

Peninsula Brookfield Trustee Private Limited

Financial statements
together with the
Independent Auditors' Report
for the year ended 31 March 2018

Peninsula Brookfield Trustee Private Limited

Financial statements together with the Independent Auditors' Report

for the year ended 31 March 2018

Contents

Independent Auditors' Report

Balance sheet

Statement of profit and loss

Statement of changes in equity

Notes to the financial statements

B S R & Associates LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Independent Auditor's Report

To the Members of Peninsula Brookfield Trustee Private Limited

Report on the audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Peninsula Brookfield Trustee Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity for the year then ended, and summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income) and changes in equity in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.



Independent Auditor's Report (Continued)

Peninsula Brookfield Trustee Private Limited

Auditor's Responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018, its profit (including other comprehensive income) and changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub Section (11) of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

Independent Auditor's Report (*Continued*)

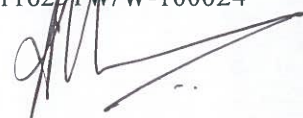
Peninsula Brookfield Trustee Private Limited

Report on Other Legal and Regulatory Requirements (*Continued*)

- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The Company has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls (clause (i) of Section 143(3)).
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position - refer Note 17 to the Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

For **B S R & Associates LLP**
Chartered Accountants

Firm's Registration No. 116281 W/W-100024



Ashwin Suvarna
Partner

Membership No.: 109503

Mumbai
21 May 2018

Peninsula Brookfield Trustee Private Limited

Balance sheet

as at 31 March 2018

(Amount in INR)

Particulars	Note	As at 31 March 2018	As at 31 March 2017
ASSETS			
(1) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	3	1,107,061	922,797
(ii) Other financial assets	4	94	-
Total current assets		1,107,155	922,797
TOTAL ASSETS		1,107,155	922,797
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	5	200,000	200,000
(b) Other equity			
(i) Retained earnings (including items of other comprehensive income)		826,774	632,116
Total equity		1,026,774	832,116
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	6	71,615	75,180
(ii) Other financial liabilities	7	5,139	7,937
(b) Current tax liabilities (net)	8	3,627	7,564
Total liabilities		80,381	90,681
TOTAL EQUITY AND LIABILITIES		1,107,155	922,797

The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

For B S R & Associates LLP
Chartered Accountants
Firm Registration No: 116231 W/W-100024

Ashwin Suvarna
Partner
Membership No: 109503

Mumbai
Date: 21-05-2018

For and on behalf of the Board of Directors of
Peninsula Brookfield Trustee Private Limited
CIN : U67190MH2011PTC224167



Urvi Piramal
Director
DIN: 00044954

Mumbai
Date: 21-05-2018



Sridhar Rengan
Director
DIN: 03139082

Peninsula Brookfield Trustee Private Limited

Statement of profit and loss for the year ended 31 March 2018

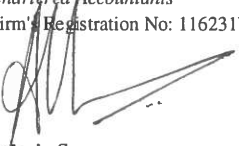
(Amount in INR)

Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from operations- Trusteeship fees		400,000	400,000
Other income	9	36,783	11,732
Total income		436,783	411,732
Other expenses	10	174,152	128,062
Total expenses		174,152	128,062
Profit before tax		262,631	283,670
Tax expense:			
Current tax	11	67,833	85,756
Short provision of earlier years		140	-
Profit for the year		194,658	197,914
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		194,658	197,914
Earnings per equity share of par value Rs. 10 each (31 March 2017 Rs.10 each)	12		
Basic		9.73	9.90
Diluted		9.73	9.90

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024


Ashwin Suvarna
Partner
Membership No: 109503

Mumbai
Date: 21-05-2018

For and on behalf of the Board of Directors of
Peninsula Brookfield Trustee Private Limited
CIN : U67190MH2011PTC224167


Urvi Piramal
Director
DIN: 00044954


Sridhar Rengan
Director
DIN: 03139082

Mumbai
Date: 21-05-2018

Peninsula Brookfield Trustee Private Limited

Statement of changes in equity (SOCIE) for the year ended 31 March 2018

(Amount in INR)

A. Equity share capital

Balance as at 1 April 2017	200,000
Changes in equity share capital during the year	-
Balance as at 31 March 2018	200,000

B. Other equity

Particulars	Other equity	Total equity
	Reserves & surplus Retained earnings	
Balance at 1 April 2016	434,202	434,202
Restated balance at the beginning of the reporting period	434,202	634,202
Changes in equity share capital during the year	-	-
Profit for the year	197,914	197,914
Other comprehensive income for the year	-	-
Total comprehensive income for the year	197,914	197,914
	-	-
Balance at 31 March 2017	632,116	632,116
Balance at the beginning of the reporting period	632,116	832,116
Changes in equity share capital during the year	-	-
Profit for the year	194,658	194,658
Total comprehensive income for the year	194,658	194,658
Balance at 31 March 2018	826,774	826,774

Note:

The Company does not have any items in the nature of 'Other Comprehensive income'.

As per our report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024


Ashwin Suvarna
Partner
Membership No: 109503

Mumbai
Date: 21-05-2018

For and on behalf of the Board of Directors of
Peninsula Brookfield Trustee Private Limited
CIN : U67190MH2011PTC224167


Urvi Piramal
Director
DIN: 00044954


Sridhar Rengan
Director
DIN: 03139082

Mumbai
Date: 21-05-2018

Peninsula Brookfield Trustee Private Limited

Notes to the financial statements

for the year ended 31 March 2018

(Amount in INR)

1. Background

Peninsula Brookfield Trustee Private Limited ('the Company') was incorporated on 21 November 2011 with the objective of acting as a trustee to Peninsula Brookfield India Real Estate Fund (the 'Fund'). The Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The principal shareholders of the Company are Peninsula Holdings and Investments Private limited and Brookfield Capital Partners (Bermuda) Ltd. The registered office of the Company is located at Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The Company is a Small company as defined under section 2(85) of the Companies Act, 2013. Accordingly, the Company has not prepared cash flow statement by virtue of section 2(40) read with section 2(85) of the Companies Act, 2013.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest rupees, unless otherwise indicated.

C. Current /Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- a) Expected to be realised or intended to be sold or consumed in it's normal operating cycle;
- b) Held primarily for the purpose of trading;
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.



Peninsula Brookfield Trustee Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2018

(Amount in INR)

2. Basis of preparation (*Continued*)

C. Current /Non-current classification (*Continued*)

A liability is current when:

- a) It is expected to be settled in its normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is due to be settled within twelve months after the reporting period; or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities, if applicable are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

D. Basis of measurement

The financial statements has been prepared on the historical cost basis

E. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

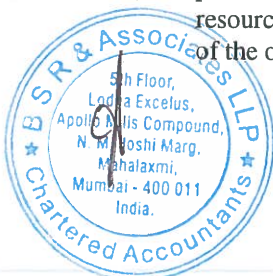
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

F. Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for

- (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.



Peninsula Brookfield Trustee Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2018

(Amount in INR)

2. Basis of preparation (*Continued*)

G. Revenue

Trusteeship fees is recognized on accrual basis, in accordance with the trusteeship agreement entered into with the Fund.

Interest income is recognised on accrual basis using the effective interest method.

H. Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income

Current tax

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

Current tax assets and current tax 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.

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 assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Company 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.

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 by the reporting date.

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



Peninsula Brookfield Trustee Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2018

(Amount in INR)

2. Basis of preparation (*Continued*)

H. Income tax (*Continued*)

Deferred tax (Continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, 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.

I. Trade receivable and trade payable

Trade receivable and trade payable are recognized at carrying cost which considered to be same as their fair values due to their short term nature.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.



Peninsula Brookfield Trustee Private Limited

Notes to financial statements (Continued)

as at 31 March 2018

(Amount in INR)

Particulars	As at 31 March 2018	As at 31 March 2017
3 Cash and cash equivalents		
Balance with banks :		
(i) In current account	186,782	902,429
(ii) Balances with banks in deposit account (original maturity upto three months)	900,000	-
Cash on hand	20,279	20,368
	<u>1,107,061</u>	<u>922,797</u>
4 Other current financial assets		
Interest accrued on deposits and loans and advances	94	-
	<u>94</u>	<u>-</u>



Peninsula Brookfield Trustee Private Limited

Notes to financial statements (Continued)

as at 31 March 2018

(Amount in INR)

Particulars	As at 31 March 2018	As at 31 March 2017
5 Share capital		
a Authorised :		
20,000 (Previous year 20,000) equity shares of Rs.10 each	200,000	200,000
TOTAL	200,000	200,000
b Issued, subscribed and paid up:		
20,000 (Previous year 20,000) equity shares up of Rs. 10 each fully paid	200,000	200,000
TOTAL	200,000	200,000

c There has been no change in the number of equity shares issued, subscribed and paid up during the current year.

d Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e Shares held by its holding company and/or their subsidiaries/associates

Equity share	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
Peninsula Holdings and Investments Private Limited	10,000	100000	10,000	100000
Brookfield Capital Partners (Bermuda) Ltd	10,000	100000	10,000	100000

f Particulars of shareholders holding more than 5% shares in the company is set out below:

Equity share	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	No of shares %	No. of Shares	No of shares %
Peninsula Holdings and Investments Private Limited	10,000	50	10,000	50
Brookfield Capital Partners (Bermuda) Ltd	10,000	50	10,000	50

g No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the reporting date.



Peninsula Brookfield Trustee Private Limited

Notes to financial statements (*Continued*)

as at 31 March 2018

(Amount in INR)

Particulars	As at 31 March 2018	As at 31 March 2017
6 Trade payables		
- total outstanding dues of micro and small enterprises (refer note 18)	-	-
- total outstanding dues of creditors other than micro and small enterprises	71,615	75,180
	<u>71,615</u>	<u>75,180</u>
7 Other current liabilities		
Statutory dues payables	5,139	7,937
	<u>5,139</u>	<u>7,937</u>
8 Current tax liabilities (net)		
Provision for tax (net of advance tax: Rs. 72,526; 31 March 2017: Rs.79,497)	3,627	7,564
	<u>3,627</u>	<u>7,564</u>



Peninsula Brookfield Trustee Private Limited

Notes to financial statements (Continued)

for the year ended 31 March 2018

(Amount in INR)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
9 Other income		
Interest income on deposits with banks	30,563	11,732
Excess provision written back	6,220	-
Total other income	36,783	11,732
10 Other expenses		
Rates and taxes	2,500	2,500
Payment to auditors		
- Audit fees	107,014	60,920
- Reimbursement of expenses	2,065	1,984
Legal and professional charges	60,180	60,956
Miscellaneous expenses	2,393	1,702
	174,152	128,062



Peninsula Brookfield Trustee Private Limited

Notes to financial statements (Continued)

for the year ended 31 March 2018

(Amount in INR)

	31 March 2018	31 March 2017
11 (a) Amounts recognised in profit and loss		
Current income tax	67,833	85,756
Deferred tax expense	-	-
Tax expense for the year	67,833	85,756
(b) Reconciliation of effective tax rate		
Profit before tax	262,631	283,670
	262,631	283,670
Tax using the Company's domestic tax rate (Current year 25.75% and Previous Year 29.87%)	67,627	84,734
Actual Tax charge	67,833	85,756
Tax effect of:		
Non-deductible tax expenses	(205)	(1,022)
Effective tax rate (Current year 25.75% and Previous Year 29.87%)	67,627	84,734

The Company's domestic tax rate is 25.75%.

The Company does not have any timing difference resulting into deferred tax asset or liabilities. Accordingly, there are no unrecognised deferred tax assets and liabilities as at 31 March 2018 (31 March 2017: Rs. Nil).



Peninsula Brookfield Trustee Private Limited

Notes to financial statements (Continued)

for the year ended 31 March 2018

(Amount in INR)

12 Earnings per share (EPS)

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by weighted average number of equity shares outstanding during the reporting year.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share, only potential equity shares that are dilutive are included.

Particulars	2018	2017
i. Profit attributable to equity holder of the company		
Profit for the year, attributable to the owner of the Company	194,658	197,914
ii. Weighted average number of ordinary shares		
Issued ordinary shares at 1 April	20,000	20,000
Effect of shares issued for cash	-	-
Weighted average number of shares for basic EPS	20,000	20,000
Effect of dilution	-	-
Weighted average number of shares for diluted EPS	20,000	20,000
<u>Basic and diluted earnings per share</u>		
Basic earnings per share (in Rs.)	9.73	9.90
Diluted earnings per share (in Rs.)	9.73	9.90



Peninsula Brookfield Trustee Private Limited

Notes to financial statements (Continued)

for the year ended 31 March 2018

(Amount in INR)

13 Related party relationships, transactions and balances

List of related parties and transactions during the year:

a. Controlling entity

- (i) Peninsula Land Limited
- (ii) Brookfield Capital Partners (Bermuda) Ltd.

b. Holding company

- (i) Peninsula Holdings and Investments Private Limited
- (ii) Brookfield Capital Partners (Bermuda) Ltd.

c. Entity under common control

- (i) PenBrook Capital Advisors Private Limited (formerly Peninsula Brookfield Investment Managers Private Limited)
- (ii) Peninsula Brookfield India Real Estate Fund

d. Key management personnel

- (i) Mrs. Urvi A. Piramal
- (ii) Mr. Sridhar Rengan

e. Key management personnel of parent company

- (i) Mrs. Urvi A. Piramal
- (ii) Mr. Subhashchandra Madanlal Kashimpuria
- (iii) Mr. Mahesh Shrikrishna Gupta
- (iv) Mr. Rajendar Kumar Rewari

Details of transactions are as follows:

Related party transactions other than those with key management personnel

	Transaction value		Balance outstanding	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Trusteeship fees				
Peninsula Brookfield India Real Estate Fund	400,000	400,000	-	-

14 Capital management

The Company's policy is to maintain a strong capital base to sustain future development of the business.

The Company has adequate cash and bank balances and continues to remain debt-free. The company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.



Peninsula Brookfield Trustee Private Limited

Notes to financial statements (Continued)

for the year ended 31 March 2018

(Amount in INR)

15 Financial instruments – Fair values and risk management

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

Impairment

At 31 March 2018, the ageing of trade receivables that were not impaired was as follows.

	Carrying amount (in INR)	
	31 March 2018	31 March 2017
Neither past due nor impaired	-	-
Past due 1–30 days	-	-
Past due 31–90 days	-	-
Past due 91–120 days	-	-
	<u>-</u>	<u>-</u>

The Company is acting as trustee for Peninsula Brookfield India Real Estate Fund only. Management believes that all the amounts will be recovered, based on the historical payment behavior.

The Company has not created any impairment allowance for trade and other receivable.

Cash and cash equivalents

The Company held cash and cash equivalents of INR 11,07,061 at 31 March 2018 (31 March 2017: INR 9,22,797). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

ii. Liquidity risk

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

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

Exposure to liquidity risk

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



Peninsula Brookfield Trustee Private Limited

Notes to financial statements (Continued)

for the year ended 31 March 2018

(Amount in INR)

15 Financial instruments – Fair values and risk management (Continued)

ii. Liquidity risk (Continued)

The liabilities of the Company are normally settled within 12 months.

31 March 2018	Carrying amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Financial liabilities	76,754	76,754	76,754	-	-	-
31 March 2017	Carrying amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Financial liabilities	83,117	83,117	83,117	-	-	-

iii. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company does not have borrowings which is carrying Fixed interest rate.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not have any fixed-rate financial assets or financial liabilities. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

The Company does not have any exposure to variable rate instrument. Therefore change in interest rate will not impact profit or loss.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company does not have exposure to market risk and therefore, the changes in market risk will not impact profit or loss.

v. Currency risk

The functional currency of the Company is Indian Rupee. The Company does not have exposure to currency risk and therefore, the changes in currency risk will not impact profit or loss.



Peninsula Brookfield Trustee Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2018

(Amount in INR)

16. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

The Company operates in only one business segment viz. trusteeship services to Peninsula Brookfield India Real Estate Fund and all of its operations are in India. Accordingly, the financial statements are reflective of the information required by IND AS 108.

17. Contingent Liability and capital commitment

The Company has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts if any. Based on such assessment, the Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

There is no contingent liability and capital commitment as at 31 March 2018 (31 March 2017 Rs. Nil).

18. Due to Micro and small suppliers

As per the information available with the Company, there are no micro, small and medium enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues as at the year end on account of principal and interest thereon and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the statutory auditors of the Company.

19. Specified Bank notes (SBNs)

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018. Corresponding amounts as appearing in the audited financial statements for the year ended 31 March 2017 have been disclosed as below:-

Particulars	SBNs	Other denomination notes	Total Rs.
Closing cash in hand as on 8 November 2016	4,500	368	4,868
(+) Permitted receipts	-	20,000	20,000
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	4,500	-	4,500
Closing cash in hand as on 30 December 2016	-	20,368	20,368



Peninsula Brookfield Trustee Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2018

(Amount in INR)

20. Subsequent events

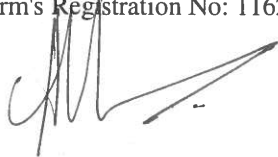
The Company has evaluated subsequent events, as defined under IND AS 10 “Events after the reporting period” through 21st May 2018 and no material subsequent event have been identified.

As per our report of even date attached.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024



Ashwin Suvarna

Partner

Membership No: 109503

Mumbai

Date: 21-05-2018

For and on behalf of the Board of Directors

Peninsula Brookfield Trustee Private Limited

CIN : U67190MH2011PTC224167



Urvi Piramal

Director

DIN: 00044954

Mumbai

Date: 21-05-2018

Sridhar Rengan

Director

DIN: 03139082