



- With an occupancy of 83% as of March 31, 2022, 2.4 M sf of our operating area is still vacant. The increased momentum in leasing activity as companies return to office is expected to drive new leasing deals.

Brookfield India REIT remains focused on consistently growing NOI and delivering returns to Unitholders through quarterly distributions. We would continue to maintain sharp focus on prudent capital allocation and balance sheet discipline as well as reducing our cost of debt. A pipeline of Identified Asset and ROFO assets of Brookfield Group provides headroom to enhance our asset base.

FINANCIAL OVERVIEW

Basis of Preparation of Consolidated Financial Statements

The Consolidated Financial Statements discussed hereunder comprise:

- Consolidated balance sheet and statement of net assets at fair value as on March 31, 2022
- Consolidated statements of profit and loss, cash flows, changes in Unitholders' equity and statement of total returns at fair value for the period April 1, 2021 to March 31, 2022
- Additional financial disclosures as required under the REIT Regulations

The Board of Directors of the Manager on behalf of Brookfield India REIT passed a resolution on May 18, 2022 for issuance of the Consolidated Financial Statements. They have been prepared in accordance with the requirements of the REIT Regulations read with the SEBI circular number CIR/IMD/DF/146/2016 dated December 29, 2016; the Ind AS to the extent not inconsistent with the REIT Regulations (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.

Financial Results of Brookfield India REIT

As the Consolidated Financial Statements for the year ended March 31, 2022 and Consolidated Financial Statements for the year ended March 31, 2021 have been prepared by consolidating the financial information of different Asset SPVs, CIOP and Brookfield India REIT for different periods, hence financial numbers as per both these financial statements are not comparable.

For better understanding and discussion, the comparison of certain key financial parameters for the Financial Year ended March 31, 2022 and Financial Year ended March 31, 2021 has been given for each Asset SPV and CIOP based on their individual statutory financial statements on following pages under the header "Discussion on the Key Financial Parameters".

Financial Results of Brookfield India REIT

Particulars	FY2022		FY2021 (July 17, 2020 to March 31, 2021)	
	₹ in M	% of Total Income	₹ in M	% of Total Income
Income and gains				
Revenue from operations	8,767.91	97.50	1,309.42	96.21
Other income	224.23	2.50	51.65	3.79
Total income	8,992.14	100	1,361.07	100
Expenses and losses				
Cost of material consumed	24.02	0.27	2.48	0.18
Employee benefits expenses	196.85	2.19	28.10	2.06
Finance costs	2,080.69	23.14	410.77	30.18
Depreciation and amortization expenses	2,084.77	23.18	316.75	23.27
Investment management fee	81.21	0.90	0	0
Valuation expenses	11.60	0.13	5.78	0.42
Trustee fees	2.95	0.03	2.21	0.16
Other expenses	2,268.06	25.42	445.55	32.74
Total expenses	6,750.15	75.07	1,211.64	89.02
Profit/(Loss) before income tax	2,241.99	24.93	149.43	10.98
Tax Expense				
Current tax				
- for current period	27.96	0.31	0.44	0.03
- for earlier years	(3.81)	(0.04)	18.89	1.39
Deferred tax charge/(credit)	(245.01)	(2.72)	(122.93)	(9.03)
Tax expense for the period	(220.86)	2.46	(103.60)	(7.61)
Profit/(Loss) for the period after income tax	2,462.85	27.39	253.03	18.59
Other comprehensive income				
Items that will not be reclassified to profit or loss				
- Remeasurement of defined benefit obligations	1.19		(0.35)	
- Income tax related to items that will not be reclassified to profit or loss	(0.20)		0.07	
Other comprehensive income for the period, net of tax	0.99		(0.28)	
Total comprehensive income/(loss) for the period	2,463.84	27.40	252.75	18.57



Principal Components of Consolidated Statement of Profit and Loss

Total Income

Total income comprises revenue from operations and other income.

(a) Revenue from operations

Revenue from operations comprises income from operating lease rentals, income from maintenance services and sale of products (food and beverages and others). The revenue from operations in FY2022 was ₹8,767.91 M as against ₹1,309.42 M in period July 17, 2020 to March 31, 2021. Income from operating lease rentals accounted for most of revenues from operations at 73.86% followed by income from maintenance services at 25.81%.

Particulars	FY2022		FY2021 (July 17, 2020 to March 31, 2021)	
	₹ in M	% of total revenue from operations	₹ in M	% of total revenue from operations
Sale of Services				
Income from operating lease rentals	6,476.02	73.86	943.40	72.05
Income from maintenance services	2,263.32	25.81	362.88	27.71
	8,739.34	99.67	1,306.28	99.76
Sale of Products				
Sale of food and beverages	26.94	0.31	2.90	0.22
Others	1.63	0.02	0.24	0.02
Total revenue from Operations	8,767.91	100	1,309.42	100.00

Sale of services

- Income from operating lease rentals: It comprises rental income received by the Asset SPVs from leasing of office space to tenants, income from car parking charges, signage fees and fit-out rentals (customized interiors, furniture and fixtures as per client requirements to make the space a plug-and-play facility, as opposed to a warm shell space where the tenant undertakes capital expenditure to do the same).

Rental rates for office space and space leased for bank branches, ATMs, retail stores and telecom towers in the office parks are generally fixed with periodic rental escalations for the tenure of the leases and are subject to review upon renewal or extension of the leases. Food and beverage outlets in the office parks are generally charged rentals on a revenue sharing basis.

In FY2022, income from operating lease rentals was ₹6,476.02 M as against ₹943.40 M in the period July 17, 2020 to March 31, 2021.

- Income from maintenance services: It comprises revenue received from tenants for the maintenance of common areas, including for security and housekeeping services. Lease agreements typically entail tenants being charged the cost of maintaining property as well as a margin on such maintenance costs.

In FY2022, income from maintenance services was ₹2,263.32 M as against ₹362.88 M in the period July 17, 2020 to March 31, 2021.

Sale of products

- Food and beverages revenue refers to the revenue received from the sale of food and beverages.
- Others primarily comprises revenue generated from the provision of utilities to tenants who provide food and beverage services.

In FY2022, total sale of products was ₹28.57 M as against ₹3.14 M in the period July 17, 2020 to March 31, 2021.

(b) Other income

Other income in FY2022 was ₹224.23 M as against ₹51.65 M in the period July 17, 2020 to March 31, 2021.

(₹ in M)

Particulars	FY2022	FY2021 (July 17, 2020 to March 31, 2021)
Interest income from financial assets at amortised cost		
Interest income on fixed deposit with banks	71.05	3.21
Other interest	28.38	2.49
Others		
Income from scrap sale	6.80	1.64
Interest on income tax refund	34.21	44.29
Liabilities/provisions no longer required written back	1.84	0.02
Fair value gain on income support	31.58	-
Miscellaneous income	50.37	-
Total	224.23	51.65



Other income comprises: (i) interest income from financial assets at amortized cost, which includes (a) interest income on fixed deposit with banks; and (b) other interest income; and (ii) others, which includes (a) income from scrap sale, (b) interest on tax refunds, (c) liabilities and provisions no longer required written back, (d) fair value gain on income support, and (e) miscellaneous income.

Total Expenses

Total expenses in FY2022 was ₹6,750.15 M as compared to ₹1,211.64 M in the period July 17, 2020 to March 31, 2021. Finance costs and depreciation and amortization expenses accounted for majority of the expenses at 61.72% of FY2022 total expenses.

Summary of total expenses

Particulars	FY2022		FY2021 (July 17, 2020 to March 31, 2021)	
	₹ in M	% of total revenue from operations	₹ in M	% of total revenue from operations
Cost of material consumed	24.02	0.36	2.48	0.20
Employee benefits expenses	196.85	2.92	28.10	2.32
Finance costs	2,080.69	30.83	410.77	33.90
Depreciation and amortization expenses	2,084.77	30.89	316.75	26.14
Investment management fee	81.21	1.19	-	-
Valuation expenses	11.60	0.17	5.78	0.48
Trustee fees	2.95	0.04	2.21	0.18
Other expenses	2,268.06	33.60	445.55	36.77
Total expenses	6,750.15	100	1,211.64	100.00

Total expenses comprise:

- (i) **Cost of materials consumed:** It comprises the expenses incurred to reimburse contractors for the purchase of food and beverage items for onward sales to tenants.
- (ii) **Employee benefits expenses:** It comprises salaries, wages and bonus, contribution to provident fund, gratuity expense and compensated absences. Employee benefit expenses for FY2022 was ₹196.85 M as against ₹28.10 M in the period July 17, 2020 to March 31, 2021.
- (iii) **Finance costs:** It comprises interest and finance charges on financial liabilities at amortized cost such as interest on term loans, non-convertible bonds and lease liability. It also comprises borrowing costs for completed properties (capitalized in case property is under development).

Finance costs for FY2022 was ₹2,080.69 M as against ₹410.77 M in the period July 17, 2020 to March 31, 2021.
- (iv) **Depreciation and amortization expenses:** It comprises the depreciation of property, plant and equipment and intangible assets and depreciation of investment property. It stood at ₹2,084.77 M in FY2022 as against ₹316.75 M in the period July 17, 2020 to March 31, 2021.
- (v) **Other expenses:** It comprises power and fuel, repair and maintenance, legal and professional fees, property management fees, credit impaired, rates

and taxes and miscellaneous expenses. It stood at ₹2,268.06 M in FY2022 as against ₹445.55 M in the period July 17, 2020 to March 31, 2021.

Tax Expense

Tax expense for FY2022 was ₹220.86 M as against ₹103.60 M in the period July 17, 2020 to March 31, 2021. It comprises current tax expenses and deferred tax charges or credits.

Profit/Loss for the period

There was a profit of ₹2,462.85 M in FY2022 as against ₹253.03 M in the period July 17, 2020 to March 31, 2021.

Items of Other Comprehensive Income

Items of other comprehensive income that will not be reclassified to profit or loss comprise remeasurement of defined benefit obligations and income tax thereon.

Liquidity, Cash Flows and Capital Resources

Liquidity is critical to maintaining ongoing operations. It underpins our ability to meet obligations like interest expense and principal repayment on outstanding debt, fund property development and maintenance, meet working capital requirements and make distributions to the Unitholders. It also determines our ability to fund growth opportunities in terms of acquiring new properties.

As of March 31, 2022, our cash and cash equivalents stood at ₹2,043.65 M as against ₹3,155.19 M as of March 31, 2021 supported by a strong cash flow



generation of ₹6,059.20 M in FY2022. Cash and cash equivalents comprised balance with banks in current, deposit accounts and in escrow account.

We expect to meet our working capital and cash flow requirements for the next twelve months, primarily from cash flows from business operations, cash and bank balances, and short-term and long-term borrowing from banks, financial institutions, investors, or as may be permitted under the REIT Regulations.

Summary of the statement of cash flows

(₹ in M)

Particulars	FY2022	FY2021 (July 17, 2020 to March 31, 2021)
Net cash flows generated from operating activities	6,059.20	1,396.22
Net cash flow generated (used in) investing activities	(14,033.71)	(480.91)
Net cash flow generated from financing activities	6,674.40	1,462.58
Net increase in cash and cash equivalents	(1,300.11)	2,377.89
Cash and cash equivalents acquired due to asset acquisition	188.57	777.30
Cash and cash equivalents at the end of the period	2,043.65	3,155.19

Operating Activities

Net cash generated from operating activities was ₹6,059.20 M in FY2022 as against ₹1,396.22 M for the period July 17, 2020 to March 31, 2021.

Net cash generated from operating activities was ₹6,059.20 M in FY2022. Our profit before tax was ₹2,241.99 M, which was adjusted for non-cash and other items by a net amount of ₹3,894.79 M, primarily for finance cost of ₹2,080.69 M and depreciation and amortization expense of ₹2,084.77 M. The changes in working capital primarily comprised a decrease in current and non-current financial assets of ₹8.01 M, partially offset by a decrease in other current and non-current liabilities of ₹89.26 M. We also paid income tax (net of refunds) of ₹174.85 M.

Investing Activities

Net cash used in investing activities was ₹14,033.71 M in FY2022 as against ₹480.91 M for the period July 17, 2020 to March 31, 2021.

Net cash used in investing activities was ₹14,033.71 M in FY2022, primarily comprising payment for acquisition of SDPL Noida (for Candor TechSpace N2) ₹13,258.02 and expenditure incurred on investment property of ₹873.33 M primarily incurred towards the construction of buildings for Candor Kolkata (for Candor TechSpace G2) and SPPL Noida (for Candor TechSpace N1) and SDPL Noida (for Candor TechSpace N2).

Financing Activities

Net cash generated from financing activities was ₹6,674.40 M in FY2022 as against ₹1,462.58 M for the period July 17, 2020 to March 31, 2021.

Net cash generated from financing activities was ₹6,674.40 M in FY2022, primarily comprising proceeds from issue of Units of ₹4,949.83 M and proceeds from long-term borrowings of ₹15,909.99 M which was partially offset by repayment of long-term borrowings of ₹5,627.38 M and finance cost paid of ₹2,152.60 M.

Planned capital expenditure

Our planned capital expenditure as of March 31, 2022 was ₹3,107 M as against ₹2,961 M as of March 31, 2021. This includes ₹2,207 M for the development of Candor TechSpace K1 mixed-use development, ₹99 M for Tower 11A development at Candor TechSpace N2 and ₹801 M towards the completion of asset upgrades/tenant improvements across our Asset SPVs.

Contingent liabilities

(₹ in M)

Particulars	FY2022	FY2021 (July 17, 2020 to March 31, 2021)
Claims against the special purpose vehicles not acknowledged as debt in respect of income tax matters	1,158.86	766.80
Claims against the special purpose vehicles not acknowledged as debt in respect of indirect tax	12.43	2.67
Total	1,171.29	779.47

Discussion on the Key Financial Parameters

As the financial information in Consolidated Financial Statements for the year ended March 31, 2022 and Consolidated Financial Statements for the period July 17, 2020 to March 31, 2021 are not comparable, the comparison of certain key financial parameters for the Financial Year ended March 31, 2022 and Financial Year ended March 31, 2021 has been given for each Asset SPVs and CIOP, based on their historical financial statements.

(a) Net Operating Income (NOI)

We use NOI internally as a performance measure as it provides useful information to investors regarding our financial condition and results of operations. We thus consider NOI as a meaningful supplemental financial measure of our performance when considered with the Consolidated Financial Statements determined in accordance with Ind AS. However, NOI does not have a standardized meaning, nor is it a recognized measure under Ind AS or International Financial Reporting Standards and may not be comparable with measures with similar names presented by other companies/real estate investment trusts. NOI should not be considered by itself or as a substitute for

comparable measures under Ind AS or International Financial Reporting Standards or other measures of operating performance, liquidity or ability to pay dividends. Accordingly, there can be no assurance that our basis for computing this non-Ind AS measure is comparable with that of other companies/real estate investment trusts.

We calculate NOI as revenue from operations less direct operating expenses such as operating and property maintenance expenses, facility usage charges, power and fuel, lease rent, repair and maintenance expenses, etc., which are directly incurred in relation to the commercial properties of the respective Asset SPVs.

(₹ in M)

Property Name and Location	FY2022	% Operating Lease Rental	FY2021	% Operating Lease Rental
Kensington, Mumbai	1,258	88	1,333	91
Candor TechSpace G2, Gurugram	2,320	103	2,725	108
Candor TechSpace N1, Noida	783	107	803	112
Candor TechSpace N2, Noida	1,814	104	1,775	109
Candor TechSpace K1, Kolkata	1,406	103	1,480	106
CIOP	226	-	255	-
Intercompany eliminations				
Net Operating Income (NOI)	7,808	104	8,371	108
Less: amount attributable from Identified Assets	-		(52)	
Comparable Total	7,808	104	8,319	108

Net Operating Income for FY2022 decreased by 7% to ₹7,808 M as against ₹8,371 M in FY2021. The decrease is primarily on account of vacancies in office space offset by new leases - and contractual escalations. Further, maintenance revenue was lower due to decrease in operating expenses. Also, there was property management fees earned from Identified Assets for part of the year during FY2021 and there is no corresponding income in FY2022 due to termination of CIOPs operating service arrangement with Identified Assets during FY2021.





Property-wise/asset-wise income from operating lease rental

(₹ in M)

Particulars	FY2022	FY2021
Kensington, Mumbai	1,426	1,464
Candor TechSpace G2, Gurugram	2,255	2,518
Candor TechSpace N1, Noida	732	718
Candor TechSpace N2, Noida	1,742	1,633
Candor TechSpace K1, Kolkata	1,359	1,400
Total	7,513	7,733

Income from operating lease rentals decreased 3% to ₹7,513 M in FY2022 from ₹7,733 M in FY2021 primarily due to vacancies in office space offset by new leases and contractual escalations during the year.

Property-wise/asset-wise revenue from operations

(₹ in M)

Property Name and Location	FY2022	FY2021
Kensington, Mumbai	1,543	1,592
Candor TechSpace G2, Gurugram	3,183	3,657
Candor TechSpace N1, Noida	1,209	1,191
Candor TechSpace N2, Noida	2,467	2,440
Candor TechSpace K1, Kolkata	1,979	2,092
CIOP	362	420
Intercompany eliminations	(362)	(324)
Revenue from Operations	10,380	11,068
Less: amount attributable from Identified Assets	-	(96)
Comparable Total	10,380	10,972

Revenue from operations for FY2022 decreased 6% to ₹10,380 M from ₹11,068 M in FY2021. The decrease is primarily on account of vacancies in office space offset by new leases. Further, maintenance revenue is lower due to decrease in operating expenses. Also, there was property management fees earned from Identified Assets for part of the year during FY2021 and there is no corresponding income in FY2022 due to termination of CIOPs operating service arrangement with Identified Assets during mid of FY2021.

Management Fees and Distributions

Pursuant to the investment management agreement dated July 17, 2020, the Manager is entitled to a fee of 1% of Net Distributable Cash Flows (NDCF), exclusive of applicable taxes, for undertaking the management of Brookfield India REIT and its investments including the Portfolio. Total NDCF generated during FY2022 was ₹6,884.58 M. Consequently, management fees of ₹81.21 M has been accrued for the period ended March 31, 2022.

Net assets at fair value

(₹ in M)

Particulars	March 31, 2022		March 31, 2021	
	Book value	Fair value	Book value	Fair value
A. Assets	147,857.98	170,891.54	109,947.02	123,783.52
B. Liabilities	(59,037.05)	(59,037.05)	(27,919.49)	(27,919.49)
C. Net assets (A-B)	88,820.93	111,854.49	82,027.53	95,864.03
D. Number of Units (No.)	335,087,073	335,087,073	302,801,601	302,801,601
NAV per Unit (C/D) (₹ per unit)	265.07	333.81	270.90	316.59

As per our distribution policy, first distribution was made after completion of one full quarter after the listing of Units, i.e., June 30, 2021, as a result statement of NDCF for the period ended March 31, 2021 has not been disclosed. Consequently, management fee has not been accrued for the period ended March 31, 2021.

Preferential Issue

In FY2022, Brookfield India REIT successfully executed preferential issue to institutional investors. A total of 32.3 M units were issued at ₹294.25 per unit, a premium of 7% to IPO price, to raise ₹9.5 B to be funded for acquisition of new asset – Candor TechSpace N2. The issue was subscribed by reputed long-term institutional investors like members of the Brookfield Group, State Bank of India, HDFC Life Insurance Co. Limited and HDFC Ltd. which is a testament of our high-quality portfolio and positive business outlook.

Key ratios

Ratios	FY2022
Net debt to GAV	0.31
Interest service coverage ratio	3.08

Net Asset Value (NAV) and Valuation of Portfolio

Formulae for computation of ratios are on the basis of Consolidated Financial Statements:

- Net Debt to GAV = Net Debt/GAV. Net Debt = Term loans from financial institutions + Non-current lease liabilities + Current lease liabilities – cash and cash equivalents and GAV = Fair value of investment properties and investment properties under development.
- Interest service coverage ratio = earnings before depreciation, finance costs and taxes/finance costs (net of capitalization)

The Net asset value as of March 31, 2022 stood at ₹333.81 per unit pursuant to the fair valuation of the assets of Brookfield India REIT by the independent valuer and calculated on the net assets of ₹111,854.49 M as per audited Consolidated Financial Statements for the financial year ending March 31, 2022, as compared to the net asset value of ₹316.59 per unit based on audited Consolidated Financial Statements for the financial year ending March 31, 2021 calculated on the net assets at fair value as of March 31, 2021 of ₹95,864.03 M.

**Valuation technique (include frequency of valuation)**

The fair value of investment properties and investment property under development has been determined by Mr. Shubhendu Saha, independent property valuer, having appropriately recognized professional qualifications and recent experience in the location and category of the properties being valued in conjunction with market report by Cushman & Wakefield India Private Limited, industry expert.

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 sf 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 of investment property and investment property under development stood at ₹160,361.13 M as of March 31, 2022 as compared to ₹114,808 M as of March 31, 2021.

Project-wise break-up of fair value

(₹ in M)

Entity and Property name	March 31, 2022			March 31, 2021		
	Fair value of investment property and investment property under development	Other assets at book value	Total assets	Fair value of investment property and investment property under development	Other assets at book value	Total assets
Candor TechSpace K1, Kolkata (owner of Candor TechSpace K1 and Candor TechSpace G2)	70,806.53	3,776.76	74,583.29	69,195.00	4,390.41	73,585.41
SPPL Noida (owner of Candor TechSpace N1)	21,329.32	751.69	22,081.01	20,121.00	798.57	20,919.57
Festus (owner of Kensington)	27,258.00	1,972.85	29,230.85	25,492.00	1,909.55	27,401.55
CIOP	-	107.41	107.41	-	211.78	211.78
SDPL Noida (owner of Candor TechSpace N2)	40,967.28*	2,118.61	43,085.89	-	-	-
Brookfield India REIT	-	1,803.09	1,803.09	-	1,665.21	1,665.21
Total	160,361.13	10,530.41	170,891.54	114,808.00	8,975.52	123,783.52

* Includes ₹1,162.13 M of finance receivable relating to income support and corresponding amount has been reduced from other assets.

March 2022 Valuation Summary

Asset name and location	Leasable Area (M sf)			Market value (₹ in M)			Brookfield India REIT's ownership
	Fair value of investment property and investment property under development	Under Construction Area	Future Development Potential	Completed Area	Under Construction Area/Future Development Potential	Total	
PORTFOLIO							
Kensington, Powai, Mumbai	1.6	-	-	27,258	-	27,258	100%
Candor TechSpace G2, Gurugram	3.9	-	0.1	44,293	594	44,887	100%
Candor TechSpace N1, Noida	1.9	-	0.9	18,854	2,475	21,329	100%
Candor TechSpace N2, Noida	3.6	0.2	0.8	37,303	3,664	40,967	100%
Candor TechSpace K1, Kolkata	3.1	-	2.7	21,608	4,312	25,920	100%
Total	14.1	0.2	4.5	149,316	11,045	160,361	-



March 2021 Valuation Summary

Asset name and location	Leasable Area (M sf)			Market value (₹ in M)			
	Completed Area	Under Construction Area	Future Development Potential	Completed Area	Under Construction Area/Future Development Potential	Total	Brookfield India REIT's ownership
PORTFOLIO							
Kensington, Powai, Mumbai	1.5	-	-	25,492	-	25,492	100%
Candor TechSpace G2, Gurugram	3.9	-	0.1	43,072	561	43,633	100%
Candor TechSpace N1, Noida	1.9	0.1	0.9	16,902	3,218	20,121	100%
Candor TechSpace K1, Kolkata	3.1	-	2.7	21,242	4,321	25,562	100%
Total	10.3	0.1	3.7	106,708	8,100	114,808	-

RISK MANAGEMENT

The business paradigm is continuously shifting owing to changes in customer expectations, regulatory updates, and volatility in the economic environment. Our ability to create sustainable value in this environment is dependent on recognizing and effectively addressing key risks that impact the business. To facilitate this, the Board of Directors has overall responsibility of establishing the risk management framework and continuous monitoring of risk profile of Brookfield India REIT that can impact its ability to achieve its strategic objectives. A comprehensive risk management policy and framework has been established to identify and analyze the key business risks. The Company's risk management plan created through appropriate scenario analysis for a resilient business model is periodically reviewed and approved by the Audit Committee and acts as a supplement to the Internal Control Mechanism and Internal Audit function.

Brookfield India REIT has been prudent in pre-empting the potential risks, which can pose a challenge to the Company through its comprehensive risk management and mitigation strategy enabling it to withstand and navigate challenges.

Several management and leadership team members including Board of Directors periodically review the risk management policies and systems to incorporate any changes in the risk profile due to changes in the external environment and strategic priorities. The Board of Directors and the Audit Committee of the Manager is assisted by internal audit team in monitoring the risk profile and effectiveness of mitigation plans to manage the identified business risks. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

INTERNAL CONTROL SYSTEMS

Brookfield India REIT has a well-established internal control system to manage business operations, financial reporting and other compliance needs. The Manager reviews the design, implementation and ongoing monitoring of internal financial controls for efficient business operations, including adherence with policies and procedures, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The business performance vis-à-vis plan is monitored periodically, and regular internal audits are performed to ensure sustenance of the internal control environment.

The Company has a robust and well embedded system of internal controls. The Internal Audit function provides assurance to the Audit Committee regarding the adequacy and efficacy of internal controls, advises management on the changing risks and controls landscape and helps anticipate and mitigate emerging risks. The internal audit plan focuses on critical risks that matter and is aligned with the business objectives. Progress to plan and key findings are reviewed by the Audit Committee each quarter. Further, the Audit Committee also monitors the status of management actions following the internal audit reviews. The Company's focus continues to be on embedding technology like data analytics and mining for enabling continuous control monitoring in all internal audit work procedures.