar Sharma
Chief financial officer
DIN No. 00211963
Place: Gurugram
Date: May 20, 2021

Consolidated Statement of Changes in Unitholder's Equity

(All amounts are in Rupees million unless otherwise stated)

(A) UNIT CAPITAL

	Unit in Nos.	Amount
Balance as on July 17, 2020*	-	-
Add: Units issued during the year (refer note 15)	302,801,601	83,270.44
Less: Issue expenses		(1,495.66)
Balance as at March 31, 2021	**302,801,601**	**81,774.78**

(B) OTHER EQUITY

Particulars	Retained earnings
Balance at July 17, 2020*	-
Profit for the period ended March 31, 2021	253.03
Other comprehensive income for the period ended March 31, 2021	(0.28)
Balance as at March 31, 2021	**252.75**

* Since Brookfield India REIT was registered pursuant to a trust deed dated July 17, 2020, the management has provided the information in Consolidated Statement of changes in Unitholder's Equity with effect from said period i.e. July 17, 2020 for period ended March 31, 2021. Consequently, the information for corresponding period have not been presented.

Significant accounting policies (refer note 2)

The accompanying notes from 1 to 49 form an integral part of these consolidated financial statements.

As per our report of even date attached
For **DELOITTE HASKINS & SELLS**
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Place: Gurugram
Date: May 20, 2021

Statement of Net Assets at Fair Value

(All amounts are in Rupees million unless otherwise stated)

AS ON MARCH 31, 2021

S. No	Particulars	Book Value	Fair value
A	Assets	109,789.63	123,626.13*
B	Liabilities	(27,762.10)	(27,762.10)
C	**Net Assets (A-B)**	**82,027.53**	**95,864.03**
D	No. of units	302,801,601	302,801,601
E	NAV per unit (C/D)	270.90	316.59

* (refer note 2 below)

Measurement of fair values

The fair value of investment properties and investment property under development has been determined by independent external property valuers, having appropriately recognized professional qualifications and recent experience in the location and category of the properties being valued.

Valuation technique

The fair value measurement of the investment properties and investment property under development has been categorized as a Level 3 fair value based on the inputs to the valuation technique used.

The valuers have followed a Discounted Cash Flow method. The discounted cash flow method considers the present value of net cash flows to be generated from the respective properties, taking into account the expected rental growth rate, vacancy period, occupancy rate, average sq. ft. rent and lease incentive costs. The expected net cash flows are discounted using the risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality, lease terms and investors expected return.

For fair valuation of financial assets and financial liabilities refer note 35.

Notes

1. Candor Kolkata has plans to de-notify a portion of its SEZ into non SEZ. The denotification will be taken up prior to the construction commencement and is procedural in nature. Hence, the fair valuation of such SEZ portion has been computed by the valuers assuming non IT use.
2. Project wise break up of Fair value of Assets as at March 31, 2021 is as follows:

Entity and Property name	Fair value of Investment property and Investment property under development	Other assets at book value	Total assets
Candor Kolkata One Hi-Tech Structures Private Limited	69,195.00	4,245.24	73,440.24
Shantiniketan Properties Private Limited	20,121.00	787.97	20,908.97
Festus Properties Private Limited	25,492.00	1,907.93	27,399.93
Candor India Office Parks Private Limited	-	211.78	211.78
Brookfield India Real Estate Trust	-	1,665.21	1,665.21
	114,808.00	**8,818.13**	**123,626.13**

   a. Fair values of assets as disclosed above are the fair values of the total assets of all SPVs as included in the Consolidated Financial Statements.

   b. Fair values of investment property and investment property under development as at March 31, 2021 as disclosed above are solely based on the fair valuation report of the independent valuer appointed under the REIT Regulations.

   Significant accounting policies (refer note 2)

   The accompanying notes from 1 to 49 form an integral part of these consolidated financial statements.

As per our report of even date attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No.: 015125N

Anand Subramanian
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Sanjeev Kumar Sharma
Chief financial officer
DIN No. 00211963
Place: Gurugram
Date: May 20, 2021

Statement of Total Return at Fair Value

(All amounts are in Rupees million unless otherwise stated)

S. No	Particulars	From July 17, 2020 to March 31, 2021
A.	Total comprehensive Income	252.75
B.	Add/(Less) : Changes in fair value not recognized -Investment Property	521.82
C.	**(A+B) Total Return**	**774.57**

In the above statement, changes in fair value for the period ended March 31, 2021 has been computed based on the difference in fair values of investment properties and investment property under development as at March 31, 2021 and 08 February 2021 after adjusting change in book value of investment properties and investment property under development. The fair values of the aforementioned assets as at March 31, 2021 and 08 February 2021 are solely based on the valuation report of the independent valuer appointed under the REIT Regulations.

Significant accounting policies (refer note 2)

The accompanying notes from 1 to 49 form an integral part of these consolidated financial statements.

As per our report of even date attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No.: 015125N

Anand Subramanian
Partner
Membership No: 110815
Place: Bengaluru
Date: May 20, 2021

For and on behalf of the Board of Directors of
Brookprop Management Services Private Limited
(as Manager to the Brookfield India REIT)

Ankur Gupta
Director
DIN No. 08687570
Place: Mumbai
Date: May 20, 2021

Alok Aggarwal
Chief executive officer
DIN No. 00009964
Place: Gurugram
Date: May 20, 2021

Sanjeev Kumar Sharma
Chief financial officer
DIN No. 00211963
Place: Gurugram
Date: May 20, 2021

Notes to the Consolidated Financial Statements

(All amounts are in Rupees million unless otherwise stated)

1 ORGANIZATION STRUCTURE

The consolidated financial statements ('Consolidated Financial Statements') comprise financial statements of Brookfield India Real Estate Trust ('Brookfield India REIT' or 'Trust') and its subsidiaries namely Shantiniketan Properties Private Limited ('SPPL Noida'), Candor Kolkata One Hi-Tech Structures Private Limited ('Candor Kolkata'), Festus Properties Private Limited ('Festus') and Candor India Office Parks Private Limited ('CIOP') (individually referred to as 'Special Purpose Vehicle' or 'SPV' and together referred to as 'Brookfield India REIT Portfolio companies' or 'Group'). The SPVs are companies domiciled in India.

Brookprop Management Services Private Limited (the 'Settlor') has set up the Brookfield India Real Estate Trust on July 17, 2020, as an irrevocable trust, pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and the Trust has been registered with SEBI as a Real Estate Investment Trust on September 14, 2020 under Regulation 6 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014. The Trustee to Brookfield India Real Estate Trust is Axis Trustee Services Limited (the 'Trustee') and the Manager for Brookfield India Real Estate Trust is Brookprop Management Services Private Limited (the 'Manager').

The objectives of Brookfield India REIT are to undertake activities in accordance with the provisions of the SEBI REIT Regulations and the Trust Deed. The principal activity of Brookfield India REIT is to own and invest in rent or income generating real estate and related assets in India with the objective of producing stable and sustainable distributions to Unitholders.

Brookfield India REIT acquired the following SPVs by acquiring all the equity interest held by the Sponsor and certain members of Sponsor Group (refer note 41) on February 08, 2021. In exchange for these equity interests, the above shareholders have been allotted 127,892,403 Units of Brookfield India REIT valued at ₹ 275/- each.

Brookfield India REIT went public as per its plan for Initial Public Offer of Units after obtaining the required approvals from the relevant authorities. The Units were allotted to the successful applicants on February 08, 2021 and February 11, 2021.

All these Units were subsequently listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on February 16, 2021.

The brief activities and shareholding pattern of the SPVs are provided below:

Name of SPV	Activities	Shareholding up to 08 February 2021 (in percentage)	Shareholding from 08 February 2021 (in percentage)
SPPL Noida	Developing and leasing of commercial real estate property in India, primarily in IT/ITeS sector in Sector 62, Noida, Uttar Pradesh.	BSREP India Office Holdings Pte. Ltd.: 100% BSREP Moon C1 L.P.: 0.00% (10 Shares)	Brookfield India REIT : 100% Candor India Office Parks Private Limited : 0.00% (1 shares) (as nominee of Brookfield India REIT)
Candor Kolkata	Developing and leasing of commercial real estate property in India, primarily in IT/ITeS Special Economic Zone (SEZ) in New Town, Rajarhat, Kolkata and Sector 21, Dundahera Gurugram	BSREP India Office Holdings V Pte. Ltd.: 99.97% BSREP India Office Holdings Pte. Ltd.: 0.03%	Brookfield India REIT : 100% Candor India Office Parks Private Limited : 0.00% (1 shares) (as nominee of Brookfield India REIT)
CIOP	Providing management related service including facilities management service and property management services.	BSREP Moon C1 L.P.: 99.99% BSREP Moon C2 L.P. : 0.01%	Brookfield India REIT : 100% Candor Kolkata One Hi-Tech Structures Private Limited : 0.00% (1 shares) (as nominee of Brookfield India REIT)
Festus	Developing and leasing of commercial real estate property in India, primarily in IT/ITeS Special Economic Zone (SEZ) in Powai, Mumbai.	Kairos Property Managers Pvt. Ltd.:10.76% BSREP II India Office Holdings II Pte. Ltd.:89.24%	Brookfield India REIT : 100% Candor India Office Parks Private Limited : 0.00% (1 shares) (as nominee of Brookfield India REIT)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Consolidated financial statements

The Consolidated Financial Statements of Brookfield India REIT comprises the Consolidated Balance Sheet as at March 31, 2021; the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Unitholders' Equity for the period July 17, 2020 to March 31, 2021 and a summary of significant accounting policies and other explanatory information. Additionally, it includes the Statement of Net Assets at Fair Value as at March 31, 2021, the Statement of Total Returns at Fair Value for the period then ended and other additional financial disclosures as required under the SEBI (Real Estate Investment Trusts) Regulations, 2014. The Consolidated Financial

Statements were authorized for issue in accordance with resolutions passed by the Board of Directors of the Manager on behalf of the Brookfield India REIT on May 20, 2021. The Consolidated Financial Statements have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time read with the SEBI circular number CIR/IMD/DF/146/2016 dated December 29, 2016 ("REIT Regulations"); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS') to the extent not inconsistent with the REIT Regulations (refer note 15(a)(i) on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation), read with relevant rules issued thereunder and other accounting principles generally accepted in India.

The Consolidated Financial Statements are presented in Indian Rupees in Million, except when otherwise indicated.

Statement of compliance to Ind AS:
These Consolidated financial statements for the period ended March 31, 2021 have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), to the extent not inconsistent with the REIT Regulations as more fully described above and in Note 15(a)(i) to the consolidated financial statements.

2.2 Significant accounting policies

a) Basis of Consolidation

The Brookfield India REIT consolidates entities which it owns or controls. The Condensed Consolidated Financial Statements comprise the financial statements of the Brookfield India REIT and its subsidiary SPVs as disclosed in Note 1. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The procedure adopted for preparing Condensed Consolidated Financial Statements of Brookfield India REIT are stated below:

i) The Condensed Consolidated Financial Statements have been prepared using the principles of consolidation as per Ind AS 110 - Consolidated Financial Statements.

ii) The financial statements of the Brookfield India REIT were Consolidated by combining/adding like items of assets, liabilities, equity, income, expenses and cash flows.

iii) Intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of Brookfield India REIT are eliminated in full;

iv) The figures in the notes to accounts and disclosures have been Consolidated line by line and Inter-Company transactions and balances including unrealized profit are eliminated in full on consolidation.

b) Functional and presentation currency

The Consolidated Financial Statements are presented in Indian rupees, which is Brookfield India REIT's functional currency and the currency of the primary economic environment in which Brookfield India REIT operates. All financial information presented in Indian rupees has been rounded off to nearest million except unit and per unit data.

c) Basis of measurement

The Consolidated Financial Statements have been prepared on historical cost basis except for certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below.

The Consolidated Financial Statements have been prepared on a going concern basis.

d) Use of judgements and estimates

The preparation of Consolidated Financial Statements in conformity with generally accepted accounting principles in India (Ind AS), to the extent not inconsistent with the REIT Regulations, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimated and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements is included in the following notes:

(i) Presentation of "Unit Capital" as "Equity" in accordance with the REIT Regulations instead of compound instrument (Note 15)

(ii) determination of useful life and residual values of investment property and property, plant and equipment (Note 2.2 (g) and (h))

(iii) classification of assets as investment property or as property, plant and equipment (Note 2.2 (g) and (h))

(iv) determination of recoverable amount / fair value of investment property (Note 2.2 (g), Statement of Net Assets at Fair Value, Statement of Total Return at Fair Value and Note 44)

(v) impairment of financial assets, property, plant and equipment and intangible assets (Note 2.2 (i) and (l))

(vi) recognition and measurement of provisions for contingencies and disclosure of contingent liabilities (Note 2.2 (q) and Note 33)

(vii) determination of lease term (Note 2.2 (n))

(viii) recognition / recoverability of deferred tax assets (Note 2.2 (p))

e) Current versus non-current classification

Brookfield India REIT presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification:

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Brookfield India REIT classifies all other assets as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in normal operating cycle of Brookfield India REIT;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Brookfield India REIT does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Brookfield India REIT classifies all other liabilities as non-current.

Current assets/liabilities include current portion of non-current financial assets/ liabilities respectively. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

f) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, Brookfield India REIT takes into account the characteristics of the asset or liability and how market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Inputs to fair value measurement techniques are disaggregated into three hierarchical levels, which are directly based on the degree to which inputs to fair value measurement techniques are observable by market participants:

- Level 1: Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2: Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the asset's or liability's anticipated life.
- Level 3: Inputs are unobservable and reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs in determining the estimate.

Fair value measurements are adopted by Brookfield India REIT to calculate the carrying amounts of various assets and liabilities.

g) Investment properties

Recognition and measurement

Investment property consists of commercial properties which are primarily held to earn rental income and commercial developments that are being constructed or developed for future use as commercial properties. The cost of commercial development properties includes direct development costs, realty taxes and borrowing costs directly attributable to the development. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and impairment losses, if any.

Equipment and furnishings physically attached and integral to a building are considered to be part of the investment property.

Subsequent expenditure and disposal
Subsequent expenditure is capitalized to the investment property's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Brookfield India REIT and the cost of the item can be measured reliably. The cost of the assets not ready for its intended use before such date, are disclosed as investment property under development. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Any gain or loss from disposal of an investment property is recognized in Statement of profit and loss.

Depreciation
Investment property are depreciated using the straight-line method over their estimated useful lives. The useful lives of the assets have been determined by management after considering nature of assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement and maintenance support.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The useful lives of the investment property are tabulated as below:

Particulars	Useful Life (Years)
Buildings	60
Plant and Machinery	4 – 15
Furniture and Fixtures	10 – 12
Electrical fittings	4 – 15
Diesel generator sets	15 – 25
Air conditioners	5 – 15
Office Equipment	5 – 12
Kitchen Equipment	5
Computers	3 – 6
Right of Use (Leasehold Land)	As per lease term

The fair value of investment property is disclosed in the statement of net assets at fair value. Fair values are determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

h) Property, plant and equipment and intangible assets

Recognition and measurement
Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises the purchase price, including import duties and other non-refundable purchase taxes and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, on initial recognition expenditure to be incurred towards major inspections and overhauls are required to be identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

Subsequent expenditure and disposal
Subsequent expenditure is capitalized to the property, plant and equipment's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Brookfield India REIT and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of a property, plant and equipment is replaced, the carrying amount of the replaced part is derecognized.

Any gain or loss from disposal of a property, plant and equipment is recognized in Statement of profit and loss.

Depreciation
Property, plant and equipment are depreciated using the straight-line method over their estimated useful lives. The useful lives of the assets have been determined by management after considering nature of assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement and maintenance support.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on additions (disposals) is provided on pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

Leasehold improvements are depreciated over primary period of lease or the useful life of the asset, whichever is lower.

Estimated useful lives of items of property, plant and equipment are tabulated as follows: -

Particulars	Useful Life (Years)
Buildings	60
Plant and Machinery	5 – 20
Furniture and Fixtures	5 – 14
Electrical fittings	10
Air conditioners	5 – 15
Office Equipment	4 – 15
Kitchen Equipment	5
Vehicle	8
Computers	3 – 14
Computer Software	5

Intangible assets comprise purchase of software. Intangible assets are carried at cost and amortized over a period of 5 years, which represents the period over which the Brookfield India REIT expects to derive economic benefits from the use of the assets.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each reporting period and the amortization period is revised to reflect the changed pattern, if any.

i) Impairment of non-financial assets

Brookfield India REIT assesses, at each reporting date, whether there is an indication that a non-financial asset other than deferred tax assets may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Brookfield India REIT estimates the asset's recoverable amount. Goodwill is tested annually for impairment.

An impairment loss is recognized in the Consolidated Statement of Profit and Loss if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU on a pro rata basis. A CGU is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups.

Impairment losses are recognized in the Consolidated Statement of Profit and Loss, unless it reverses previous revaluation credited to equity, in which case it is charged to equity.

Goodwill (if any) arising from a business combination is allocated to CGUs or group of CGUs that are expected to benefit from the synergies of the combination.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. In estimating value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets, such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

j) Foreign currency transactions

Items included in the financial statements of the Brookfield India REIT are measured using the currency of the primary economic environment in which the Brookfield India REIT operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Brookfield India REIT functional and presentation currency.

Foreign currency transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at reporting period end exchange rates are generally recognized in the Statement of profit and loss.

k) Errors, estimates and change in accounting policy

The Brookfield India REIT revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the Consolidated Financial Statements. Changes in accounting policies are applied retrospectively, where applicable.

A change in an accounting estimate that results in changes in the carrying amounts of recognized assets or liabilities or to profit or loss is applied prospectively in the period(s) of change. Discovery of errors results in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. The opening balances of the earliest period presented are also restated.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets - Recognition

All financial assets are recognized initially at fair value (except for trade receivables which are initially measured at transaction price) plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

- **Debt instruments at fair value through other comprehensive income (FVOCI)**

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss is recognized in statement of profit and loss. On derecognition of the asset, cumulative gains or losses previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

- **Debt instruments at fair value through profit or loss (FVTPL)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the Brookfield India REIT may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Brookfield India REIT has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in Statement of profit or loss.

- **Equity instruments measured at fair value through other comprehensive income (FVOCI)**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Brookfield India REIT may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Brookfield India REIT makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Brookfield India REIT decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Brookfield India REIT may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in Statement of profit and loss.

(ii) Financial Assets - Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e., removed from the Brookfield India REIT balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Brookfield India REIT has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Brookfield India REIT has transferred substantially all the risks and rewards of the asset, or (b) the Brookfield India REIT has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iii) Impairment of financial assets
Brookfield India REIT recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component and lease receivables is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable and lease receivables, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date, is recognized as an impairment gain or loss in the Statement of Profit and Loss.

(iv) Financial liabilities – Recognition and Subsequent measurement
Brookfield India REIT financial liabilities are initially measured at fair value less any attributable transaction costs. Subsequent to initial measurement, these are measured at amortized cost using the effective interest rate ('EIR') method or at fair value through profit or loss (FVTPL).

Brookfield India REIT financial liabilities include trade and other payables, Loans and borrowings including bank overdrafts.

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through Statement of profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Brookfield India REIT that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in Statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through Statement of profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains or losses are not subsequently transferred to statement of profit and loss. However, the Brookfield India REIT may transfer the cumulative gains or losses within equity. All other changes in fair value of such liability are recognized in Statement of profit and loss. The Brookfield India REIT has not designated any financial liability as at fair value through profit or loss.

- **Financial liabilities at amortized cost**

Financial liabilities that are not held for trading, or designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

(v) Financial liabilities - Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of profit and loss as other gains/(losses).

(vi) Income/loss recognition

- **Interest income**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the Brookfield India REIT estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

- **Borrowing costs**

Borrowing cost includes interest expense as per effective interest rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs associated with direct expenditures on properties under development or redevelopment or property, plant and equipment are capitalized. The amount of borrowing costs capitalized is determined first by borrowings specific to a property where relevant, and then by a weighted average cost of borrowings to eligible expenditures after adjusting for borrowings associated with other specific developments. Where borrowings are associated with specific developments, the amount capitalized is the gross borrowing costs incurred less any incidental investment income. Borrowing costs are capitalized from the commencement of the development until the date of practical completion. The Brookfield India REIT considers practical completion to have occurred when the physical construction of property is completed and the property is substantially ready for its intended use and is capable of operating in the manner intended by management. Capitalization of borrowing costs is suspended and charged to the Statement of profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

(vii) Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Embedded derivatives closely related to the host contracts are not separated. Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss.

m) Leases

At inception of a contract, the Brookfield India REIT assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Brookfield India REIT assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Brookfield India REIT has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Brookfield India REIT has the right to direct the use of the asset. The Brookfield India REIT has this right when it has the decision making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Brookfield India REIT has the right to direct the use of the asset if either:
  - o the Brookfield India REIT has the right to operate the asset; or
  - o the Brookfield India REIT designed the asset in a way that predetermines how and for what purpose it will be used.

As a lessee

The Brookfield India REIT recognizes a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Brookfield India REIT incremental borrowing rate. Generally, the Brookfield India REIT uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Brookfield India REIT is reasonably certain to exercise, lease payments in an optional renewal period if the Brookfield India REIT is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Brookfield India REIT is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Brookfield India REIT estimate of the amount expected to be payable under a residual value guarantee, or if the Brookfield India REIT changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Brookfield India REIT presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'other financial liabilities (current and non-current)' in the statement of financial position.

The Brookfield India REIT has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets. The Brookfield India REIT recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor

The Brookfield India REIT enters into lease agreements as a lessor with respect to its investment properties.

Leases for which the Brookfield India REIT is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Brookfield India REIT is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Brookfield India REIT net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Brookfield India REIT net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Brookfield India REIT applies Ind AS 115 to allocate the consideration under the contract to each component.

n) Revenue recognition

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as Goods and services tax, and applicable service level credits, discounts or price concessions. The computation of these estimates involves significant judgement based on various factors including contractual terms, historical experience, expense incurred etc.

i. Income from Operating Lease Rentals

Assets given under operating lease are included in investment property. Revenue recognition under a lease commences when the tenant has a right to use the leased asset. Generally, this occurs on the lease commencement date. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. In determining the lease term, management considers all facts and circumstances including renewal, termination and market conditions.

Income from Operating Lease Rentals also includes percentage participating rents. Percentage participating rents are recognized when tenants' specified sales targets have been met.

ii. Income from maintenance services

Income from maintenance services consists of revenue earned from the provision of daily maintenance, security and administration services, and is charged to tenants based on the occupied lettable area of the properties. Income from maintenance services is recognized when the entity has satisfied its performance obligation by delivering services as per terms of contract entered into with tenants.

o) Employee benefits

Employee benefits include provident fund, gratuity and compensated absences.

Provident fund

The Brookfield India REIT 's contribution to provident fund is considered as defined contribution plans and is charged as an expense in statement of profit and loss based on the amount of contribution required to be made as and when services are rendered by the employees.

Gratuity

Brookfield India REIT have an obligation towards gratuity, a defined post-employment benefits plan covering eligible employees. The present value of the defined benefit liability and the related current service cost and past service cost are measured using projected unit credit method; with actuarial valuations being carried out at each balance sheet date. Remeasurements comprising actuarial gains and losses are recognized immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognized in other comprehensive income are not reclassified. Past service cost is recognized in profit or loss when the plan amendment or curtailment occurs, or when the Brookfield India REIT recognizes related restructuring costs or termination benefits, whichever is earlier.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the period when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Other Long-term employee benefits
The employees of the Brookfield India REIT are entitled to Other long term benefit by way of accumulating compensated absences. Cost of long-term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of availment of leave. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation based on actuarial valuations as at the balance sheet date by an independent actuary using the Projected Unit Credit method. Actuarial gains and losses relating to long-term employee benefits are recognized in the statement of Profit and Loss in the period in which they arise.

p) Taxation
Income tax expense comprises current and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or in other comprehensive income.

(i) Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternative Tax ('MAT') under the provisions of the Income Tax, 1961 is recognized as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as a deferred tax asset only when and to the extent there is convincing evidence that the Brookfield India REIT will pay normal income tax during the period for which MAT credit can be carried forward for set-off against normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(ii) Deferred tax
Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- Temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Brookfield India REIT is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on initial recognition of goodwill.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, Brookfield India REIT recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets—unrecognized or recognized, are reviewed at each reporting date and are recognized/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized. Further, no deferred tax asset/liabilities are recognized in respect of temporary differences that reverse within tax holiday period.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Brookfield India REIT expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

q) Provisions and contingencies

A provision is recognized when the Brookfield India REIT has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Brookfield India REIT or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Brookfield India REIT does not recognize a contingent liability but discloses its existence in the financial statements.

r) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108- Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Chief Operating Decision Maker ('CODM') to allocate resources to the segments and assess their performance. An operating segment is a component of the Brookfield India REIT that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Brookfield India REIT other components.

Based on an analysis of Brookfield India REIT structure and powers conferred to the Manager to Brookfield India REIT, the Governing Board of the Manager (Brookprop Management Services Private Limited) has been identified as the Chief Operating Decision Maker ('CODM'), since they are empowered for all major decisions w.r.t. the management, administration, investment, disinvestment, etc.

As the Brookfield India REIT is primarily engaged in the business of developing and maintaining commercial real estate properties in India, CODM reviews the entire business as a single operating segment and accordingly disclosure requirements of Ind AS 108 "Operating Segments" in respect of reportable segments are not applicable.

s) Subsequent events

The Consolidated Financial Statements are prepared after reflecting adjusting and non-adjusting events that occur after the reporting period but before the Consolidated Financial Statements are authorized for issue.

t) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

u) Earnings per unit

Basic earnings per unit are calculated by dividing the net profit / (loss) for the period attributable to unit holders of the Brookfield India REIT by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the profit or loss for the period attributable to unit holders of the Brookfield India REIT and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Dilutive potential units are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per unit, only potential equity units that are dilutive and which either reduces earnings per unit or increase loss per units are included.

v) Consolidated Statement of Cash flows

Consolidated Cash flows are reported using the indirect method, whereby Profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated. For the purpose of the Consolidated Statement of Cash Flow, cash and cash equivalents consist of cash and short-term deposits.

w) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

x) Business Combination/Asset Acquisition

The amendment to Ind AS 103 Business Combinations clarifies that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

Brookfield India REIT has opted to apply optional concentration test in respect of acquisition of SPVs. Refer Note 45 of the financial statements for details.

y) Cash distribution to Unitholders

The Brookfield India REIT recognizes a liability to make cash distributions to Unitholders when the distribution is authorized and a legal obligation has been created. As per the REIT Regulations, a distribution is authorized when it is approved by the Board of Directors of the Manager. A corresponding amount is recognized directly in equity. (also refer note 15(a)(i)).

(All amounts are in Rupees million unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Particulars	Gross block					Accumulated depreciation				Net block	
	Balance as at July 18, 2020	Additions due to assets acquisition*	Additions during the period	Deletions/ Adjustments	Balance as at March 31, 2021	Balance as at July 18, 2020	Charge for the period	Deletions/ Adjustments	Balance as at March 31, 2021	Balance as at March 31, 2021	Balance as at March 31, 2020
Assets (site)											
Air conditioner	-	0.07	-	-	0.07	-	-	-	-	0.07	-
Building	-	-	-	-	-	-	-	-	-	-	-
Computers	-	0.08	-	-	0.08	-	-	-	-	0.08	-
Plant and machinery	-	0.02	-	-	0.02	-	-	-	-	0.02	-
Furniture and fixtures	-	1.45	-	(0.02)	1.43	-	0.09	-	0.09	1.34	-
Office equipment	-	0.28	-	-	0.28	-	0.00	-	0.00	0.28	-
Vehicle	-	-	-	-	-	-	-	-	-	-	-
Sub total	**-**	**1.90**	**-**	**(0.02)**	**1.88**	**-**	**0.09**	**-**	**0.09**	**1.79**	-
Assets (maintenance)											
Air conditioner	-	1.04	2.07	-	3.11	-	0.07	-	0.07	3.04	-
Plant and machinery	-	63.19	3.47	(0.12)	66.54	-	1.02	-	1.02	65.52	-
Furniture and fixtures	-	26.53	0.16	-	26.69	-	0.89	-	0.89	25.80	-
Office equipment	-	4.87	-	-	4.87	-	0.52	-	0.52	4.35	-
Electrical fittings	-	0.60	-	-	0.60	-	0.01	-	0.01	0.59	-
Kitchen Equipments	-	0.08	-	-	0.08	-	0.00	-	0.00	0.08	-
Sub total	**-**	**96.31**	**5.70**	**(0.12)**	**101.89**	**-**	**2.51**	**-**	**2.51**	**99.38**	**-**
TOTAL	-	98.21	5.70	(0.14)	103.77	-	2.60	-	2.60	101.17	-
Intangible Assets											
Softwares	-	0.46	-	-	0.46	-	0.04	-	0.04	0.42	-
GRAND TOTAL	**-**	**98.67**	**5.70**	**(0.14)**	**104.23**	**-**	**2.64**	**-**	**2.64**	**101.59**	**-**

*Above assets have been acquired as part of assets acquisition. Refer note 2.1 Basis for consolidation and note 45.

(All amounts are in Rupees million unless otherwise stated)

4 INVESTMENT PROPERTY

Particulars	Gross block					Accumulated depreciation				Net block	
	Balance As at July 18, 2020	Additions due to assets acquisition*	Additions during the period	Deletions/ Adjustments	Balance As at March 31, 2021	Balance As at July 18, 2020	Charge for the period	Deletions/ Adjustments	Balance As at March 31, 2021	Balance As at March 31, 2021	As at March 31, 2020
Assets (constructed), given/ expected to be given on operating lease											
Freehold land	-	25,580.44	-	-	25,580.44	-	-	-	-	25,580.44	-
Buildings	-	70,466.26	112.55	-	70,578.81	-	205.04	-	205.04	70,373.77	-
Air conditioners	-	1,210.61	(0.63)	-	1,209.98	-	22.77	-	22.77	1,187.21	-
Electrical fittings & equipment	-	805.03	0.97	-	806.00	-	30.92	-	30.92	775.08	-
Plant and machinery	-	877.38	3.28	-	880.66	-	17.91	-	17.91	862.75	-
Diesel generator sets	-	651.23	-	-	651.23	-	12.98	-	12.98	638.25	-
Furniture and fixtures	-	262.99	-	(0.01)	262.98	-	21.22	-	21.22	241.76	-
Right of use (leasehold land)	-	459.96	-	-	459.96	-	0.87	-	0.87	459.09	-
Office Equipment	-	16.87	-	-	16.87	-	1.01	-	1.01	15.86	-
Computers	-	0.88	0.26	-	1.14	-	0.06	-	0.06	1.08	-
Sub total	**-**	**100,331.65**	**116.43**	**(0.01)**	**100,448.07**	**-**	**312.78**	**-**	**312.78**	**100,135.29**	**-**
Assets (food court), given/ expected to be given on operating lease											
Air conditioner	-	7.05	-	-	7.05	-	0.13	-	0.13	6.92	-
Furniture & fixtures	-	29.67	-	-	29.67	-	1.43	-	1.43	28.24	-
Plant and machinery	-	4.81	-	-	4.81	-	0.09	-	0.09	4.72	-
Office equipment	-	2.12	-	-	2.12	-	0.08	-	0.08	2.04	-
Kitchen equipment	-	2.52	-	-	2.52	-	0.17	-	0.17	2.35	-
Computers	-	0.20	-	-	0.20	-	-	-	-	0.20	-
Sub total	**-**	**46.37**	**-**	**-**	**46.37**	**-**	**1.90**	**-**	**1.90**	**44.47**	**-**
Sub total - Investment Property	**-**	**100,378.02**	**116.43**	**(0.01)**	**100,494.44**	**-**	**314.68**	**-**	**314.68**	**100,179.76**	**-**
Investment property - under development											
Work in progress	-	723.34	172.02	(103.62)	791.74	-	-	-	-	791.74	-
Sub total - Investment Property under development	**-**	**723.34**	**172.02**	**(103.62)**	**791.74**	**-**	**-**	**-**	**-**	**791.74**	**-**
Total	**-**	**101,101.36**	**288.45**	**(103.63)**	**101,286.18**	**-**	**314.68**	**-**	**314.68**	**100,971.50**	**-**

*Above assets have been acquired as part of assets acquisition. Refer note 2.1 Basis for consolidation and note 45.

Note:

(i) Borrowing costs capitalized during the period amounts to ₹ 3.25 million (refer note 29). The rate used to determine the amount of borrowing costs eligible for capitalisation was 9.76% for SPPL Noida and 9.05% for Candor Kolkata.

(All amounts are in Rupees million unless otherwise stated)

(ii) The fair value of investment property (including under development) as at March 31, 2021 amounts to ₹ 114,808.00 million, as per valuations performed by external property valuers who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The valuers have followed a Discounted Cash Flow method. The discounted cash flow method considers the present value of net cash flows to be generated from the respective properties, taking into account the expected rental growth rate, vacancy period, occupancy rate, average sq. ft. rent and lease incentive costs. The expected net cash flows are discounted using the risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality, lease terms and investors expected return. The fair value measurement of investment property has been categorized as Level 3.

(iii) Refer Note 34 for disclosure of contractual commitments for purchase, construction or development of investment property.

(iv) Refer note 17(a) in respect of investment property given as security in respect of secured borrowing taken from banks/others.

(v) Candor Kolkata has received reimbursement from its customers for certain assets constructed / acquired on the specific requirement of the customer. The cost of the assets are included in fixed assets and the reimbursement has been disclosed as deferred income (also refer note 20 and 24).

(vi) Information regarding income and expenditure of Investment property

	From July 17, 2020 to March 31, 2021
Rental and maintenance income derived from investment property	1,306.28
Less: Direct operating expenses generating rental income*	(290.39)
Profit arising from investment property before depreciation and indirect expenses	**1,015.89**

* No direct operating expenses have been incurred during the reporting period that did not generate rental income.

(vii) Reconciliation for total depreciation expense:

	From July 17, 2020 to March 31, 2021
Total depreciation on property, plant and equipment for the period	2.64
Total depreciation on investment property for the period	314.68
Less:- Depreciation during the construction period on site assets - capitalized	(0.09)
Less:- Depreciation during the construction period on Right of use (leasehold land)	(0.48)
Depreciation expense for the period	**316.75**

(All amounts are in Rupees million unless otherwise stated)

5 NON CURRENT FINANCIAL ASSETS - LOANS

	As at March 31, 2021
(Unsecured and considered good)	
Security deposits	517.38
	517.38
Loans receivables considered good - Secured	-
Loans receivables considered good - Unsecured	517.38
Loans receivables which have significant increase in credit risk	-
Loans receivables - credit impaired	-

6 NON CURRENT FINANCIAL ASSETS - OTHER

	As at March 31, 2021
(Unsecured and considered good)	
Fixed deposits with banks*	257.53
Interest accrued but not due on fixed deposits with banks	1.50
Lease rent equalization**	22.80
	281.83

* These fixed deposits are of restricted use being lien against debt service reserve account, bank guarantees given to various authorities and given as security for sales tax registration.

**Lease rent equalization are classified as Financial assets as right to consideration is unconditional and is due only after passage of time.

7 NON-CURRENT TAX ASSETS (NET)

	As at March 31, 2021
Advance income tax	1,407.42
	1,407.42

8 OTHER NON-CURRENT ASSETS

	As at March 31, 2021
(Unsecured and considered good)	
Capital advances	21.14
Prepaid expenses	5.96
Balance recoverable from government authorities	10.94
	38.04

9 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

	As at March 31, 2021
Trade receivables considered good - unsecured	204.35
Trade receivables - credit impaired	49.10
Less: loss allowance	(49.10)
	204.35

(All amounts are in Rupees million unless otherwise stated)

10 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

	As at March 31, 2021
Balance with banks :	
- in current account	1,132.32
- in deposit account (with original maturity of 3 months or less)	590.00
- in escrow account*	1,432.87
	3,155.19

* Represents the balance ₹ 1,432.87 million from proceeds of initial public offer of Brookfield India REIT Units (Total proceeds ₹ 38,000.00 million). These amounts are held in the escrow account can be withdrawn for certain specific purposes.

11 OTHER BANK BALANCES

	As at March 31, 2021
Deposit account with original maturity of more than 3 months and upto 12 months*	150.65
	150.65

* These fixed deposits includes ₹ 31.04 million are of restricted use being lien against bank guarantees given to various authorities and ₹ 29.60 million being lien marked in favor of lendor for existing loan facility for DSRA requirement.

12 CURRENT FINANCIAL ASSETS - LOANS

	As at March 31, 2021
(Unsecured and considered good)	
To parties other than related parties	
Security deposits	0.01
(Unsecured and considered doubtful)	
Advances to vendors	0.36
Less: loss allowance	(0.36)
	0.01
Loans receivables considered good - secured	-
Loans receivables considered good - unsecured	0.01
Loans receivables which have significant increase in credit risk	0.36
Loans receivables - credit impaired	-
Less: loss allowance	(0.36)
	0.01

13 CURRENT FINANCIAL ASSETS - OTHER

	As at March 31, 2021
(Unsecured and considered good)	
To parties other than related parties	
Unbilled revenue*	79.63
Interest accrued but not due on fixed deposits with banks	1.94
Lease rent equalization*	1.64
Other receivables	77.93
To related parties (refer note 41)	
Other receivables	1.99
	163.13

*Classified as financial assets as right to consideration is unconditional and is due only after passage of time.

(All amounts are in Rupees million unless otherwise stated)

14 OTHER CURRENT ASSETS

	As at March 31, 2021
(Unsecured and considered good)	
Advances to vendors	31.36
Prepaid expenses	32.02
Balance recoverable from government authorities	93.93
	157.31

15 UNIT CAPITAL

	No. of Units	Amount
As at July 17, 2020	-	-
Units issued during the period		
- pursuant to the initial public offer, issued, subscribed and fully paid-up in cash (refer note ii below)	138,181,800	38,000.00
- in exchange for equity interest in SPVs (refer note iii below)	127,892,403	35,170.41
- in exchange for 12% Compulsorily Convertible Debenture in Candor Kolkata	36,727,398	10,100.03
Less: Issue expenses (refer note below)	-	(1,495.66)
Closing balance as at March 31, 2021	**302,801,601**	**81,774.78**

Note: Issue expenses pertaining to the Initial Public Offering (IPO) of the Units on the National Stock Exchange and Bombay Stock Exchange have been reduced from the Unitholders capital as at March 31, 2021 in accordance with Ind AS 32 - Financial Instruments: Presentation.

(a) Terms/ rights attached to Units and accounting thereof

(i) The Trust has only one class of Units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of Units is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the REIT Regulations. The Board of Directors of the Investment Manager approves dividend distributions. The distribution will be in proportion to the number of Units held by the Unitholders. The Trust declares and pays dividends in Indian Rupees.

Under the provisions of the REIT Regulations, Brookfield India REIT is required to distribute to Unitholders not less than 90% of the net distributable cash flows of Brookfield India REIT for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Brookfield India REIT to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/146/2016 dated December 29, 2016 and No. CIR/IMD/DF/141/2016 dated December 26, 2016) issued under the REIT Regulations, the Unit Capital have been presented as “Equity” in order to comply with the requirements of Section H of Annexure A to the SEBI Circular dated December 26, 2016 dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders’ Equity when the distributions are approved by the Board of Directors of Investment Manager.

(ii) Initial Public Offering of 138,181,800 Units for cash at price of ₹ 275 per Unit aggregating to ₹ 38,000.00 million.

(iii) Brookfield India REIT acquired the SPVs by acquiring all the equity interest held by our Sponsor and certain members of our Sponsor Group. The acquisition of equity interest in the SPVs has been done by issue of 127,892,403 Units of ₹ 275 each as per the table below.

(All amounts are in Rupees million unless otherwise stated)

Name of SPV	Number of Units allotted for acquiring all the equity interest held in the SPVs		
	Sponsor	Sponsor Group (excluding Sponsor)	Total
Candor Kolkata	54,117,888	16,364	54,134,252
Festus	-	31,474,412	31,474,412
SPPL Noida	-	41,483,012	41,483,012
CIOP	-	800,727	800,727
Total number of Units issued	**54,117,888**	**73,774,515**	**127,892,403**

(b) Unitholders holding more than 5 percent Units in the Trust

Name of Unitholders	No. of Units	% of holdings
BSREP India Office Holdings V Pte. Ltd.	54,117,888	17.87%
BSREP India Office Holdings Pte Ltd.	41,499,373	13.71%
BSREP India Office Holdings III Pte. Ltd.	36,727,398	12.13%
BSREP II India Office Holdings II Pte. Ltd.	28,086,775	9.28%

(c) The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of registration till the balance sheet date. Further, the Trust has not issued any units for consideration other than cash from the date of registration till the balance sheet date, except as disclosed above.

16 OTHER EQUITY*

	As at March 31, 2021
Reserves and Surplus	
Retained earnings	252.75
	252.75

*Refer Consolidated Statement of Changes in Unitholders' Equity for detailed movement in other equity balances.

Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Brookfield India REIT is recognized and accumulated under the heading of retained earnings. At the end of the year, the profit/(loss) after tax is transferred from the Statement of Profit and Loss to the retained earnings account.

17 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at March 31, 2021
Secured	
Term loan from financial institutions	21,015.17
Total Borrowings	**21,015.17**

(a) Terms for secured loan

As at March 31, 2021

(i) HDFC Limited (balance as at March 31, 2021 : ₹ 12,491.75 million)

Nature of Loan	Security	Terms of repayment
Lease rent discounting & Line of Credit Interest @ PLR (-)spread (Term : 12 Year)	The term loan is secured by way of charge on hypothecation of receivables, movable assets, insurance policies, lease agreement, bank accounts, mortgage on immovable properties including land and pledge of 51% of share capital of the Candor Kolkata on fully diluted basis.	Principle repayment: Upon completion of 60 months from the first drawdown date, the LRD facility shall be repaid in 84 monthly instalments comprising of principle repayment and interest payment at the applicable interest rate. Interest repayment: At the applicable rate of interest on the outstanding principle of LRD facility will be paid monthly on each interest payment date of the LRD facility from the date of first disbursement till commencement of monthly instalments.

(All amounts are in Rupees million unless otherwise stated)

Prime lending rate (PLR)

Note - The carrying value of assets pledged against secured loans is : (a) Trade receivables - ₹ 110.67 million, (b) Cash and cash equivalents - ₹ 1,197.50 million (c) Property, plant and equipment -₹ 65.19 million and (d) Investment property - ₹ 18,992.16 million.

(ii) HDFC Limited (balance as at March 31, 2021 : ₹ 2,077.76 million)

Nature of Loan	Security	Terms of repayment
Lease rent discounting & Line of Credit Interest @ PLR (-)spread (Term : 12 Year)	The term loan is secured by hypothecation of movable assets, mortgage on immovable properties, pledge of shares of the SPPL Noida held by the holding Company, charge on bank accounts and insurance policies, escrow on receivables of the Company, demand promissory note in favour of the lender.	Principle repayment: Upon completion of 60 months from the first drawdown date, the LRD facility shall be repaid in 84 monthly instalments comprising of principle repayment and interest payment at the applicable interest rate. Interest repayment: At the applicable rate of interest on the outstanding principle of LRD facility will be paid monthly on each interest payment date of the LRD facility from the date of first disbursement till commencement of monthly instalments.

Prime lending rate (PLR)

Note - The carrying value of financial assets pledged against secured loans is : (a) Trade receivables - ₹ 46.90 million, (b) Cash and cash equivalents - ₹ 144.09 million ,(c) Property, plant and equipment -₹ 18.88 million and (d) Investment property - ₹ 8,339.58 million.

(iii) HDFC Limited (balance as at March 31, 2021 : ₹ 6,445.66 million)

Nature of Loan	Security	Terms of repayment
Lease rent discounting Interest @ CPLR (-) spread (Term : 12 Year)	The term loan is secured by charge on immovable assets (including buildings), bank accounts, insurance policies, receivables, underlying land for which rights owned by the Company and demand promissory note in favour of the lender. Further term loan is secured by pledge, to be created on shares of the Company constituting 51% of the issued and outstanding equity share capital.	Principle repayment: Upon completion of 60 months from the first drawdown date, the LRD facility shall be repaid in 84 monthly instalments comprising of principle repayment and interest payment at the applicable interest rate. Interest repayment: At the applicable rate of interest on the outstanding principle of LRD facility will be paid monthly on each interest payment date of the LRD facility from the date of first disbursement till commencement of monthly instalments.

Prime lending rate (PLR)

Note - The carrying value of assets pledged against secured loans is : (a) Trade receivables - ₹ 46.78 million, (b) Cash and cash equivalents - ₹ 60.50 million ,(c) Property, plant and equipment -₹ 28.17 million and (d) Investment property - ₹ 16,039.89 million.

(b) Changes in liabilities arising from financing activities

	From July 17, 2020 to March 31, 2021
Opening balance (Debts & Lease liability)	-
Acquired on assets acquisition	56,987.28
Cash movement	
Additional borrowing during the period	21,200.00
Repayment during the period	(56,876.43)
Finance cost paid during the period	(592.85)
Non cash movement	
Finance cost (accrued) refer note 29	414.02
Other non cash changes in finance cost	(19.31)
Closing balance (Debts & Lease liability)	**21,112.71**

(All amounts are in Rupees million unless otherwise stated)

18 NON-CURRENT FINANCIAL LIABILITIES - OTHERS

	As at March 31, 2021
Security deposit from lessee	1,393.07
Retention money	19.20
Lease liabilities	87.12
	1,499.39

19 LONG-TERM PROVISIONS

	As at March 31, 2021
Provision for gratuity	10.86
	10.86

20 OTHER NON-CURRENT LIABILITIES

	As at March 31, 2021
Deferred income	318.67
Contract liability*	67.80
	386.47

* During the half year ended March 31, 2021, Candor Kolkata One Hi-Tech Structures Private Limited entered into a Joint Development Agreement with Gurgaon Infospace Limited (GIL) by which GIL will pay ₹ 1,000 million in various tranches commencing January 2021 to October 2023 for the development/construction of building used for commercial and retail purposes on certain land parcels, the title of which is held by Candor Kolkata One Hi-Tech Structures Private Limited. Under the said agreement, Candor Kolkata One Hi-Tech Structures Private Limited is entitled to 72% of the gross sale receipts and deposits from the tenants arising out of the lease of the developed areas and GIL is entitled to receive balance 28%. The amount received during the period ended March 31, 2021 of ₹ 80 million (inclusive GST of ₹ 12.20 million) is presented as contract liability.

21 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

	As at March 31, 2021
Total outstanding dues to micro enterprises and small enterprises	1.09
Total outstanding dues to creditors other than micro enterprises and small enterprises*	444.41
	445.50

*For balance payable to related parties, refer note 41

22 CURRENT - OTHER FINANCIAL LIABILITIES

	As at March 31, 2021
Security deposit from lessee	2,337.00
Retention money	136.30
Capital creditors	293.37
Employee related payables	11.51
Lease liabilities	10.42
Other payables	1,215.61
	4,004.21

23 SHORT TERM PROVISIONS

	As at March 31, 2021
Provision for gratuity	0.08
Provision for compensated absences	4.41
	4.49

(All amounts are in Rupees million unless otherwise stated)

24 OTHER CURRENT LIABILITIES

	As at March 31, 2021
Advance from customers	42.49
Statutory dues payable	177.66
Deferred income	168.29
Other payables	7.57
	396.01

25 REVENUE FROM OPERATIONS

	From July 17, 2020 to March 31, 2021
Sale of services	
Income from operating lease rentals *	943.40
Income from maintenance services	362.88
	1,306.28
Sale of products	
Sale of food and beverages	2.90
Others	0.24
Total revenue from operations	**1,309.42**

* Assets given on operating lease

26 OTHER INCOME

	From July 17, 2020 to March 31, 2021
Interest income from financial assets at amortized cost	
Interest income on fixed deposits with banks	3.21
Other interest	2.49
Others	
Income from scrap sale	1.64
Interest on income tax refund	7.55
Liabilities/provisions no longer required written back	0.02
Miscellaneous income	36.74
	51.65

27 COST OF MATERIALS CONSUMED

	From July 17, 2020 to March 31, 2021
Opening stock	-
Add: purchases during the period	2.24
Add: Others	0.24
Less: Closing stock	-
	2.48

28 EMPLOYEE BENEFITS EXPENSE

	From July 17, 2020 to March 31, 2021
Salaries, wages and bonus	25.32
Contributions to provident fund	1.41
Gratuity expense*	1.08
Compensated absences*	0.29
	28.10

* Refer note 42

(All amounts are in Rupees million unless otherwise stated)

29 FINANCE COSTS

	From July 17, 2020 to March 31, 2021
Interest and finance charges on financial liabilities at amortized cost	
Interest on term loan	289.04
Interest on non-convertible bonds	0.76
Interest on lease liability	1.57
Others	
Other borrowing costs	122.65
	414.02
Less: Transferred to investment property under development	(3.25)
	410.77

30 DEPRECIATION AND AMORTIZATION EXPENSES

	From July 17, 2020 to March 31, 2021
- on property plant and equipment and intangible assets	2.55
- on investment property	314.20
	316.75

31 OTHER EXPENSES

	From July 17, 2020 to March 31, 2021
Property management fees	55.01
Power and fuel	92.48
Repair and maintenance	99.31
Insurance	4.64
Legal and professional expense	55.16
Audit fees (refer note"a" below)	17.64
Rates and taxes	20.00
Brokerage	0.05
Facility usage fees	5.46
Lease rent	0.90
Credit Impaired	23.32
Allowance for credit loss	0.05
Advances written off	1.27
Corporate social responsibility expenses	1.97
Property, plant and equipment written off	0.15
Miscellaneous expenses	68.14
	445.55

a) Details of remuneration to auditors

	From July 17, 2020 to March 31, 2021
As auditor (on accrual basis, excluding applicable taxes)	
- for statutory audit	17.64
- for reimbursement of expenses	-
	17.64

32 TAX EXPENSE (REFER NOTE 43)

	From July 17, 2020 to March 31, 2021
Current tax	
- for current period	0.44
- for earlier years	18.89
Deferred tax charge / (credit)	(122.93)
	(103.60)

(All amounts are in Rupees million unless otherwise stated)

33 CONTINGENT LIABILITIES

	As at March 31, 2021
Claims against the SPVs not acknowledged as debt in respect of Income-Tax matters (Refer note 1 below)	776.80
Claims against the SPVs not acknowledged as debt in respect of Indirect tax {VAT/Work contract/Entry tax} (Refer note 2 below)	2.67
Grand Total	**779.47**

Note 1	As at March 31, 2021
Candor Kolkata One Hi-Tech Structures Private Limited	762.54
Shantiniketan Properties Private Limited	14.26
Total	**776.80**

Contingent liabilities as at March 31, 2021 includes penalty amounting to ₹ 485.38 million in relation to disallowance of settlement fees paid in earlier years for termination of contract. Other contingencies include ₹ 291.42 million relating to other disallowances under the Income Tax Act, 1961.

The tax officer has set-off certain tax refund claimed in Income tax returns against these demands.

Note 2	As at March 31, 2021
Shantiniketan Properties Private Limited *	2.67
Total	**2.67**

* The Company has given a bank guarantee of ₹ 1 million to Member Secretary UP Pollution Control Board.

34 COMMITMENTS

	As at March 31, 2021
Capital commitments (net of advances)	327.47
The SPV wise details of capital commitments are as follows:	
Candor Kolkata One Hi-Tech Structures Private Limited	59.19
Shantiniketan Properties Private Limited	268.28
	327.47

Other commitments

Candor Kolkata One Hi-Tech Structures Private Limited (formerly known as “Candor Gurgaon Two Developers & Projects Private Limited”; now amalgamated in Candor Kolkata One Hi-Tech Structures Private Limited w.e.f. April 01, 2017) has an agreement with Gurgaon Infospace Limited (GIL). The title to the land is held by Gurgaon Infospace Limited, a third party and is not affiliated to the Candor Kolkata One Hi-Tech Structures Private Limited. Candor Kolkata One Hi-Tech Structures Private Limited has developmental rights with respect to the property pursuant to a Joint Development Agreement (JDA) with GIL entered on November 16, 2006 as amended from time to time. Under the said agreement Candor Kolkata One Hi-Tech Structures Private Limited is entitled to 72% of the gross sale receipts and deposits from the tenants arising out of the lease of the developed areas and GIL is entitled to receive balance 28%.

In supplement to earlier JDA, a new co-development agreement was entered into between GIL (the developer) and Candor Kolkata One Hi-Tech Structures Private Limited (the co-developer) on September 17, 2007 as amended from time to time under which the developer and co-developer will jointly carry out the process of installation of fit-outs & fixtures and the cost of such installation shall be shared by the developer and co-developer in the same ratio as to sharing of gross proceeds i.e. 28% and 72% respectively. This agreement is accounted as joint operations as per Ind AS 111.

(All amounts are in Rupees million unless otherwise stated)

35 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

i) Financial instruments by category and fair value

The below table summarizes the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. There are no financial instruments, which are subsequently measured at fair value.

	Carrying value	Fair value
	As at March 31, 2021	As at March 31, 2021
At Amortized Cost		
Financial assets		
Trade receivables #	204.35	204.35
Cash and cash equivalents #	3,155.19	3,155.19
Other bank balances #	150.65	150.65
Loans #	517.39	517.39
Other financial assets #	444.96	444.96
Total financial assets	**4,472.54**	**4,472.54**
At Amortized Cost		
Financial liabilities		
Borrowings #	21,015.17	21,015.17
Trade payables #	445.50	445.50
Other financial liabilities # @	5,406.06	5,406.06
Total financial liabilities	**26,866.73**	**26,866.73**

fair value of financial assets and financial liabilities which are recognized at amortized cost has been disclosed to be same as carrying value as the carrying value approximately equals to their fair value.

@ other financial liabilities exclude ₹ 97.54 million as of March 31, 2021 , towards lease liabilities.

36. FINANCIAL RISK MANAGEMENT

i. Risk management framework

The Board of directors of the Manager has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management framework. The committee reports regularly to the board of directors on its activities.

The Group's risk management framework are established to identify and analyse the key risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management framework and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The risk management committee oversees compliance with the Group's risk management framework and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The risk management committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to The Board of directors of the Manager.

The Group's financial risk management is carried out by a treasury department (Group's treasury). The Group's treasury identifies, evaluates and hedges financial risks.

ii. Credit risk

Credit risk is the risk of the financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group ensures through appropriate background checks that the office premises are leased to parties of repute and of good credit standing only. It has also taken refundable interest free security deposits equivalent to 3-6 months of lease rentals from its customers. Further Management also monitors its receivables on a monthly basis and does not expect any default of its trade receivables. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks. However, the maximum amount exposed to credit risk is limited to amount disclosed in financial statements.

(All amounts are in Rupees million unless otherwise stated)

Movement in loss allowance for trade receivables during the period, which is primarily on account of tax recovery as summarized below:

	From July 17, 2020 to March 31, 2021
Balance at the beginning of the period	49.05
Loss allowance created/ (reversed) during the period	0.05
Balance at the end of the period	**49.10**

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's primary sources of liquidity include cash, undrawn borrowings, construction facilities and cash flow from operating activities. The Group seeks to increase income from its existing properties by maintaining quality standards for its properties that promote high occupancy rates and support increases in rental rates while reducing tenant turnover and related costs, and by controlling operating expenses.

Consequently, the Group believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the Group projects cash flows and considering the level of liquid assets necessary to meet liquidity requirement.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

March 31, 2021	Carrying amount	Contractual cash flows			
		Total	0 -1 years	1 -5 years	Above 5 years
Non-derivative financial liabilities					
Borrowings					
- Term loans (including current maturities and interest accrued)	21,015.17	35,444.14	1,515.80	6,109.90	27,818.44
Trade payables	445.50	445.50	445.50	-	-
Other financial liabilities (excluding current maturities of term loan)	5,503.60	7,108.51	4,679.10	1,649.57	779.84

The Group has undrawn borrowing facilities amounting to ₹ 2,800.00 million with following expiry:

Particulars	Expiring within			
	Total	0 -1 years	1 -5 years	Above 5 years
As at 31 March 2021	2,800.00	-	2,800.00	-

iv. Market risk

The Group is exposed to market risk preliminary relating to the risk of changes in market prices (including lease rentals) that will affect the Group's income or expense or the value of its holdings of financial instruments.

a) Currency risk

The Group's exposure to foreign currency risk is mainly on account of imports of capital goods, which is not material in proportion to the total expenses incurred by the Group.

There are no foreign currency receivable/payable as at March 31, 2021.

(All amounts are in Rupees million unless otherwise stated)

b) Interest rate risk

The Group is exposed to both fair value interest rate risk as well as cash flow interest rate risk arising both on short-term and long-term floating rate instruments as well as on the refinancing of fixed rate instrument. The Group's borrowings are principally denominated in Indian Rupees.

The fair value interest rate risk is the risk of changes in fair values of fixed interest bearing borrowings because of fluctuations in the interest rates and possible requirement to refinance such instruments. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Cash flow sensitivity analysis for variable-rate instruments

The Group has Borrowings with variable-rate of interest amounting to ₹ 21,015.17 million. A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss (before tax) by the amounts shown below. This analysis assumes that all other variables remain constant. The amounts shown below are net off borrowing cost capitalisation of ₹ 1.68 million using capitalisation rate of respective year.

₹ M	Profit/ (Loss) 100 bp increase
March 31, 2021	
Variable-rate instruments	(208.49)
Cash flow sensitivity (net)	**(208.49)**

37 SEGMENT REPORTING

a) Ind AS 108 establishes requirements to identify the operating segment and related disclosures, basis how the Chief Operating Decision Maker ('CODM') evaluates the performance and allocates resources to different segments. Based on an analysis of Brookfield India REIT structure and powers conferred to the Manager to REIT, the Governing Board of the Manager (Brookprop Management Services Private Limited) has been identified as the Chief Operating Decision Maker ('CODM'), since they are empowered for all major decisions w.r.t. the management, administration, investment, disinvestment, etc.

As the Group is primarily engaged in the business of developing and maintaining commercial real estate properties in India, CODM reviews the entire business as a single operating segment and accordingly disclosure requirements of Ind AS 108 "Operating Segments" in respect of reportable segments are not applicable.

b) Customer A represented 17.18%, Customer B represented 16.18% and Customer C represented 10.71% of revenues for the period ended March 31, 2021.

Additional financial disclosures as required under para 4 of SEBI circular CIR/IMD/DF/141/2016 dated December 26, 2016

38 STATEMENT OF PROPERTY WISE RENTAL/OPERATING INCOME

S. No	Entity and Property name	Property Address	Location	Nature of Income	From July 17, 2020 to March 31, 2021
1	Candor Kolkata One Hi-Tech Structures Private Limited	Candor TechSpace IT/ITES Park SEZ, Dundahera, Sector-21 Gurgaon, Haryana-122016	Gurgaon	Rental income and other operating income	555.41
2	Candor Kolkata One Hi-Tech Structures Private Limited	IT/ITES Park SEZ, Candor TechSpace, Action Area- 1 D, New Town, Rajarhat, Kolkata-700156	Kolkata	Rental income and other operating income	306.70
3	Shantiniketan Properties Private Limited	IT/ITES Park, Candor TechSpace, Institutional Plot No B/2 - 62, Sector 62 , NOIDA, Uttar Pradesh- 201309	Noida	Rental income and other operating income	175.68
4	Festus Properties Private Limited	Kensington A and B, IT / ITES Park, Kensington SEZ Building, Hiranandani Business Park, Powai Mumbai, Mumbai City, Maharashtra-400076	Mumbai	Rental income and other operating income	271.63
5	Candor India Office Parks Private Limited	F-83, Profit Centre, Gate No. 1, Mahavir Nagar, Near Pizza Hut, Kandivali (W), Mumbai-400067	Mumbai	Property management fees	-
Total					**1,309.42**

(All amounts are in Rupees million unless otherwise stated)

39 EARNINGS PER UNIT (EPU)

Basic EPU amounts are calculated by dividing the profit for the period/ year attributable to Unitholders by the weighted average number of units outstanding during the period/ year. Diluted EPU amounts are calculated by dividing the profit attributable to Unitholders by the weighted average number of units outstanding during the period/ year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital. The Units of the Trust were allotted on February 08, 2021 and February 11, 2021.

Particulars	From July 17, 2020 to March 31, 2021
Profit/(Loss) after tax for calculating basic and diluted EPU	253.03
Weighted average number of Units (Nos.)	59,423,015
Earnings Per Unit	
- Basic (Rupees/unit)	4.26
- Diluted (Rupees/unit)*	4.26

* The Trust does not have any outstanding dilutive units.

40 CAPITALIZATION STATEMENT

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's capital structure mainly constitutes equity in the form of unit capital and debt. The projects of SPVs are initially funded through construction financing arrangements. On completion, these loans are restructured into lease-rental discounting arrangements or debentures. The Group's capital structure is influenced by the changes in regulatory framework, government policies, available options of financing and the impact of the same on the liquidity position.

The Group monitors Capital using ratio of 'Net debt' to 'Gross asset value (GAV) of all SPVs. For this purpose, Net debt is defined as Long-term borrowings + Short-term borrowings + current maturities of long-term borrowings. The Group's adjusted Net debt to GAV ratio as at March 31, 2021 is as follows:

Particulars	As at March 31, 2021
Borrowings	21,015.17
Lease Liability	97.54
Gross debt	**21,112.71**
Less : Cash and cash equivalents	(3,155.19)
Adjusted Net debt	**17,957.52**
Unitholders' Funds	
-Unit capital	81,774.78
-Other equity	252.75
Total Shareholder's funds	**82,027.53**
Debt/Equity Ratio	**0.22**

41 RELATED PARTY DISCLOSURES

A. Parties to Brookfield India REIT as at March 31, 2021

BSREP India Office Holdings V Pte Ltd- Sponsor

Brookprop Management Services Private Limited - Investment Manager

Axis Trustee Services Limited—Trustee

The Ultimate parent entity and sponsor groups, with whom the group has related party transactions during the period, consist of the below entities:

BSREP India Office Holdings V Pte Ltd- Sponsor

a) BSREP II India Office Holdings II Pte. Ltd. (BSREP II India)

b) Brookfield Asset Management Inc. (BAM) , ultimate parent entity and controlling party

c) Kairos Property Managers Private Limited (Kairos)

d) BSREP Moon C1 L.P

e) BSREP Moon C2 L.P

(All amounts are in Rupees million unless otherwise stated)

f) BSREP India Office Holdings III Pte Ltd. (BSREP India Office III)

g) BSREP India Office Holdings Pte. Ltd. (BSREP India Holdings)

Brookfield India REIT's interests in subsidiaries are set out in note 1- Organization structure.

Directors & Key personnel of the Investment Manager (Brookprop Management Services Private Limited)

Directors

Akila Krishnakumar (Independent Director)

Shailesh Vishnubhai Haribhakti (Independent Director)

Anuj Ranjan (Non-Executive Director)

Ankur Gupta (Non-Executive Director)

Key personnel

Alok Aggarwal - Managing director and chief executive officer – India office business

Sanjeev Kumar Sharma - Executive vice president and chief financial officer – India office business

B. Related party transactions:

Nature of transaction/ Entity's Name	From July 17, 2020 to March 31, 2021
Trustee Fee Expense	
- Axis Trustee Services Limited	2.21
Total	**2.21**
Reimbursement of expense incurred by (excluding GST)	
- Brookprop Management Services Private Limited	253.25
- BSREP India Office Holdings V Pte Ltd	168.07
- Kairos Property Managers Pvt Ltd	0.05
Total	**421.37**
Reimbursement of expense incurred on behalf of (excluding GST)	
- Mountainstar India Office Parks Private Limited	1.24
Total	**1.24**
Issue of Unit Capital	
- BSREP India Office Holdings V Pte. Ltd.	14,882.42
- BSREP India Office Holdings Pte Ltd.	11,412.33
- BSREP India Office Holdings III Pte. Ltd.	10,100.03
- BSREP II India Office Holdings II Pte. Ltd.	7,723.86
- Kairos Property Managers Pvt Ltd	931.60
- BSREP Moon C1 LP	220.18
- BSREP Moon C2 LP	0.02
Total	**45,270.44**
12% Unsecured Non convertible debentures repaid	
- BSREP II India Office Holdings III Pte. Ltd.	256.00
Total	**256.00**
Interest expense on Unsecured Non convertible debentures	
- BSREP II India Office Holdings III Pte. Ltd.	0.76
Total	**0.76**
Internet & Connectivity Charges	
- Technology Service Group LLC	2.52
Total	**2.52**
Property management fees	
- Brookprop Management Services Private Limited	24.91
- Kairos Property Managers Private Limited	2.69
Total	**27.60**
Compensation to key management personnel	
- Short-term employee benefits	1.40
- Post-employment benefits*	-
- Other long-term benefits	0.06
Total	**1.46**
Provision for Gratuity and compensated absences transfer to	
- Brookprop Management Services Private Limited	3.26
- Arliga India Office Parks Private Limited	0.30
- Equinox Business Parks Pvt Ltd	0.23
- Vrihis Properties Pvt Ltd	0.05
Total	**3.84**
Provision for Gratuity and compensated absences transfer from	
- Equinox Business Parks Pvt Ltd	0.18
- Kairos Property Managers Pvt Ltd	0.24
- Vrihis Properties Pvt Ltd	0.19
Total	**0.61**

(All amounts are in Rupees million unless otherwise stated)

*As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the respective SPV as a whole, the said liabilities pertaining specifically to KMP are not known for current period and hence, not included here .

Outstanding balances	As at March 31, 2021
Trade Payable (excluding GST)	
- Axis Trustee Services Ltd	1.88
- Brookprop Management Services Private Limited	0.61
Total	**2.49**
Other Payable (excluding GST)	
- Brookprop Management Services Private Limited	55.35
- BSREP India Office Holdings V Pte Ltd	168.07
Total	**223.42**
Other receivables	
- Mountainstar India Office Parks Private Limited	1.99
Total	**1.99**
Vendor Advance-Others (net of withholding tax)	
- Technology Service group LLC	17.23
Total	**17.23**

42. EMPLOYEE BENEFITS

a) Defined contribution plan:

The Group makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognized ₹ 1.41 million for Provident Fund contributions, in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

b) Defined benefit obligation

i. Gratuity (included in Note 28 Employee benefits expense)

1) Reconciliation of opening and closing balances of the present value of defined benefit obligation:

Particulars	From July 17, 2020 to March 31, 2021
Change in defined benefit obligations (DBO) during the period	
Present value of DBO at the beginning of the period	9.49
Current service cost	0.94
Interest Cost	0.16
Net actuarial (Gain)/ loss recognized in the period	0.35
Present value of DBO at the end of the period/year	**10.94**

2) Reconciliation of present value of defined benefit obligations & fair value of plan assets:

Particulars	As at March 31, 2021
Present value of defined benefit obligation at the period/year end	10.94
Plan assets at the year end, at fair value	-
Net liability recognized in the balance sheet	**10.94**

(All amounts are in Rupees million unless otherwise stated)

3) Net employee benefit expense (recognized in Employee benefits expense) for the period ended March 31, 2021

Particulars	From July 17, 2020 to March 31, 2021
Components of employer's expense	
Current service cost	0.93
Past Service cost	-
Interest Cost	0.15
Defined benefit cost recognized in the Statement of Profit and Loss	**1.08**

4) Amount recognized in Other Comprehensive Income for the period ended March 31, 2021

Particulars	From July 17, 2020 to March 31, 2021
Net cumulative unrecognized actuarial (gain)/ loss opening	-
Actuarial (gain) / loss for the period/year on PBO	0.35
Actuarial (gain) /loss for the period/year on Asset	-
Unrecognized actuarial (gain)/ loss at the end of the period	**0.35**

5) Actuarial assumptions

Economic Assumptions

- The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.
- The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

	As at March 31, 2021
Discount rate	6.79%
Future Salary escalation	8.00
Expected return on plan assets	-
Demographic Assumption	
Retirement age (Years)	60.00
Mortality Table	IALM (2012-14)

Attrition at ages	Withdrawal Rate (%)
Up to 30 Years	3.00
From 31 to 44 years	2.00
Above 44 years	1.00

6) Sensitivity Analysis of defined benefit obligation

Impact of Change in discount rate	Impact due to increase of 0.5%	Impact due to decrease of 0.5%
Present Value of Obligation at the end of the period/year	(0.73)	0.80

Impact of Change in Salary Increase	Impact due to increase of 0.5%	Impact due to decrease of 0.5%
Present Value of Obligation at the end of the period/year	0.68	(0.65)

7) The Group expects to pay ₹ 5.22 million in contributions to defined benefit plans in the next year.

(All amounts are in Rupees million unless otherwise stated)

8) The following payments are expected from defined benefit obligation in future years:

Particulars	As at March 31, 2021
Within the next 12 months	0.08
Between 2 and 5 years	1.68
Beyond 5 years	9.18
Total expected payments	**10.94**

Other Long term employee benefits

During the period ended March 31, 2021 the Group has incurred an expense on compensated absences amounting to ₹ 0.29 million. The Group determines the expense for compensated absences basis the actuarial valuation of present value of obligation, using the Projected Unit Credit method.

43. TAX EXPENSE

(a) Amounts recognized in Statement of Profit and Loss

	From July 17, 2020 to March 31, 2021
(a) Income tax expense	
Current tax	
- for current period	0.44
- for earlier years	18.89
Total current tax expense	**19.33**
Deferred tax	
(i) Origination and reversal of temporary differences	(122.93)
(ii) Minimum alternate tax credit	
- for the period	-
- for earlier years	-
Deferred tax expense	**(122.93)**
Tax expense for the period	**(103.60)**

(b) Amounts recognized in other comprehensive income

	From July 17, 2020 to March 31, 2021
Deferred income tax liability / (asset), net	
(i) Net (gain)/ loss on remeasurment of define benefit plans	0.07
Tax expense charged in other comprehensive income for the period	**0.07**

(c) Reconciliation of effective tax rate (tax expense and the accounting profit multiplied by India's domestic tax rate)

Particulars	From July 17, 2020 to March 31, 2021
Profit before tax	149.43
Tax at the rates applicable to the respective entities	112.59
Tax effect of:	
Deferred tax assets not recognized because realisation is not probable	51.44
Effect of exempt income	(308.78)
Tax for earlier years	18.89
Effect of non-deductible expenses	43.61
Effect of initial recognition exception	58.08
Others	(79.43)
Tax expense for the period	**(103.60)**

(All amounts are in Rupees million unless otherwise stated)

(d) Deferred tax liabilities (net)

Particulars	Net balance as at February 08, 2021	Recognized in profit or loss	Recognized in other comprehensive income	Net balance as at March 31, 2021	Deferred tax asset as at March 31, 2021	Deferred tax liability as at March 31, 2021
Deferred tax assets (Liabilities)						
Investment property	-	(95.32)	-	(95.32)	-	(95.32)
Borrowings	-	44.20	-	44.20	44.20	-
Unabsorbed depreciation	1,553.37	175.69	-	1,729.06	1,729.06	-
MAT credit entitlement	964.86	-	-	964.86	964.86	-
Others	-	(1.64)	0.07	(1.57)	-	(1.57)
Tax assets (Liabilities)	**2,518.23**	**122.93**	**0.07**	**2,641.23**	**2,738.12**	**(96.89)**

The Group has recognized deferred tax asset of ₹ 1,729.06 million on unabsorbed depreciation and ₹ 964.86 million on MAT credit entitlement, considering the deferred tax liability on temporary differences that will reverse in the future and estimated taxable income for future years.

As at March 31, 2021, unrecognized deferred tax assets amounting to ₹ 565.75 million on unabsorbed interest u/s 94B of Income Tax Act 1961, ₹ 15.71 million on business loss and ₹ 396.99 million on unabsorbed depreciation, has been detailed below. The deferred tax asset has not been recognized on the basis that its recovery is not considered probable in the foreseeable future.

Deductible temporary differences on which deferred tax asset is not recognized:

March 31,	Particulars	Amounts (₹ in M)	Deferred tax asset (₹ in M)
2026	Unabsorbed interest u/s 94B of Income Tax Act 1961	125.68	36.98
2027	Unabsorbed interest u/s 94B of Income Tax Act 1961	147.59	43.52
2028	Unabsorbed interest u/s 94B of Income Tax Act 1961	317.92	93.28
2029	Unabsorbed interest u/s 94B of Income Tax Act 1961	1,186.20	391.97
2029	Unabsorbed business losses	53.96	15.71
Indefinite life period	Unabsorbed depreciation	1,363.30	396.99

Significant management judgement is required in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of taxable income and the period over which deferred tax assets will be recovered. It also depends on availability of taxable temporary differences when the deductible temporary differences are expected to reverse.

44 UNCERTAINTY RELATING TO THE GLOBAL HEALTH PANDEMIC ON COVID-19:

Brookfield India REIT has considered possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts and fair value of investment property (including under development). In developing assumptions relating to possible future uncertainties in the Indian economic conditions because of this pandemic; Brookfield India REIT, as at the date of approval of these Consolidated Financial Statements, has used internal and external sources of information including reports on fair valuation of investment properties from property consultants, economic forecast and other information from market sources on the expected future performance of Brookfield India REIT. Based on this analysis, Brookfield India REIT has concluded that there is no impairment to the carrying amount of investment property and the fair value of investment property disclosed in the Consolidated Financial Statements represents the best estimate based on internal and external sources of information on the reporting date.

The impact of COVID-19 on Brookfield India REIT Consolidated Financial Statements may differ from that estimated as at the date of approval of these Consolidated Financial Statements.

45 ASSETS ACQUISITION

On February 08, 2021 (the acquisition date), Brookfield India REIT acquired 100% of the equity interest and compulsorily convertible debentures of four SPVs as described in more detail in Note 1 - Organization structure; in exchange for units of Brookfield India REIT amounting to ₹ 45,270.45 Million (the "Purchase consideration").
The management applied the optional concentration test, under Ind AS 103, and concluded that the acquired set

(All amounts are in Rupees million unless otherwise stated)

of activities and assets is not a business because substantially all of the fair value of the gross assets acquired is concentrated in investment properties, with similar risk characteristics. Accordingly, this transaction has been accounted for as an asset acquisition.

The management identified and recognized the individual identifiable assets acquired and liabilities assumed; and allocated the purchase consideration to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition.

The allocated value of the identifiable assets and liabilities of the four SPVs as at the date of acquisition were:

Assets	Amount (in M)
Property, plant and equipment	98.22
Investment property	100,378.03
Investment property under development	723.34
Other assets	6,848.43
Total Assets (A)	**108,048.02**
Liabilities	
Borrowings (including current maturities of long term borrowings)	56,776.42
Other liabilities	6,001.16
Total Liabilities (B)	**62,777.58**
Net Assets (A – B)	**45,270.44**

46 MANAGEMENT FEE

Property Management Fees

Pursuant to the Candor Amended and Restated Service Agreement dated December 01, 2020, Investment Manager is entitled to a yearly fees @ 3% of the income from operating lease rentals as recorded in the books of accounts of SPPL Noida and Candor Kolkata, payable on a monthly basis, exclusive of applicable taxes. The fees has been determined for providing real estate operating services to CIOP in relation to the Operational Services rendered by it with respect to SPPL Noida and Candor Kolkata. The said Management fees for the half year and period ended March 31, 2021 amounts to ₹ 19.04 million.

Pursuant to the Festus Service Agreement dated December 01, 2020, Investment Manager is entitled to a yearly fee of 3% of the income from operating lease rentals as recorded in the books of accounts of Festus, payable on a monthly basis, exclusive of applicable taxes. The fees has been determined for providing real estate operating services to Festus in relation to the management and operation of the Kensington and any other properties developed by Festus from time to time (“Festus Properties”). The said Management Fees for the half year and period ended March 31, 2021 amounts to ₹ 5.87 million.

REIT Management Fees

Pursuant to the Investment Management Agreement dated July 17, 2020, Investment Manager is entitled to fees @ 1% of NDCF, exclusive of applicable taxes (also refer Note 48). The fees has been determined for undertaking management of the REIT and its investments.

47 DETAILS OF UTILISATION OF PROCEEDS OF IPO ARE AS FOLLOWS:

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto March 31, 2021	Unutilized amount as at March 31, 2021
Partial or full pre-payment or scheduled repayment of the existing indebtedness of our Asset SPVs	35,750.00	35,750.00	-
General purposes	350.00	350.00	-
Issue expenses	1,900.00	288.13	1,611.87
Total	38,000.00	**36,388.13**	**1,611.87**

48 DISTRIBUTION POLICY

In terms of the Distribution policy and REIT Regulations, not less than 90% of the NDCFs of our Asset SPVs are required to be distributed to Brookfield REIT, in proportion of its shareholding in our Asset SPVs, subject to applicable provisions of the Companies Act. The cash flows receivable by Brookfield REIT may be in the form of dividends, interest income, principal loan repayment, proceeds of any capital reduction or buyback from our Asset SPVs/ CIOP, sale proceeds out of disposal of investments of any or assets directly/ indirectly held by Brookfield REIT or as specifically permitted under the Trust Deed or in such other form as may be permissible under the applicable laws.

At least 90% of the NDCFs of Brookfield REIT ("REIT Distributions") shall be declared and made once every quarter of a Financial Year by our Manager. The first distribution shall be made upon completion of the first full quarter after the listing of our Units on the Stock Exchanges. Further, in accordance with the REIT Regulations, REIT Distributions shall be made no later than 15 days from the date of such declarations. The REIT Distributions, when made, shall be made in Indian Rupees.

The NDCFs shall be calculated in accordance with the REIT Regulations and any circular, notification or guidelines issued thereunder including the SEBI Guidelines.

Statement of Net Distributable Cash Flows have not been disclosed since the first distribution of the REIT as stated in the Final Offer Document will be made upon completion of the first full quarter after the listing of the Units on the Stock Exchanges i.e. June 30, 2021.

49 "0" Represents value less than ₹ 0.01 million.

For and on behalf of the Board of Directors of
Brookprop Management Services Private Limited
(as Manager to the Brookfield India REIT)

Ankur Gupta
Director
DIN No. 08687570
Place: Mumbai
Date: May 20, 2021

Alok Aggarwal
Chief executive officer
DIN No. 00009964
Place: Gurugram
Date: May 20, 2021

Sanjeev Kumar Sharma
Chief financial officer
DIN No. 00211963
Place: Gurugram
Date: May 20, 2021