

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

To

Board of Directors of Candor Kolkata One Hi-Tech Structures Private Limited

We have audited the standalone annual financial results of Candor Kolkata One Hi-Tech Structures Private Limited for the year ended 31 March 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that figures for the half year ended 31 March 2019 and the corresponding half year ended in the previous year as reported in these standalone annual financial results are the balancing figures between audited figures in respect of the full financial year and the year to date figures upto the end of the first half year of the relevant financial year. Also the figures up to the end of the first half year ended 31 March 2018 and 31 March 2019 have only been reviewed and not subjected to audit.

These standalone annual financial results have been prepared on the basis of the annual financial statements and reviewed half yearly financial results which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these standalone annual financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone annual financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our qualified opinion.

The Company has received share application money during the earlier years post the issuance of the Unlisted Public Companies (Preferential Allotment) Amendment Rules, 2011, against which the Company has neither allotted shares nor refunded the application money. During the year ended 31 March 2014, the Company had accrued interest on the share application money in accordance with the requirements of the said Rules. However, the Company was not in compliance with maintenance of a separate bank account for such share application money and that the same was being utilized for general corporate purposes, which was not in accordance with the Rules. During the year ended 31 March 2014, the same has been converted into inter corporate deposits based on legal advice obtained by the Company. The impact, if any, of such non compliances cannot be ascertained. This was also a subject matter of qualification in the Auditor's Report on the Ind AS financial statements for the year ended 31 March 2018.

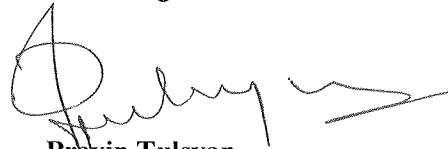
In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the paragraph above, these financial results:

- (i) are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2019.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022



Pravin Tulsyan

Partner

Membership No. 108044

Place: Gurugram, Haryana
Date: 30 May 2019

CANDOR KOLKATA ONE HI-TECH STRUCTURES PRIVATE LIMITED

CIN: U74899MH2005PTC281224

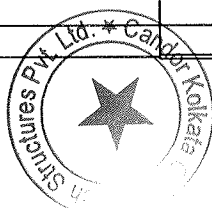
REGD. OFFICE : F-83, Profit Centre, Gate No I Mahavir Nagar, Near Pizza Hut, Kandivali (W) Mumbai, Maharashtra- 400067

Website: www.candortechspace.com, Tel : +91-124-3821400 , Email : candorlegal@brookfield.com

AUDITED STANDALONE IND AS BALANCE SHEET AS AT 31 MARCH 2019

(All amounts in Rupees million unless otherwise stated)

Particulars	As at	As at
	31 March 2019	31 March 2018
	AUDITED	AUDITED
ASSETS		
Non-current assets		
Property, plant and equipment	17.95	16.51
Investment property	9,103.89	7,461.67
Financial assets		
i. Loans	99.19	99.20
ii. Investments	30,500.00	-
iii. Other financial assets	296.61	106.49
Income tax assets (net)	413.01	288.90
Other non-current assets	10.89	13.14
Total non-current assets	40,441.54	7,985.91
Current assets		
Financial assets		
i. Trade receivables	60.36	10.58
ii. Cash and cash equivalents	431.76	109.13
iii. Loans	7,018.26	494.46
v. Other financial assets	37.38	71.39
Other current assets	41.89	16.69
Total current assets	7,589.65	702.25
TOTAL ASSETS	48,031.19	8,688.16
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	0.59	0.59
Other equity	252.18	551.31
Total equity	252.77	551.90
LIABILITIES		
Non-current liabilities		
Financial liabilities		
i. Borrowings	45,025.33	6,720.80
ii. Other financial liabilities	1,133.53	74.88
Deferred tax liabilities (net)	284.74	110.71
Other non-current liabilities	19.02	12.56
Long term provisions	0.40	-
Total non-current liabilities	46,463.02	6,918.95
Current liabilities		
Financial liabilities		
i. Trade payables		
Total outstanding dues of micro enterprises and small enterprises	0.44	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	183.04	131.61
ii. Other financial liabilities	1,061.34	1,046.21
Other current liabilities	70.57	39.49
Short term provisions	0.01	-
Total current liabilities	1,315.40	1,217.31
Total liabilities	47,778.42	8,136.26
TOTAL EQUITY AND LIABILITIES	48,031.19	8,688.16



Handwritten signature/initials

CANDOR KOLKATA ONE HI-TECH STRUCTURES PRIVATE LIMITED

CIN: U74899MH2005PTC281224

REGD. OFFICE : F-83, Profit Centre, Gate No 1 Mahavir Nagar, Near Pizza Hut, Kandivali (W) Mumbai, Maharashtra- 400067

Website: www.candortechspace.com, Tel : +91-124-3821400 , Email : candorlegal@brookfield.com

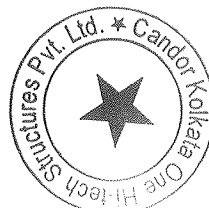
STANDALONE IND AS FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2019

(All amounts in Rupees million unless otherwise stated)

Particulars	Half year ended		Year ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Audited #	Audited #	Audited	Audited
1. Income from operations	1,013.77	958.14	2,020.60	1,860.46
2. Expenditure				
(a) Employee benefits expense	1.53	-	1.53	-
(b) Depreciation expenses	99.29	93.94	186.62	190.14
(c) Power and fuel	153.20	149.94	342.75	336.68
(d) Repair & maintenance	89.25	87.38	151.87	155.39
(e) Property management fees	83.58	75.49	165.43	145.76
(f) Other expenditure	44.41	44.13	113.90	97.07
3. Profit from operations before other income, interest and exceptional items (1-2)	542.51	507.26	1,058.50	935.42
4. Other income	329.02	63.85	380.66	104.30
5. Profit before interest and exceptional items (3 + 4)	871.53	571.11	1,439.16	1,039.72
6. Interest	1,345.31	237.57	1,577.61	475.00
7. Exceptional items	-	-	-	-
8. (Loss) / Profit from ordinary activities before tax (5-6+7)	(473.78)	333.54	(138.45)	564.72
9. Tax expense				
(a) Current tax (net)				
-for current years	9.25	72.72	70.89	123.90
-for earlier years	(13.35)	0.79	(13.35)	0.79
(b) Deferred tax expense	305.11	(31.76)	103.15	(154.93)
Total tax expense	301.01	41.75	160.69	(30.24)
10. Net (Loss) / Profit from ordinary activities after tax (8 - 9) (A)	(774.79)	291.79	(299.14)	594.96
11. Other comprehensive income				
Remeasurement of defined benefit obligations	0.01	-	0.01	-
Income tax related to items that will not be reclassified to profit or loss (rounded off)	(0.00)	-	(0.00)	-
Other comprehensive income for the period, net of tax (B)	0.01	-	0.01	-
12. Total comprehensive income (net of tax) (A+B)	(774.78)	291.79	(299.13)	594.96
13. Earning per equity share				
a) Basic (in Rupees) *	(6,462.46)	4,950.98	(4,153.32)	10,081.10
b) Diluted (in Rupees) *	(6,462.46)	4,950.98	(4,153.32)	10,081.10

* not annualised for the six month period ended

Figures for the half year ended 31 March 2019 and 31 March 2018 are the balancing figures between audited figures in respect of full year and unaudited and reviewed year to date figures upto the first half year of the financial year. Also, the figures upto the end of the first half year were reviewed and not subjected to audit.



Handwritten signature or initials

Notes:

1) The Company is in the business of developing commercial real estate property in India. It is primarily involved in developing and leasing of investment property in IT/ITeS Special Economic Zone (SEZ). The Company is developing a project in New Town, Rajarhat, Kolkata. The project has been notified as Special Economic Zone (SEZ) by the Government of India.

2) During the year, the Company has allotted 21,000 INR denominated, senior, rated, listed, secured, redeemable, non-convertible bonds of face value of INR 10,00,000 each, aggregating INR 21,000 million (hereinafter referred to as the "Bonds"), for cash, on private placement basis. These bonds carries coupon rate of interest of 10.75% for first 12 months and thereafter subject to annual reset as per the terms of the Bond Trust Deed and principal is repayable as bullet payment on 30 December 2021.

The bonds of the Company were listed on BSE (Bombay Stock Exchange) with effect from 9 January 2019.

Consequently, the Company has presented its first set of annual financial results for the half year and year ended 31 March 2019 in accordance with the requirements of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

3) These financial results 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 and have been reviewed and approved by the Board of Directors at their meeting held on the 30 May 2019.

In compliance with Regulation 52 of the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations 2015, the statutory auditors of the Company have carried out audit of the financial results for the half year ended 31 March 2019 and a modified report has been issued.

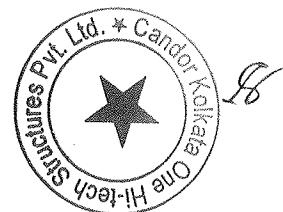
4) Information referred to in Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Sr. No.	Particulars	Disclosures	
1	Credit Rating (if any)	The company was given a credit rating of [ICRA]A -(SO) with "Stable" outlook by ICRA Limited	
2	Asset Cover (Non Convertible Bonds)	The Non Convertible bonds are secured by way of first charge on the company's mortgaged property, first ranking and exclusive charge on SPA rights, ISRA account assets and Subscription account of Company, first ranking and pari passu pledge over all securities of the company held by the intermediate holding company. Further, the Non Convertible bonds are also secured by way of hypothecation of charged asset, pledge over 99.99% of issued and paid up equity share capital of subsidiary Company and the corporate guarantee in favour of the bond trustee for the benefit of the secured parties. The asset cover thereof is adequate for the required cover.	
3	Previous due date for the payment of interest/ repayment of principal of non convertible bonds and whether the same has been paid or not	Not yet due - Principal repayment or interest payment was not due in previous period.	
4	Next due date for the payment of interest/repayment of principal of non convertible bonds and whether the same has been paid or not	Refer note 2 for detailed conditions regarding interest payment & repayment of principal.	
		As at 31 March 2019	As at 31 March 2018
5	Paid-up equity share capital (face value of the share)	0.59	0.59
6	Paid-up Debt Capital	45,553.53	7,218.80
7	Reserves excluding Revaluation Reserves	252.18	551.31
	Ratios	As at 31 March 2019	As at 31 March 2018
8	Debt- Equity Ratio *	180.22	13.08
9	Debt Service Coverage Ratio **	0.14	0.49
10	Interest Service Coverage Ratio ***	0.91	2.19
11	Capital redemption reserve (Rs. in million)	0.04	0.04
12	Debenture redemption reserve (Rs. in million)	243.00	-
13	Net worth (Rs. in million)	252.77	551.90
14	Outstanding redeemable preference shares (quantity and value)	Not Applicable	

*Debt- Equity Ratio = Total Debt / Net worth

** Debt Service Coverage Ratio = Earnings before interest and tax / (Interest + Principal repayment)

*** Interest Service Coverage Ratio = Earnings before interest and tax / Interest expense



5) During the year, the Company has issued 45,535 12% unsecured compulsorily convertible debentures ("CCD") of INR 2,21,807.40 each to BSREP India Office Holdings III Pte Ltd aggregating to INR 10,100 million. These CCD's are convertible at the option of holder on date falling 20 years from the date of issuance or at any time prior to that date. The conversion price will be higher of fair value on the date of issuance or fair value on the date of conversion whichever is higher. These CCDs have a moratorium period for interest till 31 March 2020 and accrued interest thereafter will be payable only after the date on which any financial indebtedness availed by the Company is unconditionally and irrevocably discharged in full. The Company as of now has assumed first date of interest payment on 31 March 2025.

6) Effective 8 January 2019, the Company acquired 99.99% of issued and paid up equity share capital of Candor Gurgaon Two Developers & Projects Private Limited from BSREP India Office Holdings III Pte Ltd. at a purchase consideration of INR 30,500 million by way of the below :

- (i) Cash consideration of INR 20,400 million for acquiring 39,094 equity shares constituting approximately 66.89% of issued and paid up capital of Candor Gurgaon Two Developers & Projects Private Limited; and
- (ii) Swap of capital instruments by way of issuance of up to 45,535 unsecured unlisted Compulsorily Convertible Debentures ("CCDs") having face value of INR 221,807.40 each aggregating up to INR 10,100 million to the Subscriber for acquiring 19,355 equity shares constituting approximately 33.10% of issued and paid up capital of Candor Gurgaon Two Developers & Projects Private Limited.

Pursuant to the acquisition, Candor Gurgaon Two Developers & Projects Private Limited has become a wholly owned subsidiary of the Company.

7) During the year ended 31 March 2019, the Board of Directors of the Company have pursuant to Sections 230 - 232 read with Section 66 and Section 52 of the Companies Act 2013 proposed the merger of the Company with Candor Gurgaon Two Developers & Projects Private Limited with an appointed date of 08 January 2019. Accordingly, an application (scheme of arrangement) to that effect has been filed with the National Company Law Tribunal (NCLT approval authority under Indian Companies Law matters) New Delhi on 06 February 2019 for which final approval is still pending to be received and hence no effect has been taken in the financial results.

8) The Company has received share application money during the earlier years post the issuance of the Unlisted Public Companies (Preferential Allotment) Amendment Rules, 2011, against which the Company has neither allotted shares nor refunded the application money. During the year ended 31 March 2014, the Company had accrued interest on the share application money in accordance with the requirements of the said Rules. However, the Company was not in compliance with maintenance of a separate bank account for such share application money and that the same was being utilized for general corporate purposes, which was not in accordance with the Rules. During the year ended 31 March 2014, the same has been converted into inter corporate deposits based on legal advice obtained by the Company. This is the subject matter of qualification in the Statutory Auditors Report. The impact, if any, of such non compliances cannot be ascertained and it related to the past period. The Company is continuously working on resolution for the same.

9) Segment reporting

The Company's board of directors has been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, alliance, merger, acquisition and expansion of any new facility. As the Company is primarily engaged in the business of developing and maintaining commercial real estate property (IT/ITeS SEZ) in India CODM reviews the entire business as a single operating segment and accordingly disclosure requirements of Ind AS 108 "Operating Segments" are not applicable.

10) The company in earlier years had obtained the leasehold rights of land measuring 45.403 acres for total term of 90 years and had developed a commercial real estate project on the said land. During the current year, the company has purchased the freehold rights of the said land through auction convened by Supreme Court of India for a consideration of INR 407.50 million. Also, the Company has further acquired additional freehold land measuring 2.98 acres for a consideration of INR 706.20 million (excluding other ancillary cost).

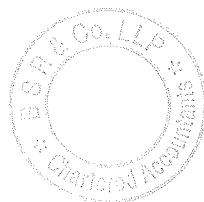
11) Effective 1 April 2018, the Company adopted Ind AS 115 'Revenue from Contracts with Customers' using the cumulative effect method which is applied to contracts that were not completed as of 1 April 2018. Accordingly, the comparatives has not been retrospectively adjusted. There is no material effect on adoption of Ind AS 115 on the audited results.

For and on behalf of the Board of Directors of
Candor Kolkata One Hi-Tech Structures Private Limited




Subrata Ghosh
Managing Director
DIN No. 0008360730

Place: Gurugram
Date: 30 May 2019



Statement on impact of Audit Qualifications for the financial year ended 31 March 2019
(as per Regulation 33/ 52 of the SEBI (LODR) (Amendment) Regulations, 2016)

Sr. No.	Particulars	Audited figures (as reported before adjusting for qualifications)	Adjusted figures (audited figures after adjusting for qualifications)
1	Turnover/ Total income	2,401.26	2,401.26
2	Total expenditure	2,539.71	2,539.71
3	Net (loss)	(138.44)	(138.44)
4	Earnings per share		
	a) Basic (in Rupees)	(4,153.32)	(4,153.32)
	b) Diluted (in Rupees)	(4,153.32)	(4,153.32)
5	Total assets	48,031.19	48,031.19
6	Total Liabilities	47,778.42	47,778.42
7	Net worth (Rs. in million)	252.77	252.77

II Audit Qualification:

a) Details of audit qualification :

The Company has received share application money during the earlier years post the issuance of the Unlisted Public Companies (Preferential Allotment) Amendment Rules, 2011, against which the Company has neither allotted shares nor refunded the application money. During the year ended 31 March 2014, the Company had accrued interest on the share application money in accordance with the requirements of the said Rules. However, the Company was not in compliance with maintenance of a separate bank account for such share application money and that the same was being utilized for general corporate purposes, which was not in accordance with the Rules. During the year ended 31 March 2014, the same has been converted into inter corporate deposits based on legal advice obtained by the Company. The impact, if any, of such non compliances cannot be ascertained. This was also a subject matter of qualification in the Auditor's Report on the Ind AS financial statements for the year ended 31 March 2018.

b) Type of audit qualification : Qualified Opinion.

c) Frequency of qualification : The qualification appeared for the first time in FY 2012-13 and is repetitive in nature.

d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The impact due to the qualification is not quantified by the auditor.

e) For Audit Qualification(s) where the impact is not quantified by the auditor:

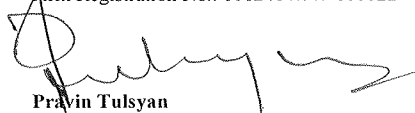
(i) Management's estimation on the impact of audit qualification: Not assessable

(ii) If management is unable to estimate the impact, reasons for the same: The auditors' qualification pertains to compliances and is not assessable in terms of quantitative impact.

(iii) Auditors' comments on (i) or (ii) above: Our Audit report dated 30 May 2019, list in detail the significant matter identified during the audit, due to which we have issued a modified opinion on the standalone financial statement. In view of this we are unable to comment on the comments made by the management.

III Signatories:

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022



Pravin Tulsyan
Partner
Membership No: 108044

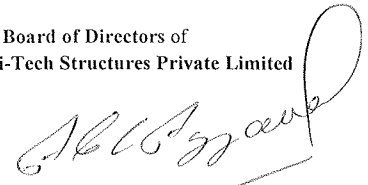
Place: Gurugram
Date: 30 May 2019

For and on behalf of the Board of Directors of
Candor Kolkata One Hi-Tech Structures Private Limited



Subrata Ghosh
Managing Director
DIN No. 0008360730

Place: Gurugram
Date: 30 May 2019



Alok Aggarwal
Director
DIN No. 00009964

Place: Gurugram
Date: 30 May 2019

