

## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF TRIL IT4 PRIVATE LIMITED

1. We have audited the accompanying Statement of Ind AS Financial Results of **TRIL IT4 PRIVATE LIMITED** ("the Company") for the year ended March 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DFI/69/2016 dated August 10, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us the Statement:
  - (i) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DFI/69/2016 dated August 10, 2016; and
  - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total comprehensive loss and other financial information of the Company for the year ended March 31, 2019.



5. We draw attention to Note 3 of the Ind AS Financial Results in respect of the Scheme of Amalgamation ("the Scheme") between Peepul Tree Properties Private Limited (subsidiary of the Company) and the Company, sanctioned by the Honourable High Court of Bombay vide its order dated January 09, 2016. The Company had given effect to the Scheme from the appointed date specified in the Scheme i.e March 19, 2015 (acquisition date). The Company has followed the accounting treatment for amalgamation as specified in the scheme, i.e. the erstwhile Accounting Standard 14 – Accounting for Amalgamation. Pursuant to giving effect to the Scheme and approved by the Court, the Company has recorded Goodwill on amalgamation aggregating Rs.31,641.78 lakhs and the said Goodwill is amortised over the period of five years. This accounting treatment is different from that prescribed under Ind AS 103 – "Business Combinations".

Our opinion is not modified in respect of this matter.

6. The Statement includes the results for the Half Year ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to September 30, 2018 (the first half year of the current financial year) which were subject to limited review by us.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Kalpesh J. Mehta  
Partner  
(Membership No.48791)

MUMBAI  
April 23, 2019





**TRIL IT4 Private Limited**

CIN: U74120MH2014PTC251684

Regd. Office: Elphinstone Building, 2nd Floor, 10 Veer Nariman Road, Fort, Mumbai - 400 001

**Audited Financial Results for the year ended 31 March, 2019**

Particulars	6 months ended  31-Mar-19 Refer Note 9 INR in lakhs	Corresponding 6 months ended in the previous year  31-Mar-18 Refer Note 9 INR in lakhs	Year ended  31-Mar-19 (Audited) INR in lakhs	Year ended  31-Mar-18 (Audited) INR in lakhs
<b>Income</b>				
Revenue from operations	3,773.23	3,717.67	7,622.52	7,317.65
Other income	135.68	88.99	241.80	149.59
<b>Total income</b>	<b>3,908.91</b>	<b>3,806.66</b>	<b>7,864.32</b>	<b>7,467.24</b>
<b>Expenses</b>				
Employee benefits expense	40.28	39.66	70.92	52.22
Finance costs	2,784.85	2,577.68	5,592.32	5,460.74
Depreciation and amortisation expense	3,405.40	3,532.77	6,841.10	7,055.29
Other expenses	598.63	549.21	1,123.42	1,135.25
<b>Total expenses</b>	<b>6,829.16</b>	<b>6,699.32</b>	<b>13,627.76</b>	<b>13,703.50</b>
<b>Loss for the period / year</b>	<b>(2,920.25)</b>	<b>(2,630.75)</b>	<b>(5,763.44)</b>	<b>(5,974.35)</b>
<b>Other comprehensive income</b>				
(i) Items that will not be reclassified to profit or loss	-	-	-	-
(ii) Items that will be reclassified to profit or loss	-	-	-	-
<b>Total Comprehensive Loss for the period / year</b>	<b>(2,920.25)</b>	<b>(2,630.75)</b>	<b>(5,763.44)</b>	<b>(5,974.35)</b>
Paid-up equity share capital (Face Value Rs 10/- Per Share)	100.00	100.00	100.00	100.00
Other equity	(22,822.36)	(17,058.92)	(22,822.36)	(17,058.92)
<b>Earnings per equity share (Face Value per share Rs.10 each)</b>				
(1) Basic (in Rs.)	(292.03)*	(263.08)*	(576.34)	(597.44)
(2) Diluted (in Rs.)	(292.03)*	(263.08)*	(576.34)	(597.44)
* Not annualised.				



**TRIL IT4 Private Limited**

CIN: U74120MH2014PTC251684

Regd. Office: Elphinstone Building, 2nd Floor, 10 Veer Nariman Road, Fort, Mumbai - 400 001

**Audited Statement of Assets and Liabilities as at 31 March 2019**

Particulars	Year ended 31-Mar-19 (Audited) INR in lakhs	Year ended 31-Mar-18 (Audited) INR in lakhs
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	0.81	3.09
(b) Investment property	20,510.83	20,711.83
(c) Intangible assets	6,103.28	12,431.71
(d) Financial assets (others)	131.42	106.99
(e) Non current tax assets (Net)	2,310.64	1,803.37
(f) Other non-current assets	175.31	94.12
<b>Total non-current assets</b>	<b>29,232.29</b>	<b>35,151.11</b>
<b>Current assets</b>		
(a) Financial assets		
(i) Investments	2,415.60	2,229.03
(ii) Trade and other receivables	433.96	358.80
(iii) Cash and cash equivalents	66.26	97.76
(iv) Other Bank balances	150.00	-
(v) Other financial assets	112.44	56.27
(b) Other current assets	45.28	26.29
<b>Total current assets</b>	<b>3,223.54</b>	<b>2,768.15</b>
<b>TOTAL ASSETS</b>	<b>32,455.83</b>	<b>37,919.26</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	100.00	100.00
(b) Other equity	(22,822.36)	(17,058.92)
<b>Total equity</b>	<b>(22,722.36)</b>	<b>(16,958.92)</b>
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Long-term borrowings	50,961.51	50,925.39
(ii) Other financial liabilities	1,111.53	893.72
(b) Long-term Provisions	7.27	4.02
(c) Income tax liabilities (Net)	29.10	29.10
<b>Total non-current liabilities</b>	<b>52,109.41</b>	<b>51,852.23</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Trade and other payables	259.42	157.05
(ii) Other financial liabilities	2,502.41	2,437.64
(b) Short-term Provisions	1.48	0.83
(c) Other current liabilities	305.47	430.43
<b>Total current liabilities</b>	<b>3,068.78</b>	<b>3,025.95</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>32,455.83</b>	<b>37,919.26</b>



/s/




**Notes:**

- 1 The above financial results of the Company for the year ended March 31, 2019 has been approved by the Board of Directors at their meeting held on April 23, 2019. Audit of financial results for the year ended March 31, 2019 has been completed by the statutory auditors of the Company.
- 2 The Honorable High Court of Bombay vide its order dated 8 January 2016, sanctioned the scheme of Amalgamation ('the Scheme') between Peepul Tree Properties Private Limited (wholly owned Subsidiary of the Company) with the Company, the scheme specified appointed date of 19 March 2015. There was no issue of shares by the Company to the shareholders of Peepul Tree Properties Private Limited, as the Transferor Company was a wholly owned subsidiary of the Company. The assets and liabilities of Peepul Tree Properties Private Limited have been transferred at book values with effect from the appointed date of 19 March 2015 (which is also the acquisition date). The deficit arising due to value of assets over value of liabilities of Peepul Tree Properties Private Limited acquired by the Company, aggregating to Rs 31,641.78 lakhs was recognised as Goodwill which is being amortised over a period of 5 years, in accordance with the then prevailing Accounting Standard 14 as specified in the Scheme approved by the Court Order and supported by the legal opinion obtained by the Company. The outstanding balance of goodwill as at March 31, 2019 is Rs. 6,102.95 lakhs, Rs. 6,328.36 lakhs amortised to the Statement of Profit & Loss for the year ended 31 March 2019 and Rs. 25,538.82 lakhs debited to retained earnings (including the current period debit of Rs. 3,164.21 lakhs) as at March 31, 2019. Hence, the accounting treatment is in compliant with the Court Order and the Scheme and to that respect is not in accordance with the requirements as prescribed under Ind AS 103 – Business Combination.
- 3 Pursuant to the terms of the Debenture Trust Deed (DTD) executed between the Company and the Debenture Trustees, the required security on pari-passu basis on the following assets of the Company as specified in the aforesaid DTD have been created and maintained in respect of Secured Non-Convertible Debentures issued by the Company:
  - (a) The Commercial Building namely, 'TRIL IT4', located at Infinity IT Park, 239, Bldg. No.4, Gen A. K. Vaidya Marg, Dindoshi, Malad, Mumbai – 400 097
  - (b) Hypothecation of moveable assets
- 4 (i) Debt Equity Ratio - The Company has negative equity and hence debt equity ratio has not been reported  
 (ii) Debt Service Coverage Ratio (DSCR) 1.19  
 Formula used for the computation of DSCR = Profit before Finance costs, Tax and Depreciation / (Finance Cost + Principal payment of long term debt during the period)  
 (iii) Interest Service Coverage Ratio (ISCR) 1.19  
 Formula used for the computation of ISCR = Profit before Finance costs, Tax and Depreciation / Finance Cost  
  
 (vi) Net-worth: ( Rupees in lakhs) (22,722.36)  
 (v) Free reserve as on the year end ( Rupees in lakhs) (22,822.36)  
 (vi) The company has maintained 100% asset cover for the non convertible debenture issued by it.
- 5 As at 31 March 2019, the Company's Total Equity has been fully eroded and the networth is negative Rs.22,722.36 lakhs. The Company has also incurred losses during the current and previous years. All of the above indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company has considered the following factors for preparation of financial statements on a going concern basis:
  - (a) the major component of accumulated losses pertains to non-cash items i.e amortisation of Goodwill i.e. Rs.25,538.82 lakhs, hence after removing the non-cash items the retained earnings is positive i.e INR 2,716.46 lakhs.
  - (b) the Company has positive EBTIDA for current as well as previous year. During the current year the Company has also made cash profits.
  - (c) the fair value of investment property conducted by independent valuer is Rs.79,277.00 lakhs as against higher than the carrying value of investment property as on 31 March 2019 is Rs.20,510.83 Lakhs
  - (d) the Company has borrowings amounting to Rs 50,961.51 Lakhs as at March 31, 2019 of which Rs. 40,000.00 Lakhs is due on April 24, 2020. Considering current financial capabilities, track record of servicing the borrowings, stable rating from rating agencies, the management of the Company would refinance the above loan due on April 24, 2020. In today's meeting, the Board of Directors of the Company has considered refinancing of the borrowing.
 Considering the above factors, financial statements have been prepared on a going concern basis.
- 6 The Company has not created debentures redemption reserve as per Section 71 of the Companies Act, 2013 due to loss during the period / year.
- 7 As the Company's business activity falls within single segment viz. 'Real Estate', with in India the disclosure requirements of Ind AS 108 - Operating Segments are not applicable.
- 8 The company is in process of filling up of the casual vacancy arising due to resignation of Independent directors.
- 9 The given results for the Half Year ended March 31, 2019 and March 31, 2018 are the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the first half year of the respective years which were subject to limited review by us.



For and on behalf of TRIL IT4 Private Limited  
CIN: U74120MH2014PTC251684

  
Sanjay Sharma  
Director  
DIN No: 00332488

9