

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF

Brookprop Management Services Private Limited (the "Investment Manager") (Acting in capacity as the Investment Manager of Brookfield India Real Estate Trust)

Introduction

1. We have reviewed the accompanying unaudited Condensed Consolidated Interim Financial Statements of **BROOKFIELD INDIA REAL ESTATE TRUST ("the REIT")** and its subsidiaries (together referred to as "the Group"), which comprise the unaudited Condensed Consolidated Balance Sheet as at June 30, 2021, the unaudited Condensed Consolidated Statement of Profit and Loss (including other comprehensive income), the unaudited Condensed Consolidated Statement of Cash flow for quarter ended June 30, 2021, the unaudited Condensed Consolidated Statement of Changes in Unitholders' Equity for the quarter ended June 30, 2021, and the unaudited Statement of Net Distributable Cash Flow for the quarter ended June 30, 2021 as an additional disclosure in accordance with Paragraph 6 of Annexure A to the Securities Exchange Board of India (SEBI) Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 along with summary of the significant accounting policies and select explanatory notes (together hereinafter referred as the "Condensed Consolidated Interim Financial Statements").
2. The Condensed Consolidated Interim Financial Statements, which is the responsibility of the Investment Manager and approved by the Board of Directors of the Investment Manager, have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("REIT Regulations"); Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under 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 the REIT Regulations. Our responsibility is to express a conclusion on the Condensed Consolidated Interim Financial Statements based on our review.

Scope of Review

3. We conducted our review of the Condensed Consolidated Interim Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Investment Manager's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing issued by ICAI and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



4. The Condensed Consolidated Interim Financial Statements includes the financial information of the following entities:

| Sr. No. | Name of the entities |
|----------------|---|
| A | Parent entity |
| 1 | Brookfield India Real Estate Trust |
| | |
| B | Subsidiaries |
| 1 | Shantiniketan Properties Private Limited |
| 2 | Candor Kolkata One Hi-Tech Structures Private Limited |
| 3 | Festus Properties Private Limited |
| 4 | Candor India Office Parks Private Limited |

Basis for Qualified Conclusion

5. 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 utilised 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 ended 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 ended March 31, 2021, Candor Kolkata has filed petition under Companies



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Act, 2013 for compounding of offence. The impact, if any, of such non-compliances cannot be ascertained.

This matter was also qualified in our report on the Consolidated Financial Statements for the period ended March 31, 2021.

Qualified Conclusion

6. Based on our review, except for the possible effects of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the Condensed Consolidated Interim Financial Statements, have not been prepared in accordance with the REIT Regulations, Ind AS 34, prescribed under 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 the REIT Regulations.

Emphasis of matter

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



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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 21110815AAAADM2278)

Place: Bengaluru
Date: August 10, 2021

Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements
(All amounts are in Rupees millions unless otherwise stated)

Condensed Consolidated Balance Sheet

| Particulars | Note | As at 30 June 2021 (Unaudited) | As at 31 March 2021 (Audited) |
|---|------|--------------------------------------|-------------------------------------|
| ASSETS | | | |
| Non-Current assets | | | |
| Property, plant and equipment and Intangible assets | 3 | 107.77 | 101.59 |
| Investment property | 4 | 99,770.58 | 100,179.76 |
| Investment property under development | 4 | 849.14 | 791.74 |
| Financial assets | | | |
| -Other financial assets | 5 | 303.07 | 281.83 |
| Deferred tax assets (net) | 6 | 2,668.88 | 2,641.23 |
| Non-current tax assets (net) | 7 | 1,638.50 | 1,527.81 |
| Other non-current assets | 8 | 550.48 | 555.42 |
| Total non-current assets | | 105,888.42 | 106,079.38 |
| Current assets | | | |
| Financial assets | | | |
| -Trade receivables | 9 | 247.79 | 204.35 |
| -Cash and cash equivalents | 10 | 3,301.32 | 3,155.19 |
| -Other bank balances | 11 | 61.20 | 150.65 |
| -Loans | 12 | - | - |
| -Other financial assets | 13 | 189.09 | 163.13 |
| Other current assets | 14 | 149.26 | 157.32 |
| Total current assets | | 3,948.66 | 3,830.64 |
| TOTAL ASSETS | | 109,837.08 | 109,910.02 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Unit Capital | 15 | 81,762.35 | 81,774.78 |
| Other equity | 16 | 991.70 | 252.75 |
| Total equity | | 82,754.05 | 82,027.53 |
| LIABILITIES | | | |
| Non current liabilities | | | |
| Financial liabilities | | | |
| -Borrowings | 17 | 21,168.03 | 21,015.17 |
| -Lease liabilities | | 90.73 | 87.12 |
| -Other financial liabilities | 18 | 1,130.15 | 1,412.27 |
| Provisions | 19 | 11.27 | 10.86 |
| Other non-current liabilities | 20 | 452.11 | 386.47 |
| Total non-current liabilities | | 22,852.29 | 22,911.89 |



Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements
(All amounts are in Rupees millions unless otherwise stated)

Condensed Consolidated Balance Sheet

| Particulars | Note | As at 30 June 2021 (Unaudited) | As at 31 March 2021 (Audited) |
|--|------|--------------------------------------|-------------------------------------|
| Current liabilities | | | |
| Financial liabilities | | | |
| -Lease liabilities | | 9.55 | 10.42 |
| -Trade payables | 21 | | |
| Total outstanding dues to micro enterprises and small enterprises | | 1.04 | 1.09 |
| Total outstanding dues to creditors other than micro enterprises and small enterprises | | 477.66 | 444.41 |
| -Other financial liabilities | 22 | 3,294.95 | 3,993.79 |
| Provisions | 23 | 4.08 | 4.49 |
| Other current liabilities | 24 | 322.80 | 396.01 |
| Current tax liabilities (net) | 25 | 120.66 | 120.39 |
| Total current liabilities | | 4,230.74 | 4,970.60 |
| Total liabilities | | 27,083.03 | 27,882.49 |
| TOTAL EQUITY AND LIABILITIES | | 109,837.08 | 109,910.02 |

Significant accounting policies 2

The accompanying notes from 1 to 46 form an integral part of these Condensed 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: 10 August 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: 10 August 2021



Alok Aggarwal
Chief executive officer
DIN No. 00009964
Place: Mumbai
Date: 10 August 2021



Sanjeev Kumar Sharma
Chief financial officer
DIN No. 00211963
Place: Mumbai
Date: 10 August 2021

Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements
(All amounts are in Rupees millions unless otherwise stated)

Condensed Consolidated Statement of Profit and Loss

| Particulars | Note | For the quarter ended 30 June 2021 (Unaudited) | For the quarter ended 31 March 2021 (Unaudited) | From 17 July 2020 to 31 March 2021 (Audited)* |
|---|------|--|---|---|
| Income and gains | | | | |
| Revenue from operations | 26 | 2,190.81 | 1,309.42 | 1,309.42 |
| Other income | 27 | 35.94 | 51.65 | 51.65 |
| Total income | | 2,226.75 | 1,361.07 | 1,361.07 |
| Expenses and losses | | | | |
| Cost of material consumed | 28 | 8.88 | 2.48 | 2.48 |
| Employee benefits expenses | 29 | 51.08 | 28.10 | 28.10 |
| Finance costs | 30 | 419.14 | 410.77 | 410.77 |
| Depreciation and amortization expenses | 31 | 456.15 | 316.75 | 316.75 |
| Investment management fees | | 20.99 | - | - |
| Valuation expenses | | 0.94 | 5.78 | 5.78 |
| Trustee fees | | 0.74 | 0.77 | 2.21 |
| Other expenses | 32 | 557.58 | 428.14 | 445.55 |
| Total expenses | | 1,515.50 | 1,192.79 | 1,211.64 |
| Profit before income tax | | 711.25 | 168.28 | 149.43 |
| Tax expense: | | | | |
| Current tax | 33 | | | |
| -for current period | | 0.65 | 0.44 | 0.44 |
| -for earlier years | | - | 18.89 | 18.89 |
| Deferred tax charge/ (credit) | | (27.74) | (122.93) | (122.93) |
| Tax expense for the quarter / period | | (27.09) | (103.60) | (103.60) |
| Profit for the quarter / period after income tax | | 738.34 | 271.88 | 253.03 |
| Other comprehensive income | | | | |
| Items that will not be reclassified to profit or loss | | | | |
| - Remeasurement of defined benefit obligations | | 0.71 | (0.35) | (0.35) |
| - Income tax related to items that will not be reclassified to profit or loss | | (0.10) | 0.07 | 0.07 |
| Other comprehensive income for the quarter / period, net of tax | | 0.61 | (0.28) | (0.28) |
| Total comprehensive income for the quarter / period | | 738.95 | 271.60 | 252.75 |
| Earnings per unit | | | | |
| Basic | 39 | 2.44 | 1.60 | 4.26 |
| Diluted | | 2.44 | 1.60 | 4.26 |
| Significant accounting policies | 2 | | | |

The accompanying notes from 1 to 46 form an integral part of these Condensed Consolidated financial statements.

* Since Brookfield India REIT was registered pursuant to a trust deed dated 17 July 2020, the management has provided the information in Condensed Consolidated Statement of Profit and Loss with effect from said period i.e. 17 July 2020 for period ended 31 March 2021. Consequently, the information for corresponding quarter ended 30 June 2020 has 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: 10 August 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: 10 August 2021



Alok Aggarwal
Chief executive officer
DIN No. 00009964
Place: Mumbai
Date: 10 August 2021



Sanjeev Kumar Sharma
Chief financial officer
DIN No. 00211963
Place: Mumbai
Date: 10 August 2021

Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements
(All amounts are in Rupees Millions unless otherwise stated)

Condensed Consolidated Statement of Cash Flows

| Particulars | For the quarter ended 30 June 2021 (Unaudited) | For the quarter ended 31 March 2021 (Unaudited) | From 17 July 2020 to 31 March 2021 (Audited)* |
|---|--|---|---|
| Cash flows from operating activities : | | | |
| Profit before tax | 711.25 | 168.28 | 149.43 |
| <i>Adjustments for :</i> | | | |
| Depreciation and amortization expense | 456.15 | 316.75 | 316.75 |
| Allowance for credit loss | - | 0.05 | 0.05 |
| Interest income on fixed deposit | (15.71) | (3.21) | (3.21) |
| Deferred income amortization | (38.14) | (21.01) | (21.01) |
| Advances written off | - | 1.27 | 1.27 |
| Credit impaired | 2.71 | 23.32 | 23.32 |
| Property, plant and equipment written off | - | 0.15 | 0.15 |
| Finance cost | 419.14 | 410.77 | 410.77 |
| Interest income on security deposit | (12.93) | (2.49) | (2.49) |
| Operating cash flow before working capital changes | 1,522.47 | 893.89 | 875.03 |
| Movement in working capital: | | | |
| Decrease in other current and non current assets | 10.70 | 25.76 | 25.76 |
| (Increase)/Decrease in current and non current financial assets | (89.87) | 331.76 | 331.76 |
| (Decrease) in current and non current financial liabilities | (67.75) | (137.20) | (118.35) |
| Increase/(Decrease) in other current and non current liabilities | 92.32 | (291.48) | (291.48) |
| Cash generated from operating activities | 1,467.87 | 822.72 | 822.72 |
| Income taxes (paid)/ refunds received (net) | (111.06) | 573.50 | 573.50 |
| Net cash generated from operating activities (A) | 1,356.81 | 1,396.22 | 1,396.22 |
| Cash flow from investing activities : | | | |
| Expenditure incurred on investment property | (123.95) | (132.59) | (132.59) |
| Purchase of property, plant and equipment | (10.61) | (4.52) | (4.52) |
| Fixed deposits matured# | 98.87 | - | - |
| Fixed deposits made # | (9.28) | (347.40) | (347.40) |
| Interest received on fixed deposits | 12.08 | 1.11 | 1.11 |
| Interest received on security deposit | 12.93 | 2.49 | 2.49 |
| Net cash used in investing activities (B) | (19.96) | (480.91) | (480.91) |
| Cash flow from financing activities : | | | |
| Finance costs paid | (382.57) | (592.85) | (592.85) |
| Proceeds from long-term borrowings | 150.00 | 21,200.00 | 21,200.00 |
| Repayment of non convertible bonds | - | (256.00) | (256.00) |
| Repayment of long-term borrowings | - | (56,620.43) | (56,620.43) |
| Proceeds from issue of Units | - | 38,000.00 | 38,000.00 |
| Expense incurred towards Initial public offerings | (958.15) | (268.14) | (268.14) |
| Net cash (used in) / generated from financing activities (C) | (1,190.72) | 1,462.58 | 1,462.58 |
| Net increase in cash and cash equivalents (A+B+C) | 146.13 | 2,377.89 | 2,377.89 |
| Cash and cash equivalents at the beginning of the quarter / period | 3,155.19 | - | - |
| Cash and cash equivalents acquired due to asset acquisition: | - | 777.30 | 777.30 |
| Cash and cash equivalents at the end of the quarter / period (refer note 10) | 3,301.32 | 3,155.19 | 3,155.19 |



Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements
(All amounts are in Rupees Millions unless otherwise stated)

Condensed Consolidated Statement of Cash Flows

| Particulars | For the quarter ended 30 June 2021 (Unaudited) | For the quarter ended 31 March 2021 (Unaudited) | From 17 July 2020 to 31 March 2021 (Audited)* |
|---|--|---|---|
| Components of cash and cash equivalents at the end of the quarter / period | | | |
| Balances with banks | | | |
| - in current account | 468.10 | 1,132.32 | 1,132.32 |
| - in deposit account | 2,440.00 | 590.00 | 590.00 |
| - in escrow account | 393.22 | 1,432.87 | 1,432.87 |
| | 3,301.32 | 3,155.19 | 3,155.19 |

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

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 had issued Units in exchange for investments in SPVs during the previous year ended 31 March 2021. The same has not been reflected in Condensed Consolidated Statement of Cash Flows since these were non-cash transactions. (Refer note 15 and 42).

Significant accounting policies (refer note 2)

The accompanying notes from 1 to 46 form an integral part of these Condensed Consolidated financial statements.

*Since Brookfield India REIT was registered pursuant to a trust deed dated 17 July 2020, the management has provided the information in Condensed Consolidated statement of cash flows with effect from said period i.e. 17 July 2020 for period ended 31 March 2021. Consequently, the information for corresponding quarter ended 30 June 2020 has 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: 10 August 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: 10 August 2021



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Chief executive officer
DIN No. 00009964
Place: Mumbai
Date: 10 August 2021



Sanjeev Kumar Sharma
Chief financial officer
DIN No. 00211963
Place: Mumbai
Date: 10 August 2021

Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements
(All amounts are in Rupees million unless otherwise stated)

Condensed Consolidated Statement of Changes in Unitholder's Equity

| | Unit in Nos. | Amount |
|------------------------------------|--------------------|------------------|
| (a) Unit Capital | | |
| Balance as on 17 July 2020* | - | - |
| Add: Units issued (refer note 15) | 302,801,601 | 83,270.44 |
| Less: Issue expenses | - | (1,495.66) |
| Balance as at 31 March 2021 | 302,801,601 | 81,774.78 |
| Balance as on 01 April 2021 | 302,801,601 | 81,774.78 |
| Less: Issue expenses | - | (12.43) |
| Balance as at 30 June 2021 | 302,801,601 | 81,762.35 |

(b) Other equity

| Particulars | Retained earnings |
|--|-------------------|
| Balance at 17 July 2020* | - |
| Add: Profit for the period ended 31 March 2021 | 253.03 |
| Add: Other comprehensive income for the period ended 31 March 2021 | (0.28) |
| Balance as at 31 March 2021 | 252.75 |
| Balance as on 01 April 2021 | 252.75 |
| Add: Profit for the quarter ended 30 June 2021 | 738.34 |
| Add: Other comprehensive income for the quarter ended 30 June 2021 | 0.61 |
| Balance as at 30 June 2021 | 991.70 |

Significant accounting policies (refer note 2)

The accompanying notes from 1 to 46 form an integral part of these Condensed Consolidated financial statements.

* Since Brookfield India REIT was registered pursuant to a trust deed dated 17 July 2020, the management has provided the information in Condensed Consolidated Statement of changes in Unitholder's Equity with effect from said period i.e. 17 July 2020 for period ended 31 March 2021.

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: 10 August 2021



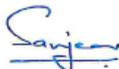
For and on behalf of the Board of Directors of
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Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements
(All amounts are in Rupees million unless otherwise stated)

Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016
Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016
(i) Bookfiled India REIT - Standalone

| Sr No. Particulars | For the quarter ended 30 June 2021 |
|---|---------------------------------------|
| 1 Cash flows received from Asset SPVs, CIOP/Operating Service Provider and any investment entity in the form of: | |
| • Interest (net of applicable taxes, if any) | 1,529.03 |
| • Dividends (net of applicable taxes, if any) | 150.00 |
| • Repayment of Shareholder Debt (or debentures and other similar instruments) | 297.00 |
| • Proceeds from buy-backs/ capital reduction/ redemptions (net of applicable taxes) | - |
| 2 Add: Proceeds from sale, (transfer or liquidation or redemption or otherwise realization) of investments (including cash equivalents), assets or shares of/interest in Asset SPVs, or any form of fund raise at Brookfield REIT level, adjusted for the following: | - |
| • Applicable capital gains and other taxes | - |
| • Related debts settled or due to be settled from sale proceeds | - |
| • Directly attributable transaction costs | - |
| • Proceeds reinvested or planned to be reinvested as per REIT Regulations | - |
| • Investment in shares or debentures or shareholder debt of Asset SPVs and/ or CIOP/ Operating Service Provider or other similar investments | - |
| • Lending to Assets SPVs and/ or CIOP/ Operating Service Provider | - |
| 3 Add: Proceeds from sale (transfer or liquidation or redemption or otherwise realization) of investments, assets or shares of interest in Asset SPVs not distributed pursuant to an earlier plan to re-invest as per REIT Regulations, if such proceeds are not intended to be invested subsequently | - |
| 4 Add: Any other income received at the Brookfield REIT level and not captured herein, or refund/ waiver/ cessation of any expenses/ liability. | 1.14 |
| 5 Less: Any other expense (whether in the nature of revenue or capital expenditure) or any liability or other payouts required at the Brookfield REIT level, and not captured herein | (32.34) |
| 6 Less: Any payment of fees, including but not limited to: | |
| • Trustee fees | (2.21) |
| • REIT Management Fees | - |
| • Valuer fees | (4.84) |
| • Legal and professional fees | (1.72) |
| • Trademark license fees | - |
| • Secondment fees | - |
| 7 Add: Cash flow received from Asset SPV and investment entity, if any including to the extent not covered above: | |
| • repayment of the debt in case of investments by way of debt | - |
| • proceeds from buy-backs/ capital reduction | - |
| 8 Add/ (Less): Debt drawdown/ (payment) of interest and repayment on external debt (including any loans, bonds, debentures or other form of debt funding) at the Brookfield REIT level | - |
| 9 Less: Income tax and other taxes (if applicable) at the standalone Brookfield REIT level (net of any tax refunds) | (0.24) |
| 10 Add/(Less): Cash inflows and outflows in relation to any real estate properties held directly by the Brookfield REIT, to the extent not covered above (if any) | - |
| 11 Add/(Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc. | 8.95 |
| NDCF | 1,944.77 |

Notes:

- The Board of Directors of the Manager to the Trust, in their meeting held on 10 August 2021, have declared distribution to Unitholders of Rs. 6.00 per unit which aggregates to Rs. 1,816.81 million for the period ended 30 June 2021. The distributions of Rs. 6.00 per unit comprises Rs. 4.57 per unit in the form of interest payment on shareholder loan and CCD's, Rs. 0.45 per unit in the form of dividend, Rs. 0.98 per unit in the form of repayment of SPV debt and the balance Rs. 0.003 per unit in the form of interest on fixed deposit.
- Statement of Net Distributable cash flows has not been disclosed for comparative periods since the first distribution of the REIT as stated in Final Offer Document is being made upon completion of the first full quarter ie. quarter ended 30 June 2021 after the listing of the Units on the Stock Exchanges.

Significant accounting policies (refer note 2)

The accompanying notes from 1 to 46 form an integral part of these Condensed 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: 10 August 2021



For and on behalf of the Board of Directors of
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Place: Mumbai
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Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements
(All amounts are in Rupees million unless otherwise stated)

Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016
Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016
(ii) Calculation of net distributable cash flows at each Asset SPV

| Sr. No. | Particulars | For the quarter ended 30 June 2021 | | | | |
|---------|---|------------------------------------|---------------|--------------|---------------|-----------------|
| | | Candor Kolkata | SPPL Noida | CIOP | Festus | Total |
| 1 | Loss after tax as per statement of profit and loss (standalone) (A) | (81.08) | (37.18) | (8.96) | (128.02) | (255.24) |
| | Adjustment | | | | | |
| 2 | Add: Depreciation, amortization and impairment as per Statement of profit and loss | 166.16 | 71.29 | 0.20 | 64.25 | 301.90 |
| 3 | Add/(Less): Any other item of non-cash expense/ non-cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager. For example, any decrease/ increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc. | (33.40) | (3.43) | (0.18) | 54.25 | 17.24 |
| 4 | Add/less: Loss/gain on sale, transfer/ disposal/ liquidation of real estate assets, investments (including cash equivalents), other assets or shares of /interest in Asset SPVs. | - | - | - | - | - |
| 5 | Add: Proceeds from sale / liquidation/transfer/ disposal of real estate assets, investments (including cash equivalents), assets or shares of / interest in Asset SPVs, adjusted for the following: • Applicable capital gains and other taxes • Related debts settled or due to be settled from sale proceeds • Any acquisition • Directly attributable transaction costs • Proceeds reinvested or planned to be reinvested as per REIT Regulations • Investment in any form as permitted under the REIT Regulations as may be deemed necessary by the Manager | - | - | - | - | - |
| 6 | Add: Proceeds from sale of real estate assets, investments, assets or sale of shares of Asset SPVs not distributed pursuant to an earlier plan to re-invest as per REIT Regulations, if such proceeds are not intended to be invested subsequently. | - | - | - | - | - |
| 7 | Add: Interest (or other similar payments) on Shareholder Debt (or on debentures or other instruments held by the Brookfield REIT) charged/ debited to the statement of profit and loss. | 757.36 | 118.17 | - | 249.83 | 1,125.36 |
| 8 | Add/(Less): Other adjustments, including but not limited to net changes in security deposits, working capital, deferred/prepaid income or deferred/ prepaid expenditure, etc.* | 796.21 | 51.90 | 57.67 | (115.67) | 790.11 |
| 9 | Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Brookfield REIT), capitalised overheads, etc. | (41.34) | (92.43) | (0.71) | (0.08) | (134.56) |
| 10 | Add/(Less): Net debt (repayment)/ drawdown/ (redemption) of preference shares/ debentures/ any other such instrument/ premiums/accrued interest/ any other obligations/ liabilities etc., to parties other than Brookfield REIT, as may be deemed necessary by the Manager. | - | 88.47 | - | - | 88.47 |
| 11 | Add: Cash inflows in relation to equity/ non-refundable advances, etc. | - | - | - | - | - |
| 12 | Less: Any dividends on or proceeds from repayments or redemptions or buy-backs or capital reduction of shares (including compulsory convertible instruments), held by anyone other than the Brookfield REIT (either directly or indirectly), and any taxes thereon (including any dividend distribution tax or buy back distribution tax, etc., if applicable). | - | - | - | - | - |
| | Total adjustments (B) | 1,644.99 | 233.97 | 56.98 | 252.58 | 2,188.52 |
| | NDCF (C) = (A+B) | 1,563.91 | 196.79 | 48.02 | 124.56 | 1,933.28 |

*NDCF for the quarter includes NDCF for the period 8th February 2021 to 31 March 2021 amount to Rs. 759.47 million which has been included in other adjustment.

Note :

1 Statement of Net Distributable cash flows has not been disclosed for comparative periods since the first distribution of the REIT as stated in Final Offer Document is being made upon completion of the first full quarter ie. quarter ended 30 June 2021 after the listing of the Units on the Stock Exchanges.

Significant accounting policies (refer note 2)

The accompanying notes from 1 to 46 form an integral part of these Condensed 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: 10 August 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: 10 August 2021



Alok Aggarwal
Chief executive officer
DIN No. 00009964
Place: Mumbai
Date: 10 August 2021



Sanjeev Kumar Sharma
Chief financial officer
DIN No. 00211963
Place: Mumbai
Date: 10 August 2021

Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements
(All amounts are in Rupees millions unless otherwise stated)

I Organization structure

The interim Condensed Consolidated financial statements ('Condensed 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 17 July 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 14 September 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 is 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 40) on 08 February 2021. In exchange for these equity interests, the above shareholders have been allotted 127,892,403 Units of Brookfield India REIT valued at Rs. 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 08 February 2021 and 11 February 2021.

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

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

| <u>Name of SPV</u> | <u>Activities</u> | <u>Shareholding up to 08 February 2021 (in percentage)</u> | <u>Shareholding from 08 February 2021 (in percentage)</u> |
|--------------------|--|---|--|
| 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, Dundaheera 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) |



Notes to the Condensed Consolidated financial statements

2. Basis of preparation and significant accounting policies

2.1 Basis of preparation of Condensed Consolidated financial statements

The Condensed Consolidated Financial Statements of Brookfield India REIT comprises the Condensed Consolidated Balance Sheet as at 30 June 2021; the Condensed Consolidated Statement of Profit and Loss, the Condensed Consolidated Statement of Cash Flows, the Condensed Consolidated Statement of Changes in Unitholders' Equity and the Statement of Net Distributable Cash flows of Brookfield India REIT and each of the SPVs for the quarter ended 30 June 2021 and a summary of significant accounting policies and other explanatory information. The Condensed 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 10 August 2021. The Condensed 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 29 December 2016 ("REIT Regulations"); Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", 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.

Accordingly, these interim condensed consolidated financial statements do not include all the information required for a complete set of financial statements. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the Company's consolidated financial statements under IND AS for the period ended 31 March 2021. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

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 is 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 Group are 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;



Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements

Notes to the Condensed Consolidated financial statements

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

b) Functional and presentation currency

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

d) Use of judgments and estimates

The preparation of Condensed 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.

Estimates 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 Condensed 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), and Note 41)
- (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 34)
- (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 Condensed Consolidated Balance Sheet based on current/ non-current classification:



Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements

Notes to the Condensed Consolidated financial statements

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.



Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements

Notes to the Condensed Consolidated financial statements

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 is 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.



**Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements**

Notes to the Condensed Consolidated financial statements

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.



Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements

Notes to the Condensed Consolidated financial statements

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 Condensed 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 Condensed 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.



Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements

Notes to the Condensed Consolidated financial statements

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 policies

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 Condensed Consolidated Financial Statements. Changes in accounting policies are applied retrospectively, wherever applicable.

A change in an accounting estimate that results in changes in the carrying amounts of recognised 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:



Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements

Notes to the Condensed Consolidated financial statements

- 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.



Brookfield India Real Estate Trust
Condensed Consolidated Financial Statements

Notes to the Condensed Consolidated financial statements

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



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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



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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:
 - the Brookfield India REIT has the right to operate the asset; or
 - 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



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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's 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's 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 (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.



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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's 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's 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 judgment 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.



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Gratuity

Brookfield India REIT has 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 avilment 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 recognised 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 recognised 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.



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Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised 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 recognised as current tax in the Condensed Consolidated Statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised 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 recognised 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 recognised 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 recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised 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 recognised 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 realised. Deferred tax assets—unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised. 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 realised 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 realised simultaneously.



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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.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

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's other components.

Based on an analysis of Brookfield India REIT's 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 Condensed Consolidated Financial Statements are prepared after reflecting adjusting and non-adjusting events that occur after the reporting period but before the Condensed Consolidated Financial Statements are authorized for issue.



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Notes to the Condensed Consolidated financial statements

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) 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 42 of the financial statements for details.

w) Condensed Consolidated Statement of Cash flows

Condensed 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 Condensed Consolidated Statement of Cash Flow, cash and cash equivalents consist of cash and short-term deposits.



**Brookfield India Real Estate Trust
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Notes to the Condensed Consolidated financial statements

x) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Condensed 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.

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 (Refer note 15 (a)(i)).



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(All amounts are in Rupees millions unless otherwise stated)
Notes to the Condensed Consolidated financial statements

3 Property, plant and equipment and Intangible assets

| Particulars | Gross block | | | | Accumulated depreciation | | | | Net block | |
|------------------------|--------------------------------|------------------------------|---------------------------|-------------------------------|--------------------------------|---------------------------|---------------------------|-------------------------------|-------------------------------|--------------------------------|
| | Balance as at 01 April 2021 | Additions during the quarter | Deletions/ Adjustments | Balance as at 30 June 2021 | Balance as at 01 April 2021 | Charge for the quarter | Deletions/ Adjustments | Balance as at 30 June 2021 | Balance as at 30 June 2021 | Balance as at 31 March 2021 |
| Assets (site) | | | | | | | | | | |
| Air conditioner | 0.07 | - | - | 0.07 | - | - | - | - | 0.07 | 0.07 |
| Computers | 0.08 | - | - | 0.08 | - | - | - | - | 0.08 | 0.08 |
| Plant and machinery | 0.02 | - | - | 0.02 | - | - | - | - | 0.02 | 0.02 |
| Furniture and fixtures | 1.43 | - | - | 1.43 | 0.09 | 0.11 | 0.20 | 0.20 | 1.23 | 1.34 |
| Office equipment | 0.28 | - | - | 0.28 | 0.00 | 0.00 | 0.00 | 0.00 | 0.28 | 0.28 |
| Sub total | 1.88 | - | - | 1.88 | 0.09 | 0.11 | 0.20 | 0.20 | 1.68 | 1.79 |
| Assets (maintenance) | | | | | | | | | | |
| Air conditioner | 3.11 | 0.00 | - | 3.11 | 0.07 | 0.15 | - | 0.22 | 2.89 | 3.04 |
| Plant and machinery | 66.54 | 10.33 | - | 76.87 | 1.02 | 1.93 | - | 2.95 | 73.92 | 65.52 |
| Furniture and fixtures | 26.69 | 0.14 | - | 26.83 | 0.89 | 1.32 | - | 2.21 | 24.62 | 25.80 |
| Office equipment | 4.87 | 0.14 | - | 5.01 | 0.52 | 0.82 | - | 1.34 | 3.67 | 4.35 |
| Electrical fittings | 0.60 | - | - | 0.60 | 0.01 | 0.02 | - | 0.03 | 0.57 | 0.59 |
| Kitchen Equipments | 0.08 | 0.00 | - | 0.08 | 0.00 | 0.01 | - | 0.01 | 0.07 | 0.08 |
| Sub total | 101.89 | 10.61 | - | 112.50 | 2.51 | 4.25 | - | 6.76 | 105.74 | 99.38 |
| TOTAL | 103.77 | 10.61 | - | 114.38 | 2.60 | 4.36 | - | 6.96 | 107.42 | 101.17 |
| Intangible Assets | | | | | | | | | | |
| Softwares | 0.46 | - | - | 0.46 | 0.04 | 0.07 | - | 0.11 | 0.35 | 0.42 |
| GRAND TOTAL | 104.23 | 10.61 | - | 114.84 | 2.64 | 4.43 | - | 7.07 | 107.77 | 101.59 |

| Particulars | Gross block | | | | Accumulated depreciation | | | | Net block | |
|------------------------|-------------------------------|--|---------------------------|-----------------------------------|-------------------------------|--------------------------|---------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| | Balance as at 18 July 2020 | Additions due to assets acquisition* | Deletions/ Adjustments | Balance as at 31 March 2021 | Balance as at 18 July 2020 | Charge for the period | Deletions/ Adjustments | Balance as at 31 March 2021 | Balance as at 31 March 2021 | Balance as at 31 March 2020 |
| Assets (site) | | | | | | | | | | |
| Air conditioner | - | 0.07 | - | 0.07 | - | - | - | - | 0.07 | - |
| Computers | - | 0.08 | - | 0.08 | - | - | - | - | 0.08 | - |
| Plant and machinery | - | 0.02 | - | 0.02 | - | - | - | - | 0.02 | - |
| Furniture and fixtures | - | 1.45 | - | 1.45 | - | 0.09 | - | 0.09 | 1.34 | - |
| Office equipment | - | 0.28 | - | 0.28 | - | 0.00 | - | 0.00 | 0.28 | - |
| Sub total | - | 1.90 | - | 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 | 66.54 | - | 1.02 | (0.12) | 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 | 101.89 | - | 2.51 | (0.12) | 2.51 | 99.38 | - |
| TOTAL | - | 98.21 | 5.70 | 103.77 | - | 2.60 | (0.14) | 2.60 | 101.17 | - |
| Intangible Assets | | | | | | | | | | |
| Softwares | - | 0.46 | - | 0.46 | - | 0.04 | - | 0.04 | 0.42 | - |
| GRAND TOTAL | - | 98.67 | 5.70 | 104.23 | - | 2.64 | (0.14) | 2.64 | 101.59 | - |

*Above assets have been acquired as part of assets acquisition. Refer note 2.1 basis for consolidation and note 42.



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Notes to the Condensed Consolidated financial statements

4 Investment property

| Particulars | Gross block | | | | Accumulated depreciation | | | | Net block | |
|--|-----------------------------|------------------------------|------------------------|----------------------------|-----------------------------|------------------------|------------------------|----------------------------|----------------------------|---------------------|
| | Balance As at 01 April 2021 | Additions during the quarter | Deletions/ Adjustments | Balance As at 30 June 2021 | Balance As at 01 April 2021 | Charge for the quarter | Deletions/ Adjustments | Balance As at 30 June 2021 | Balance As at 30 June 2021 | As at 31 March 2021 |
| Assets (constructed), given/expected to be given on operating lease | | | | | | | | | | |
| Freehold land | 25,580.44 | - | - | 25,580.44 | - | - | - | - | 25,580.44 | 25,580.44 |
| Buildings | 70,578.81 | 16.37 | - | 70,595.18 | 205.04 | 313.08 | - | 518.12 | 70,077.06 | 70,373.77 |
| Air conditioners | 1,209.98 | 11.83 | - | 1,221.81 | 22.77 | 38.65 | - | 61.42 | 1,160.39 | 1,187.21 |
| Electrical fittings & equipment | 806.00 | 17.68 | - | 823.68 | 30.92 | 29.76 | - | 60.68 | 763.00 | 775.08 |
| Plant and machinery | 880.66 | - | (2.89) | 877.77 | 17.91 | 30.65 | - | 48.56 | 829.21 | 862.75 |
| Diesel generator sets | 651.23 | - | - | 651.23 | 12.98 | 22.04 | - | 35.02 | 616.21 | 638.25 |
| Furniture and fixtures | 262.98 | - | - | 262.98 | 21.22 | 11.85 | - | 33.07 | 229.91 | 241.76 |
| Right of use (leasehold land) | 459.96 | - | - | 459.96 | 0.87 | 1.52 | - | 2.39 | 457.57 | 459.09 |
| Office Equipment | 16.87 | 0.47 | - | 17.34 | 1.01 | 1.77 | - | 2.78 | 14.56 | 15.86 |
| Computers | 1.14 | - | - | 1.14 | 0.06 | 0.09 | - | 0.15 | 0.99 | 1.08 |
| Sub total | 100,448.07 | 46.35 | (2.89) | 100,491.53 | 312.78 | 449.41 | - | 762.19 | 99,729.34 | 100,135.29 |
| Assets (food court), given/expected to be given on operating lease | | | | | | | | | | |
| Air conditioner | 7.05 | - | - | 7.05 | 0.13 | 0.22 | - | 0.35 | 6.70 | 6.92 |
| Furniture & fixtures | 29.67 | - | - | 29.67 | 1.43 | 2.42 | - | 3.85 | 25.82 | 28.24 |
| Plant and machinery | 4.81 | - | - | 4.81 | 0.09 | 0.15 | - | 0.24 | 4.57 | 4.72 |
| Office equipment | 2.12 | - | - | 2.12 | 0.08 | 0.14 | - | 0.22 | 1.90 | 2.04 |
| Kitchen equipment | 2.52 | - | - | 2.52 | 0.17 | 0.30 | - | 0.47 | 2.05 | 2.35 |
| Computers | 0.20 | - | - | 0.20 | - | - | - | - | 0.20 | 0.20 |
| Sub total | 46.37 | - | - | 46.37 | 1.90 | 3.23 | - | 5.13 | 41.24 | 44.47 |
| Sub total - Investment Property | 100,494.44 | 46.35 | (2.89) | 100,537.90 | 314.68 | 452.64 | - | 767.32 | 99,770.58 | 100,179.76 |
| Investment property - under development | | | | | | | | | | |
| Work in progress | 791.74 | 92.05 | (34.65) | 849.14 | - | - | - | - | 849.14 | 791.74 |
| Sub total - Investment Property under development | 791.74 | 92.05 | (34.65) | 849.14 | - | - | - | - | 849.14 | 791.74 |
| Total | 101,286.18 | 138.40 | (37.54) | 101,387.04 | 314.68 | 452.64 | - | 767.32 | 100,619.72 | 100,971.50 |

Reconciliation for total depreciation expense:

Total depreciation on property, plant and equipment for the quarter
Total depreciation on investment property for the quarter
Less:- Depreciation during the construction period on site assets - capitalised
Less:- Depreciation during the construction period on Right of use (leasehold land)
Depreciation expense for the quarter

For the quarter
ended
30 June 2021

4.43
452.64
(0.11)
(0.81)
456.15



Brookfield India Real Estate Trust
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(All amounts are in Rupees millions unless otherwise stated)
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| Particulars | Gross block | | | | Accumulated depreciation | | | | Net block | | |
|--|----------------------------|--------------------------------------|-----------------------------|------------------------|-----------------------------|----------------------------|-----------------------|------------------------|-----------------------------|-----------------------------|---------------------|
| | Balance As at 18 July 2020 | Additions due to assets acquisition* | Additions during the period | Deletions/ Adjustments | Balance As at 31 March 2021 | Balance As at 18 July 2020 | Charge for the period | Deletions/ Adjustments | Balance As at 31 March 2021 | Balance As at 31 March 2021 | As at 31 March 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 42.

Reconciliation for total depreciation expense:

Total depreciation on property, plant and equipment for the period
Total depreciation on investment property for the period
Less:- Depreciation during the construction period on site assets - capitalised
Less:- Depreciation during the construction period on Right of use (leasehold land)
Depreciation expense for the period

| | For the quarter ended 31 March 2021 | From 17 July 2020 to 31 March 2021 |
|--|-------------------------------------|------------------------------------|
| | 2.64 | 2.64 |
| | 314.68 | 314.68 |
| | (0.09) | (0.09) |
| | (0.48) | (0.48) |
| | 316.75 | 316.75 |



Brookfield India Real Estate Trust
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| | As at 30 June 2021 | As at 31 March 2021 |
|--|-----------------------|------------------------|
| 5 Non current financial assets - Other (Unsecured and considered good) | | |
| Fixed deposits with banks* | 257.40 | 257.53 |
| Interest accrued but not due on fixed deposits with banks | 4.35 | 1.50 |
| Lease rent equalization** | 41.32 | 22.80 |
| | 303.07 | 281.83 |

*As at 30 June 2021, these fixed deposits are of restricted use being lien against debt service reserve account and bank guarantees given to various authorities. As at 31 March 2021, these fixed deposits were of restricted use being lien against debt service reserve account, bank guarantees given to various authorities and 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.

| | As at 30 June 2021 | As at 31 March 2021 |
|-----------------------------------|-----------------------|------------------------|
| 6 Deferred tax asset (net) | | |
| Deferred tax asset (net) | 2,668.88 | 2,641.23 |
| | 2,668.88 | 2,641.23 |

The Group has recognised deferred tax asset of Rs. 1,888.47 million (31 March 2021: Rs. 1,729.06 million) on unabsorbed depreciation and Rs. 964.86 million (31 March 2021: Rs. 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 30 June 2021 | As at 31 March 2021 |
|---------------------------------------|-----------------------|------------------------|
| 7 Non-current tax assets (net) | | |
| Advance income tax | 1,638.50 | 1,527.81 |
| | 1,638.50 | 1,527.81 |

| | As at 30 June 2021 | As at 31 March 2021 |
|--|-----------------------|------------------------|
| 8 Other non-current assets (Unsecured and considered good) | | |
| Security deposits | 517.50 | 517.38 |
| Capital advances | 18.84 | 21.14 |
| Prepaid expenses | 4.59 | 5.96 |
| Balance recoverable from government authorities | 9.55 | 10.94 |
| | 550.48 | 555.42 |

| | As at 30 June 2021 | As at 31 March 2021 |
|---|-----------------------|------------------------|
| 9 Current financial assets - Trade receivables | | |
| Trade receivables considered good - unsecured | 247.79 | 204.35 |
| Trade receivables - credit impaired | 46.72 | 49.10 |
| Less: loss allowance | (46.72) | (49.10) |
| | 247.79 | 204.35 |

| | As at 30 June 2021 | As at 31 March 2021 |
|---|-----------------------|------------------------|
| 10 Current financial assets - Cash and cash equivalents | | |
| Balance with banks : | | |
| - in current account | 468.10 | 1,132.32 |
| - in deposit account (with original maturity of 3 months or less) | 2,440.00 | 590.00 |
| - in escrow account* | 393.22 | 1,432.87 |
| | 3,301.32 | 3,155.19 |

* Represents the balance of Rs. 393.22 million as at 30 June 2021 (31 March 2021 : Rs. 1,432.87 million) from proceeds of initial public offer of Brookfield India REIT Units (Total proceeds Rs. 38,000.00 million). These amounts are held in the escrow account and can be withdrawn for partial or full pre-payment or scheduled repayment of the existing indebtedness of SPVs, general purposes and issue expenses (as specified in the Brookfield India REIT's final offer document).



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| | As at 30 June 2021 | As at 31 March 2021 |
|--|-----------------------|------------------------|
| 11 Other bank balances | | |
| Deposit account with original maturity of more than 3 months and upto 12 months* | 61.20 | 150.65 |
| | <u>61.20</u> | <u>150.65</u> |

* These fixed deposits includes Rs. 25.47 million as at 30 June 2021 (31 March 2021: Rs. 31.04 million) which are of restricted use being lien against bank guarantees given to various authorities & given as security for sales tax registration, and Rs. 29.60 million as at 30 June 2021 (31 March 2021: Rs. 29.60 million) being lien marked in favor of lender for existing loan facility for DSRA requirement.

| | As at 30 June 2021 | As at 31 March 2021 |
|---|-----------------------|------------------------|
| 12 Current financial assets - Loans | | |
| To parties other than related parties (Unsecured and considered doubtful) | | |
| Advances to vendors | 0.36 | 0.36 |
| Less: loss allowance | (0.36) | (0.36) |
| | <u>-</u> | <u>-</u> |
| Loans receivables considered good - secured | - | - |
| Loans receivables considered good - unsecured | - | - |
| Loans receivables which have significant increase in credit risk | 0.36 | 0.36 |
| Loans receivables - credit impaired | - | - |
| Less: loss allowance | (0.36) | (0.36) |
| | <u>-</u> | <u>-</u> |

| | As at 30 June 2021 | As at 31 March 2021 |
|---|-----------------------|------------------------|
| 13 Current financial assets - Other (Unsecured and considered good) | | |
| To parties other than related parties | | |
| Unbilled revenue* | 98.38 | 79.63 |
| Interest accrued but not due on fixed deposits with banks | 2.72 | 1.94 |
| Lease rent equalization* | 7.61 | 1.64 |
| Other receivables | 77.93 | 77.93 |
| To related parties (refer note 40) | | |
| Other receivables | 2.45 | 1.99 |
| | <u>189.09</u> | <u>163.13</u> |

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

| | As at 30 June 2021 | As at 31 March 2021 |
|---|-----------------------|------------------------|
| 14 Other current assets (Unsecured and considered good) | | |
| Security deposits | 0.01 | 0.01 |
| Advances to vendors | 19.75 | 31.36 |
| Prepaid expenses | 43.97 | 32.02 |
| Balance recoverable from government authorities | 85.53 | 93.93 |
| | <u>149.26</u> | <u>157.32</u> |



Brookfield India Real Estate Trust
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15 Unit Capital

| Particulars | No. of Units | Amount |
|--|--------------------|------------------|
| As at 17 July 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 31 March 2021 | 302,801,601 | 81,774.78 |
| As at 01 April 2021 | 302,801,601 | 81,774.78 |
| Less: Issue expenses (refer note below) | - | (12.43) |
| Closing balance as at 30 June 2021 | 302,801,601 | 81,762.35 |

Note: Issue expenses pertaining to the Initial Public Offering (IPO) and listing of the Units on the National Stock Exchange and Bombay Stock Exchange have been reduced from the Unitholders capital as at 30 June 2021 and 31 March 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 Unit 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 29 December 2016 and No. CIR/IMD/DF/141/2016 dated 26 December 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 26 December 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 Rs. 275 per Unit aggregating to Rs. 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 Rs. 275 each as per the table below.

| 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*

| Particulars | As at 30 June 2021 | As at 31 March 2021 |
|----------------------|-----------------------|------------------------|
| Reserves and Surplus | | |
| Retained earnings | 991.70 | 252.75 |
| | 991.70 | 252.75 |

*Refer Condensed 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.



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| | As at 30 June 2021 | As at 31 March 2021 |
|--|-----------------------|------------------------|
| 17 Non-current financial liabilities - Borrowings | | |
| Secured | | |
| Term loan from financial institutions | 21,168.03 | 21,015.17 |
| Total Borrowings | <u>21,168.03</u> | <u>21,015.17</u> |
| | As at 30 June 2021 | As at 31 March 2021 |
| 18 Non-current financial liabilities - others | | |
| Security deposit from lessee | 1,126.79 | 1,393.07 |
| Retention money | 3.36 | 19.20 |
| | <u>1,130.15</u> | <u>1,412.27</u> |
| | As at 30 June 2021 | As at 31 March 2021 |
| 19 Provisions | | |
| Provision for gratuity | 11.27 | 10.86 |
| | <u>11.27</u> | <u>10.86</u> |
| | As at 30 June 2021 | As at 31 March 2021 |
| 20 Other non-current liabilities | | |
| Deferred income | 299.57 | 318.67 |
| Contract liability* | 152.54 | 67.80 |
| | <u>452.11</u> | <u>386.47</u> |

*Candor Kolkata One Hi-Tech Structures Private Limited entered into a Joint Development Agreement with Gurgaon Infospace Limited (GIL) by which GIL will pay Rs. 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 including GST during the period ended 30 June 2021 of Rs. 100.00 million (31 March 2021 of Rs. 80.00 million) is presented as contract liability (excluding GST).

| | As at 30 June 2021 | As at 31 March 2021 |
|---|-----------------------|------------------------|
| 21 Current financial liabilities - Trade payables | | |
| Total outstanding dues to micro enterprises and small enterprises | 1.04 | 1.09 |
| Total outstanding dues to creditors other than micro enterprises and small enterprises* | 477.66 | 444.41 |
| | <u>478.70</u> | <u>445.50</u> |

*For balance payable to related parties, refer note 40



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| | As at 30 June 2021 | As at 31 March 2021 |
|---|-----------------------|------------------------|
| 22 Current - Other financial liabilities | | |
| Security deposit from lessee | 2,568.33 | 2,337.00 |
| Retention money | 149.18 | 136.30 |
| Capital creditors | 256.46 | 293.37 |
| Employee related payables | 22.10 | 11.51 |
| Other payables | 298.88 | 1,215.61 |
| | 3,294.95 | 3,993.79 |
| | As at 30 June 2021 | As at 31 March 2021 |
| 23 Provisions | | |
| Provision for gratuity | 0.07 | 0.08 |
| Provision for compensated absences | 4.01 | 4.41 |
| | 4.08 | 4.49 |
| | As at 30 June 2021 | As at 31 March 2021 |
| 24 Other current liabilities | | |
| Advance from customers | 30.97 | 42.49 |
| Statutory dues payable | 109.55 | 177.66 |
| Deferred income | 174.71 | 168.29 |
| Other payables | 7.57 | 7.57 |
| | 322.80 | 396.01 |
| | As at 30 June 2021 | As at 31 March 2021 |
| 25 Current tax liabilities (Net) | | |
| Provision for income tax | 120.66 | 120.39 |
| | 120.66 | 120.39 |



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| Particulars | For the quarter ended 30 June 2021 | For the quarter ended 31 March 2021 | From 17 July 2020 to 31 March 2021 |
|--|------------------------------------|-------------------------------------|------------------------------------|
| 26 Revenue from operations | | | |
| Sale of services | | | |
| Income from operating lease rentals * | 1,616.10 | 943.40 | 943.40 |
| Income from maintenance services | 563.26 | 362.88 | 362.88 |
| | 2,179.36 | 1,306.28 | 1,306.28 |
| Sale of products | | | |
| Sale of food and beverages | 11.16 | 2.90 | 2.90 |
| Others | 0.29 | 0.24 | 0.24 |
| Total revenue from operations | 2,190.81 | 1,309.42 | 1,309.42 |
| * Assets given on operating lease | | | |
| 27 Other Income | | | |
| Interest income from financial assets at amortized cost | | | |
| Interest income on fixed deposits with banks | 15.71 | 3.21 | 3.21 |
| Interest income on security deposit | 12.93 | 2.49 | 2.49 |
| Others | | | |
| Income from scrap sale | 2.82 | 1.64 | 1.64 |
| Interest on income tax refund | 4.08 | 44.29 | 44.29 |
| Liabilities/provisions no longer required written back | 0.40 | 0.02 | 0.02 |
| | 35.94 | 51.65 | 51.65 |
| 28 Cost of materials consumed | | | |
| Opening stock | - | - | - |
| Add: purchases during the period | 8.67 | 2.24 | 2.24 |
| Add: Others | 0.21 | 0.24 | 0.24 |
| Less: Closing stock | - | - | - |
| | 8.88 | 2.48 | 2.48 |
| 29 Employee benefits expense | | | |
| Salaries, wages and bonus | 47.56 | 25.32 | 25.32 |
| Contributions to provident fund | 2.41 | 1.41 | 1.41 |
| Gratuity expense | 1.11 | 1.08 | 1.08 |
| Compensated absences | - | 0.29 | 0.29 |
| | 51.08 | 28.10 | 28.10 |
| 30 Finance Costs | | | |
| Interest and finance charges on financial liabilities at amortized cost | | | |
| Interest on term loan | 380.26 | 289.04 | 289.04 |
| Interest on non-convertible bonds | - | 0.76 | 0.76 |
| Interest on lease liability | 2.75 | 1.57 | 1.57 |
| Others | | | |
| Other borrowing costs | 41.35 | 122.65 | 122.65 |
| | 424.36 | 414.02 | 414.02 |
| Less: Transferred to investment property under development | (5.22) | (3.25) | (3.25) |
| | 419.14 | 410.77 | 410.77 |
| 31 Depreciation and amortization expenses | | | |
| - on property plant and equipment and intangible assets | 4.32 | 2.55 | 2.55 |
| - on investment property | 451.83 | 314.20 | 314.20 |
| | 456.15 | 316.75 | 316.75 |



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| Particulars | For the quarter ended 30 June 2021 | For the quarter ended 31 March 2021 | From 17 July 2020 to 31 March 2021 |
|---|------------------------------------|-------------------------------------|------------------------------------|
| 32 Other expenses | | | |
| Property management fees | 81.70 | 55.01 | 55.01 |
| Power and fuel | 180.25 | 92.48 | 92.48 |
| Repair and maintenance | 163.68 | 99.31 | 99.31 |
| Insurance | 8.08 | 4.64 | 4.64 |
| Legal and professional expense | 44.14 | 53.64 | 55.16 |
| Audit fees (refer note "a" below) | 5.63 | 17.64 | 17.64 |
| Rates and taxes | 19.79 | 20.00 | 20.00 |
| Brokerage | - | 0.05 | 0.05 |
| Facility usage fees | 9.36 | 5.46 | 5.46 |
| Lease rent | 2.10 | 0.90 | 0.90 |
| Credit Impaired | 2.71 | 23.32 | 23.32 |
| Allowance for credit loss | - | 0.05 | 0.05 |
| Advances written off | - | 1.27 | 1.27 |
| Corporate social responsibility expenses | 1.03 | 1.97 | 1.97 |
| Property, plant and equipment written off | - | 0.15 | 0.15 |
| Donation | 20.00 | - | - |
| Miscellaneous expenses | 19.11 | 52.25 | 68.14 |
| | 557.58 | 428.14 | 445.55 |
| a) Details of remuneration to auditors | | | |
| As auditor (on accrual basis, excluding applicable taxes) | | | |
| - for statutory audit | 5.63 | 17.64 | 17.64 |
| - for reimbursement of expenses | - | - | - |
| | 5.63 | 17.64 | 17.64 |
| 33 Tax expense | | | |
| Current tax | | | |
| -for current period | 0.65 | 0.44 | 0.44 |
| -for earlier years | - | 18.89 | 18.89 |
| Deferred tax charge / (credit) | (27.74) | (122.93) | (122.93) |
| | (27.09) | (103.60) | (103.60) |

Brookfield India REIT is a business trust registered under SEBI REIT Regulations, 2014. Hence, the interest and dividend received or receivable by Brookfield India REIT from the SPVs is exempt from tax under section 10(23FC) of the Income Tax Act, 1961 (Act). Further, any expenditure incurred in relation to earning the exempt income is not tax deductible in view of the provisions of section 14A of the Act.

The income of Brookfield India REIT, other than exempt income mentioned above, is chargeable to tax at the maximum marginal rates in force (for the quarter ended 30 June 2021: 42.744%; for the period ended 31 March 2021: 42.744%), except for the income chargeable to tax on transfer of short term capital assets under section 111A of the Act and long term capital assets under section 112 of the Act.

SPVs are the Indian companies incorporated under the Companies Act. The total income of the SPVs is chargeable to tax in accordance with the provisions of the Act.



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34 Contingent liabilities

| Particulars | As at | As at |
|--|---------------|---------------|
| | 30 June 2021 | 31 March 2021 |
| Claims against the SPVs not acknowledged as debt in respect of Income-Tax matters (Refer note 1 below) | 822.34 | 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 | 2.67 |
| Grand Total | 825.01 | 779.47 |

| Note 1 | As at | As at |
|---|---------------|---------------|
| | 30 June 2021 | 31 March 2021 |
| Candor Kolkata One Hi-Tech Structures Private Limited | 807.04 | 762.54 |
| Shantiniketan Properties Private Limited | 15.30 | 14.26 |
| Total | 822.34 | 776.80 |

Contingent liabilities as at 30 June 2021 includes penalty amounting to Rs. 485.38 million (31 March 2021 Rs. 485.38 million) in relation to disallowance of settlement fees paid in earlier years for termination of contract. Other contingencies include Rs. 336.96 million (31 March 2021 : Rs. 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 | As at |
|--|--------------|---------------|
| | 30 June 2021 | 31 March 2021 |
| Shantiniketan Properties Private Limited * | 2.67 | 2.67 |
| Total | 2.67 | 2.67 |

* The Company has given a bank guarantee of Rs. 1.00 million (31 March 2021: Rs. 1.00 million) to Member Secretary UP Pollution Control Board.



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35 Commitments

| Particulars | As at 30 June 2021 | As at 31 March 2021 |
|---------------------------------------|-----------------------|------------------------|
| Capital commitments (net of advances) | 271.97 | 327.47 |

The SPV wise details of capital commitments are as follows:

| | | |
|---|---------------|---------------|
| Candor Kolkata One Hi-Tech Structures Private Limited | 60.29 | 59.19 |
| Shantiniketan Properties Private Limited | 211.68 | 268.28 |
| | <u>271.97</u> | <u>327.47</u> |

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. 01 April 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 16 November 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 17 September 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.



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36 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 30 June 2021 | As at 31 March 2021 | As at 30 June 2021 | As at 31 March 2021 |
| <i>At Amortized Cost</i> | | | | |
| Financial assets | | | | |
| Trade receivables # | 247.79 | 204.35 | 247.79 | 204.35 |
| Cash and cash equivalents # | 3,301.32 | 3,155.19 | 3,301.32 | 3,155.19 |
| Other bank balances # | 61.20 | 150.65 | 61.20 | 150.65 |
| Other financial assets # | 492.16 | 444.96 | 492.16 | 444.96 |
| Total financial assets | 4,102.47 | 3,955.15 | 4,102.47 | 3,955.15 |
| <i>At Amortized Cost</i> | | | | |
| Financial liabilities | | | | |
| Borrowings # | 21,168.03 | 21,015.17 | 21,168.03 | 21,015.17 |
| Trade payables # | 478.70 | 445.50 | 478.70 | 445.50 |
| Other financial liabilities # | 4,425.10 | 5,406.06 | 4,425.10 | 5,406.06 |
| Total financial liabilities | 26,071.83 | 26,866.73 | 26,071.83 | 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.



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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 17.95% and 17.18% of revenues for the period ended 30 June 2021 and 31 March 2021. Customer B represented 16.12% and 16.18% of revenues for the period ended 30 June 2021 and 31 March 2021 and Customer C represented 11.33% and 10.71% of revenues for the period ended 30 June 2021 and 31 March 2021.

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

38 Statement of Property wise rental/Operating income

| S.No | Entity and Property name | Property Address | Location | Nature of Income | For the quarter ended 30 June 2021 | For the quarter ended 31 March 2021 | From 17 July 2020 to 31 March 2021 |
|--------------|---|---|----------|--|------------------------------------|-------------------------------------|------------------------------------|
| 1 | Candor Kolkata One Hi-Tech Structures Private Limited | Candor TechSpace IT/ITES SEZ, Dumdahera, Sector-21 Gurgaon, Haryana-122016 | Gurgaon | Rental income and other operating income | 888.62 | 555.41 | 555.41 |
| 2 | Candor Kolkata One Hi-Tech Structures Private Limited | IT/ITES SEZ, Candor TechSpace, Action Area- 1 D, New Town, Rajarhat, Kolkata-700156 | Kolkata | Rental income and other operating income | 539.73 | 306.70 | 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 | 299.34 | 175.68 | 175.68 |
| 4 | Festus Properties Private Limited | Kensington A and B, IT /ITES, Kensington SEZ Building, Hiranandani Business Park, Powai Mumbai, Mumbai City, Maharashtra-400076 | Mumbai | Rental income and other operating income | 463.12 | 271.63 | 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 | | | | | 2,190.81 | 1,309.42 | 1,309.42 |

39 Earnings Per Unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the quarter / period attributable to Unitholders by the weighted average number of units outstanding during the quarter / period. Diluted EPU amounts are calculated by dividing the profit attributable to Unitholders by the weighted average number of units outstanding during quarter / period 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 08 February 2021 and 11 February 2021.

| Particulars | For the quarter ended | | From 17 July 2020 to | |
|--|-----------------------|---------------|----------------------|---------------|
| | 30 June 2021 | 31 March 2021 | 31 March 2021 | 31 March 2021 |
| Profit after tax for calculating basic and diluted EPU | 738.34 | 271.88 | 253.03 | 253.03 |
| Weighted average number of Units (Nos.) | 302,801,601 | 170,345,976 | 59,423,015 | 59,423,015 |
| Earnings Per Unit | | | | |
| -Basic (Rupees/unit) | 2.44 | 1.60 | 4.26 | 4.26 |
| -Diluted (Rupees/unit)* | 2.44 | 1.60 | 4.26 | 4.26 |

* The Trust does not have any outstanding dilutive units.



40 Related Party Disclosures

A. Parties to Brookfield India REIT as at 30 June 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
 - 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

Key management personnel of SPV's

- Candor Kolkata One Hi-Tech Structures Private Limited
Subrata Ghosh- Managing Director
Neeraj Kapoor- Company Secretary
- Festus Properties Private Limited
Lalit Kumar- Company Secretary



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40 B. Related party transactions:

| Nature of transaction/ Entity's Name | For the quarter ended 30 June 2021 | For the quarter ended 31 March 2021 | From 17 July 2020 to 31 March 2021 |
|---|---------------------------------------|--|---------------------------------------|
| Trustee Fee Expense | | | |
| - Axis Trustee Services Limited | 0.74 | 0.77 | 2.21 |
| Total | 0.74 | 0.77 | 2.21 |
| Reimbursement of expense incurred by (excluding GST) | | | |
| - Brookprop Management Services Private Limited | 0.80 | 237.01 | 253.25 |
| - BSREP India Office Holdings V Pte Ltd | 15.91 | 166.90 | 168.07 |
| - Kairos Property Managers Pvt Ltd | - | 0.05 | 0.05 |
| Total | 16.71 | 403.96 | 421.37 |
| Reimbursement of expense incurred on behalf of (excluding GST) | | | |
| - Mountainstar India Office Parks Private Limited | 0.46 | 1.24 | 1.24 |
| Total | 0.46 | 1.24 | 1.24 |
| Issue of Unit Capital | | | |
| - BSREP India office Holdings V Pte. Ltd. | - | 14,882.42 | 14,882.42 |
| - BSREP India Office Holdings Pte Ltd | - | 11,412.33 | 11,412.33 |
| - BSREP India Office Holdings III Pte. Ltd. | - | 10,100.03 | 10,100.03 |
| - BSREP II India Office Holdings II Pte. Ltd. | - | 7,723.86 | 7,723.86 |
| - Kairos Property Managers Pvt Ltd | - | 931.60 | 931.60 |
| - BSREP Moon C1 LP | - | 220.18 | 220.18 |
| - BSREP Moon C2 LP | - | 0.02 | 0.02 |
| Total | - | 45,270.44 | 45,270.44 |
| 12% Unsecured Non convertible debentures repaid | | | |
| - BSREP II India Office Holdings III Pte. Ltd. | - | 256.00 | 256.00 |
| Total | - | 256.00 | 256.00 |
| Interest expense on Unsecured Non convertible debentures | | | |
| - BSREP II India Office Holdings III Pte. Ltd. | - | 0.76 | 0.76 |
| Total | - | 0.76 | 0.76 |
| Internet & Connectivity Charges | | | |
| - Technology Service Group LLC | 3.13 | 2.52 | 2.52 |
| Total | 3.13 | 2.52 | 2.52 |
| Property management fees | | | |
| - Brookprop Management Services Private Limited | 45.90 | 24.91 | 24.91 |
| - Kairos Property Managers Private Limited | - | 2.69 | 2.69 |
| Total | 45.90 | 27.60 | 27.60 |
| Investment management fees | | | |
| - Brookprop Management Services Private Limited | 20.99 | - | - |
| Total | 20.99 | - | - |
| Compensation to key management personnel of SPV's | | | |
| - Short-term employee benefits | 1.91 | 1.40 | 1.40 |
| - Post-employment benefits* | - | - | - |
| - Other long-term benefits | 0.11 | 0.06 | 0.06 |
| Total | 2.02 | 1.46 | 1.46 |
| Provision for Gratuity and compensated absences transfer to | | | |
| - Brookprop Management Services Private Limited | - | 3.26 | 3.26 |
| - Arliga India Office Parks Private Limited | - | 0.30 | 0.30 |
| - Equinox Business Parks Pvt Ltd | - | 0.23 | 0.23 |
| - Vrihis Properties Pvt Ltd | - | 0.05 | 0.05 |
| Total | - | 3.84 | 3.84 |
| Provision for Gratuity and compensated absences transfer from | | | |
| - Equinox Business Parks Pvt Ltd | - | 0.18 | 0.18 |
| - Kairos Property Managers Pvt Ltd | - | 0.24 | 0.24 |
| - Vrihis Properties Pvt Ltd | - | 0.19 | 0.19 |
| Total | - | 0.61 | 0.61 |

*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 30 June 2021 | As at 31 March 2021 |
|---|-----------------------|------------------------|
| Trade Payable (net of withholding tax) | | |
| - Axis Trustee Services Ltd | 0.68 | 2.07 |
| - Brookprop Management Services Private Limited | 20.53 | 0.61 |
| Total | 21.21 | 2.68 |
| Other Payable (net of withholding tax) | | |
| - Brookprop Management Services Private Limited | 12.88 | 65.21 |
| - BSREP India Office Holdings V Pte Ltd | 216.71 | 198.32 |
| Total | 229.59 | 263.53 |
| Other receivables | | |
| - Mountainstar India Office Parks Private Limited | 2.45 | 1.99 |
| Total | 2.45 | 1.99 |
| Vendor Advance-Others (net of withholding tax) | | |
| - Technology Service group LLC | 13.18 | 17.23 |
| Total | 13.18 | 17.23 |



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41 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 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 Condensed Consolidated Financial Statements, has used internal and external sources of information including 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 as on the reporting date.

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

42 Assets Acquisition

On 8 February 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 Rs. 45,270.45 Million (the "Purchase consideration").

The management applied the optional concentration test, under Ind AS 103, and concluded that the acquired set 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 recognised 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 million) |
|---|---------------------|
| 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 |

43 Management fee

Property Management Fees

Pursuant to the Candor Amended and Restated Service Agreement dated 01 December 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 quarter ended 30 June 2021 amounts to Rs. 33.89 million (for the quarter and period ended 31 March 2021 amounts to Rs. 19.04 million). There are no changes during the period in the methodology for computation of fees paid to Manager.

Pursuant to the Festus Service Agreement dated 01 December 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 quarter ended 30 June 2021 amounts to Rs. 12.01 million (for the quarter and period ended 31 March 2021 amounts to Rs. 5.87 million). There are no changes during the period in the methodology for computation of fees paid to Manager.

REIT Management Fees

Pursuant to the Investment Management Agreement dated 17 July 2020, Investment Manager is entitled to fees @ 1% of NDCF, exclusive of applicable taxes (also refer note 45). The fees has been determined for undertaking management of the REIT and its investments. The said Management fees for the quarter ended 30 June 2021 amounts to Rs. 20.99 million (for the quarter and period ended 31 March 2021 Rs. Nil).



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44 Details of utilisation of proceeds of IPO are as follows:

| Objects of the issue as per the prospectus | Proposed utilisation | Actual utilisation upto 30 June 2021 | Unutilised amount as at 30 June 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 (refer note below) | 350.00 | 395.83 | - |
| Issue expenses (refer note below) | 1,900.00 | 1,326.05 | 528.12 |
| Total | 38,000.00 | 37,471.88 | 528.12 |

Note: Amount of Rs. 45.83 million has been used for general corporate purposes from the proposed utilization towards issue expenses.

45 Distribution Policy

In terms of the Distribution policy and REIT Regulations, not less than 90% of the NDCF's 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 NDCF's 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 NDCF's shall be calculated in accordance with the REIT Regulations and any circular, notification or guidelines issued thereunder including the SEBI Guidelines.

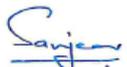
46 "0" Represents value less than Rs. 0.01 million.



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: 10 August 2021


Alok Aggarwal
 Chief executive officer
 DIN No. 00009964
 Place: Mumbai
 Date: 10 August 2021


Sanjeev Kumar Sharma
 Chief financial officer
 DIN No. 00211963
 Place: Mumbai
 Date: 10 August 2021