

B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Peninsula Brookfield Trustee Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Peninsula Brookfield Trustee Private Limited (the "Company"), which comprise the Balance sheet as at 31 March 2021, and the Statement of profit and loss (including other comprehensive income) and the Statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (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 2021, and loss and other comprehensive income and its changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Registered Office:

Independent Auditor's Report (*Continued*)

Peninsula Brookfield Trustee Private Limited

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 of 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 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 and Board of Directors are 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.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify

Independent Auditor's Report (*Continued*)

Peninsula Brookfield Trustee Private Limited

Auditor's Responsibilities for the Audit of the Financial Statements (*Continued*)

our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

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

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 Section 143(11) of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable as the Company is small company as defined under section 2(85) of the Act.
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 (including other comprehensive income) and the Statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act; and
 - 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));
3. With respect to the other matters to be included in the Auditors' 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:
 - a) The Company does not have any pending litigations which would impact its financial position. – Refer note 17 to the financial statements;

B S R & Associates LLP

Independent Auditor's Report (*Continued*)
Peninsula Brookfield Trustee Private Limited

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

- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - d) 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 in these financial statements since they do not pertain to the financial year ended 31 March 2021.
4. In our opinion and according to the information and explanations given to us, section 197 is not applicable to the Company as it is a Private limited company.

For B S R & Associates LLP

Chartered Accountants

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

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SHETTY

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Nitesh Shetty

Partner

Membership No. 123493

UDIN: 21123493AAAAAQ1599

Mumbai
11 June 2021

Peninsula Brookfield Trustee Private Limited

Balance sheet

as at 31 March 2021

(Amount in INR)

Particulars	Note	31 March 2021	31 March 2020
<u>ASSETS</u>			
Non-current assets			
(a) Other tax assets (net)	3	-	6,840
Total non-current assets		-	6,840
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	4	14,23,254	14,28,454
(ii) Other current financial assets	5	706	336
Total current assets		14,23,960	14,28,790
TOTAL ASSETS		14,23,960	14,35,630
<u>EQUITY AND LIABILITIES</u>			
Equity			
(a) Equity share capital	6	2,00,000	2,00,000
(b) Other equity			
Retained earnings		8,32,840	11,17,341
Total equity		10,32,840	13,17,341
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	7		
- total outstanding dues of micro and small enterprises		-	-
- total outstanding dues of creditors other than micro and small enterprises		3,73,568	1,11,950
(ii) Other current liabilities	8	17,552	6,339
Total current liabilities		3,91,120	1,18,289
TOTAL EQUITY AND LIABILITIES		14,23,960	14,35,630

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

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Nitish Shetty

Partner

Membership No: 123493

Mumbai

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

CIN : U67190MH2011PTC224167

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Urvi Piramal

Director

DIN: 00044954

Mumbai

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Sridhar Rengan

Director

DIN: 03139082

Peninsula Brookfield Trustee Private Limited

Statement of income and expenditure

for the year ended 31 March 2021

(Amount in INR)

Particulars	Note	31 March 2021	31 March 2020
Revenue from operations - trusteeship fees		-	1,58,696
Other income	9	38,831	64,444
Total income		38,831	2,23,140
Other expenses	10	3,23,332	1,40,389
Total expenses		3,23,332	1,40,389
Profit before tax		(2,84,501)	82,751
Tax expense:			
Current tax		-	21,295
Short provision of earlier years		-	172
Profit for the period		(2,84,501)	61,284
Earnings per equity share of par value Rs. 10 each	12		
Basic		(14.23)	3.06
Diluted		(14.23)	3.06

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

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Nitesh Shetty

Partner

Membership No: 123493

Mumbai

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Urvi Piramal

Director

DIN: 00044954

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Sridhar Rengan

Director

DIN: 03139082

Peninsula Brookfield Trustee Private Limited

Statement of changes in equity

for the year ended 31 March 2021

(Amount in INR)

Particulars	Equity share capital	Other Equity Reserves & Surplus Retained earnings	Total equity
Balance at the beginning of the reporting year	2,00,000	10,56,057	12,56,057
Profit for the year	-	61,284	61,284
Balance at 31 March 2020	2,00,000	11,17,341	13,17,341
Balance at the beginning of the reporting year	2,00,000	11,17,341	13,17,341
Loss for the year	-	(2,84,501)	(2,84,501)
Balance at 31 March 2021	2,00,000	8,32,840	10,32,840

Note:

Retained earnings are in nature of accumulated profits over the years. The Company does not have any items in the nature of 'other comprehensive income' during the year ended 31 March 2021 (31 March 2020: Nil).

As per our report of even date attached.

For **B S R & Associates LLP**

Chartered Accountants

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

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RAGHURA
M SHETTY

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Nitesh Shetty

Partner

Membership No: 123493

Mumbai

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Sridhar Rengan

Director

DIN: 03139082

Peninsula Brookfield Trustee Private Limited

Notes to the financial statements

for the year ended 31 March 2021

(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) Limited.

2. Basis of preparation

2.1 *Statement of compliance*

These financial statements have been prepared on a going concern basis (refer note 19) in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention the accrual basis except for certain financial instrument which are measured at fair value, the provisions of the Companies Act, 2013 (the 'Act') (to the extent notified) and prescribed under Section 133 of Act and relevant amendment rules issued thereafter. 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 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.

2.2 *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.

2.3 *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 2021

(Amount in INR)

2. Basis of preparation (*Continued*)

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

A liability is current when:

- a) It is expected to be settled in it's 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.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the certain financial instruments which are measured at fair value.

2.5 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.

2.6 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 2021

(Amount in INR)

2. Basis of preparation (*Continued*)

2.7 Revenue

Trusteeship fees is recognized on accrual basis, in accordance with the trusteeship agreement entered into with the Fund. The Company has stopped charging trusteeship fee from 24 August 2019.

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

2.8 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.

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.

Peninsula Brookfield Trustee Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

(Amount in INR)

2. Basis of preparation (*Continued*)

2.9 Trade receivable and trade payable

Trade receivable represents the amount due on the services rendered in the normal course of business and trade payable represents the amount due on account of services received in the normal course of business.

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.

2.10 Recent accounting pronouncements

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Act. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

Peninsula Brookfield Trustee Private Limited

Notes to financial statements *(Continued)*

as at 31 March 2021

(Amount in INR)

Particulars	31 March 2021	31 March 2020
3 Other tax assets (net)		
Advance income tax (net of provision for tax of Rs. 21,295; 31 March 2020: 21,295)	-	6,840
	<u>-</u>	<u>6,840</u>
4 Cash and cash equivalents		
Balance with banks:		
(i) In current account	14,03,125	1,08,325
(ii) Balances with banks in deposit account (original maturity upto three months)	-	13,00,000
Cash on hand	20,129	20,129
	<u>14,23,254</u>	<u>14,28,454</u>
5 Other current financial assets		
Interest accrued on deposits	-	336
Advance income tax (net of provision for tax of Rs. 21,295; 31 March 2020: 21,295)	706	-
	<u>706</u>	<u>336</u>

Peninsula Brookfield Trustee Private Limited

Notes to financial statements *(Continued)*

as at 31 March 2021

(Amount in INR)

Particulars	31 March 2021	31 March 2020
6 Share capital		
a Authorised :		
20,000 (previous year 20,000) equity shares of Rs.10 each	<u>2,00,000</u>	<u>2,00,000</u>
	<u>2,00,000</u>	<u>2,00,000</u>
b Issued, subscribed and paid up:		
20,000 (previous year 20,000) equity shares up of Rs. 10 each fully paid	<u>2,00,000</u>	<u>2,00,000</u>
	<u>2,00,000</u>	<u>2,00,000</u>

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

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	31 March 2021		31 March 2020	
	No. of Shares	Amount (INR)	No. of Shares	Amount (INR)
Peninsula Holdings and Investments Pvt Ltd	10,000	1,00,000	10,000	1,00,000
Brookfield Capital Partners (Bermuda) Ltd	10,000	1,00,000	10,000	1,00,000

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

Equity share	31 March 2021		31 March 2020	
	No. of Shares	No of shares (%)	No. of Shares	No of shares (%)
Peninsula Holdings and Investments Pvt Ltd	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 2021

(Amount in INR)

Particulars	31 March 2021	31 March 2020
7 Trade payables		
- total outstanding dues of micro and small enterprises	-	-
- total outstanding dues of creditors other than micro and small enterprises	3,73,568	1,11,950
	<u>3,73,568</u>	<u>1,11,950</u>
8 Other current liabilities		
Statutory dues payables	17,552	6,339
	<u>17,552</u>	<u>6,339</u>

Peninsula Brookfield Trustee Private Limited

Notes to financial statements *(Continued)*

for the year ended 31 March 2021

(Amount in INR)

Particulars	31 March 2021	31 March 2020
9 Other income		
Interest income on deposits with banks	38,465	64,444
Interest income on income tax refund	366	-
	<u>38,831</u>	<u>64,444</u>
10 Other expenses		
Rates and taxes	2,500	2,500
Payment to auditors		
- Audit fees	59,000	59,000
- Reimbursement of expenses	1,770	1,770
Legal and professional charges	2,60,050	71,800
Miscellaneous expenses	12	5,319
	<u>3,23,332</u>	<u>1,40,389</u>

Peninsula Brookfield Trustee Private Limited

Notes to financial statements *(Continued)*

for the year ended 31 March 2021

(Amount in INR)

Particulars	31 March 2021	31 March 2020
11 (a) Amounts recognised in profit and loss		
Current income tax	-	21,295
Deferred tax expense	-	-
Tax expense for the year	-	21,295
(b) Reconciliation of effective tax rate		
Profit before tax	(2,84,501)	82,751
Tax using the Company's domestic tax rate [Current year 25.168% and Previous Year 25.168%]	(71,603)	20,827
Tax on items of timing difference	71,603	-
Tax on non-deductible expenses	-	468
Total tax expense	-	21,295
Tax losses carried forward		
Loss that expires 2028-2029	2,84,501	-

Due to COVID-19, the management has recognized deferred tax asset to the extent of deferred tax liability based on assessment of availability of sufficient future taxable income against such deferred tax assets. Accordingly, deferred tax asset is not recognised in the financial statements in current year. (31 March 2020: Rs. Nil).

Peninsula Brookfield Trustee Private Limited

Notes to financial statements *(Continued)*

for the year ended 31 March 2021

(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	31 March 2021	31 March 2020
Profit for the year	(2,84,501)	61,284
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	<u>20,000</u>	<u>20,000</u>
Effect of dilution	-	-
Weighted average number of shares for diluted EPS	<u>20,000</u>	<u>20,000</u>
Basic and diluted earnings per share		
Basic earnings per share (in Rs.)	(14.23)	3.06
Diluted earnings per share (in Rs.)	(14.23)	3.06

Peninsula Brookfield Trustee Private Limited

Notes to financial statements *(Continued)*

for the year ended 31 March 2021

(Amount in INR)

13 Related party relationships, transactions and balances

List of related parties and transactions during the year:

a. Entities ultimately exercising joint control

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

b. Entities exercising joint control

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

c. Entity under common control

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

d. Directors

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

e. Directors of entities exercising joint control

- (i) Mrs. Urvi A. Piramal
- (ii) Mr. Mahesh Shrikrishna Gupta
- (iii) Mr. Vijay Shankar

Details of transactions are as follows:

Related party transactions other than those with key management personnel

	Transaction value	
	31 March 2021	31 March 2020
Trusteeship fees		
Peninsula Brookfield India Real Estate Fund	-	1,58,696

There is no balance outstanding as at 31 March 2021 (31 March 2020: Rs. Nil).

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 2021

(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 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, to the extent applicable.

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.

There are no trade receivables as at 31 March 2021 and 31 March 2020 hence, disclosure as per para 34(a) of Ind AS 107 is not provided.

Cash and cash equivalents

The Company held cash and cash equivalents of INR 14,23,254 at 31 March 2021 (31 March 2020: INR 14,28,454). 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. These liabilities of the Company are normally settled within 12 months.

Peninsula Brookfield Trustee Private Limited

Notes to financial statements (Continued)

for the year ended 31 March 2021

(Amount in INR)

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

ii. Liquidity risk (Continued)

31 March 2021	Carrying amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	3,73,568	3,73,568	3,73,568	-	-	-

31 March 2020	Carrying amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	1,11,950	1,11,950	1,11,950	-	-	-

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. The Company does not have exposure to interest rate risk.

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, a 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.

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 2021

(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 received a Show Cause Notice from SEBI for which the Company has already applied for settlement. Details of the same has been disclosed in note no 20.

Except for the aforesaid, there is no other contingent liability and capital commitment as at 31 March 2021 (31 March 2020 Rs. Nil).

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.

18. Due to Micro and small suppliers

	31 March 2021	31 March 2020
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

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.

Peninsula Brookfield Trustee Private Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

(Amount in INR)

19. Going concern and COVID-19 impact

The Company presently does not earn any revenue from the existing trusteeship contract. While the Company does not have any other revenue arrangement, the management is presently exploring various opportunities for new trusteeship contracts and is confident of identifying and executing fresh contracts. Further, the Company has sufficient cash and bank balances to meet the liabilities outstanding as of 31 March 2021 and its expenses for next financial year.

The Company has evaluated impact of COVID-19 pandemic on its business operations and financial position and based on the same, no significant impacts on the financial statements for the year ended 31 March 2021 were identified. However, the extent to which the COVID-19 pandemic will impact the Company's business and future business plans at this time is dependent on future developments.

The management has a reasonable expectation that the Company will be able to meet all its contractual obligations and liabilities as they fall due in near future and that the Company will be able to procure new trusteeship contracts for carrying on its operations. Accordingly, the financial statements of the Company are prepared on a going concern basis.

20. SEBI Inspection

During the year ended 31 March 2021, SEBI has issued a Show Cause Notice basis inspection of our books of accounts and other records of the Company. The matters raised include drawdown of contributions less than INR 1 crore from investors, extension of the tenure of the Fund etc. These matters were initially raised vide an Inspection Report followed up by an Administrative Warning Letter and now have been raised through a Show Cause Notice. The Company is one of the recipients of the Show Cause Notice (those who have received include the Investment Manager, Directors of the Investment Manager etc.) The Show Cause Notice stipulates to holding of an inquiry for the alleged non-compliances and imposing a penalty as per the procedure laid down in SEBI (Procedure for holding Inquiry and Imposing Penalties) Rules, 1995 read with SEBI Act and provides a time limit of 14 days to file a reply. We have applied for physical inspection of the documents and asked for further period of 3 weeks to reply after inspection of documents, reply for which is pending from SEBI. Further the company has already applied for settlement. We are uncertain of settlement amount which will be levied by SEBI. In case of shortfall, both the sponsors shall contribute equally towards the liability in terms of clause 15.3.2 of Joint Venture Agreement dated 15 December 2011.

21. Subsequent events

The Company has evaluated subsequent events, as defined under IND AS 10 "Events after the reporting period" through 11 June 2021 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

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Nitesh Shetty

Partner

Membership No: 123493

Mumbai

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

CIN : U67190MH2011PTC224167

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Urvi Piramal

Director

DIN: 00044954

Mumbai

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Sridhar Rengan

Director

DIN: 03139082