

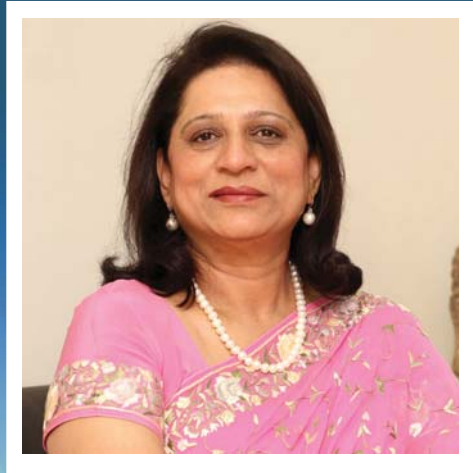
# EXECUTING TODAY GROWING TOMORROW





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**MESSAGE FROM  
THE CHAIRPERSON**



## MESSAGE FROM THE CHAIRPERSON

Dear Shareholders,

It is a matter of great privilege to present to you the Company's performance for 2010-11 - a year when the real estate industry was in a state of flux. We experienced a situation where India's economic growth rate was lower than what had been projected, as a sequel to the global financial performance.

### **World Economy:**

Global growth attained an annualized rate of 4.3 percent in the first quarter of 2011. The growth is not expected to sustain across the balance quarters due to unexpected events like earthquakes and tsunamis which hit the Japanese economy. The supply disruptions effect lowered the industrial production, consumer sentiment and spending.

Higher commodity prices pushed up the global inflation to 4 percent in the first quarter of 2011, from 3½ percent in the last quarter of 2010. This lead to lower growth in the US economy. However, the fundamental drivers of growth, like overall accommodative macroeconomic conditions, pent-up demand for consumer durables and investment and strong potential growth in emerging economies, remain in place.

Growth in advanced economies is projected to average about 2½ percent during 2011-12. This will represent a modest deceleration from an average of about 3 percent in 2010. Growth in emerging and developing economies is expected to be 6½ percent during 2011-12, compared with about 7½ percent in 2010.

Over all, the world economy is expected to clock a growth rate of 4.2% this year.

### **India in 2011-12**

High inflation and rising interest rates will weigh heavily on the overall growth in 2011-12. Elevated crude prices pose a further downside to overall growth. This may pull down both, investment and consumption growth.

Agriculture growth, in spite of a normal monsoon, would decline given a higher base. Therefore, expect GDP growth to moderate from an estimated 8.6 per cent in 2010-11 to settle in a range of 7.7 to 8.0 per cent in 2011-12.

Capital flows are expected to remain robust in 2011-12 led by higher interest rates and robust economic growth in India vis-à-vis the West. However, the pace of appreciation is expected to remain uneven and a bit lower than what was witnessed during 2010-11. Rupee is expected to strengthen in a range of Rs 43.0-44.0 per dollar by the end of 2012.

According to the 9th Annual European Attractiveness Survey' by Ernst & Young, India will continue to be an attractive investment destination for global investors and Indian companies will keep up their forays of global expansion.

### **Real estate sector in India**

According to the Department of Industrial Policy and Promotion (DIPP), FDI flows into housing and real estate in April-January 2010-11 stood at US\$ 1.05 billion. Housing and real estate sector, including cineplex, multiplex, integrated townships and commercial complexes attracted a cumulative foreign direct investment (FDI) worth US\$ 9,405 mn. from April 2000 to January 2011.

The real estate sector in India is witnessing increasing recognition as an infrastructure service which is driving the economic growth engine of the country. India has the potential to attract investments in the real estate sector on account of strong economic growth and a developing and lucrative real estate market. It is the most viable

investment destination in real estate, according to a research report by PricewaterhouseCoopers (PwC) and Urban Land Institute (ULI).

A report by International rating agency Fitch Ratings, says, that the high growth in the Indian economy will drive the demand for residential units, which in turn will drive the real estate sector in the medium-term. Residential property prices have stabilized and are deemed attractive for investors. With attractive pricing and innovation in construction technology and variety of designs, overseas investors are taking a fresh look at India as a unique market in which they can invest.

Foreign direct investment (FDI) in the Indian real estate sector is estimated to increase to US\$ 25 billion in the next 10 years, from the present US\$ 4 billion.

### **Peninsula Land: marching ahead**

During the year, PLL accelerated and moved to the next phase of growth. The company launched premium residential projects in Nasik and Goa.

In the last one year, the company focused on execution and completed most of the projects in Mumbai. Ashok Gardens, a residential project at Sewri was completed and handed over to the customers. Another commercial project, Peninsula Business Park at Lower Parel, is expected to be completed in the next few months. Work on Peninsula Technopark at Kurla is progressing as per schedule.

Till date, the company has executed 4.2 mn sq ft of development in the residential and commercial segments. Another 3 mn sq ft of development is under execution in Mumbai, Goa and Nasik.

Even as execution remained our priority, the company acquired fresh land parcels in Mumbai as well as in the West and South of India. PLL spent about Rs 1200 crores in acquiring land parcels in Mumbai, Alibaug, Lonavala, Hyderabad and Bangalore in the last 18 months.

With this, the current land bank with the company aggregates to over 500 acres. We will continue to acquire land parcels with a development horizon of 3-5 years.

Our philosophy to not take undue risks has helped us and today we are not over-leveraged in any way.

Peninsula Land is in a strong financial position with a surplus of over Rs 500 crore in cash. This is in addition to one building in Peninsula Business Park which is complete but not monetized.

### **Outlook**

Peninsula Land is on an accelerated growth path. With a solid foundation and sound business strategy, the company has embarked on the second phase of growth. We will continue to focus on timely completion of our projects which will further strengthen our cash flows.

We will also add to our bank of land parcels and be on the lookout for more land at the right price.

Last but not the least, let me thank you all for the support you have rendered that has enabled us to move closer to our goal. I am confident that this continued support will enable us to scale new heights.

Yours sincerely

Urvi Piramal



# EXECUTING TODAY GROWING TOMORROW

Changing growth paradigm.

## Peninsula Land is all set to expand its presence through new land acquisitions in south and west

2010-11 was a watershed year at Peninsula Land. It was a year of swift, committed and quality execution. In a business like ours, execution is the key to growth. What we execute today determines how much we grow tomorrow. Over the last few years, we have focused on execution and sales, and cautiously stayed away from large land acquisitions. This focus has ensured that we laid the foundation for a strong growth tomorrow. Until 2010-11, we were largely leaders in the Mumbai market. In 2010-11, Peninsula Land took giant steps to go beyond Mumbai and acquired strategic land parcels in key towns and cities of southern and western India.

### Growing tomorrow through land acquisition

In our business, the quality and quantum of land acquisition is an excellent indication of the future growth path. This year, we completed some of the biggest land acquisitions since inception and added close to 8 mn. sq. ft. on commitment of Rs. 580 crore. This was in keeping with our overall philosophy of acquiring land which we can execute and deliver over a time frame of three to five years.

We will continue with our aggressive land bank acquisition in the coming year.

The development potential acquired during the year has been across key high-growth cities of India. This has opened up several immediate and forward monetisation opportunities across multiple segments. It is geographically diversified across prime locations like South Mumbai, Bangalore, Hyderabad and Pune, as well as popular vacation destinations like Alibaug, Lonavla and Goa. All these markets have excellent growth opportunities. Peninsula will develop this land bank with its signature premium quality projects in a variety of asset classes - from residential to integrated townships.

Our healthy reserves and margins make our balance sheet strong. We expect to generate more cash flows tomorrow from current deliverable inventory as we hand over projects. This will open opportunities for further land acquisitions and growth tomorrow.

With a promising project pipeline today combined with robust execution capabilities, we are fast tracking into a high-growth future for tomorrow, to deliver premium properties for our customers and unmatched value for our share-holders.



**PENINSULA**  
BUSINESS PARK

**PENINSULA**  
BUSINESS

TOWER A

TOWER B





# **BUSINESS STRATEGY**



# BUSINESS STRATEGY



# EXECUTING TODAY GROWING TOMORROW

Changing growth paradigm.

## Executing premium projects today for premium destinations tomorrow

With close to 25 mn. Sq ft. of robust project pipeline in various stages of development, Peninsula Land will be ushered into the next phase of higher growth. The residential land bank, on execution, will offer super premium luxury residences in south Mumbai and premium residences in prominent cities of India and address premium opportunities in key Tier I and II cities.

### Growing in the most expensive address in India

South Mumbai is home to some of the most expensive residential addresses in India. It is one of the most sought after location in the country and home to the rich and famous. With Mumbai being the financial capital of India, there is overwhelming demand, though availability of land is very limited. This makes new project development challenging in South Mumbai. Peninsula Land acquired 150,000 sq.ft. in South Mumbai. Upon development, this land bank has the potential to get monetised immediately and contribute one of the strongest cash flows back into the company.

### Executing in other premium addresses in India

Demand for premium residences across India is growing rapidly across key Indian cities. The new land bank acquired by us is in prime locations of these key growth cities. We will execute premium residential projects with the signature Peninsula Landmark quality. With top class design and construction, ample car parks, top amenities and facilities and reliable, round the clock services, these residences will be premium on location as well as design, construction and overall experience.

In Bangalore, JP Nagar is an established and preferred residential neighbourhood, commanding a distinct premium in the city. We have acquired over half a mn. sq.ft. of super premium residential land at JP Nagar.

In the cities of Hyderabad and Pune, the advent of IT and manufacturing is driving the rise in income curves. This in turn is leading to a strong demand for premium residences in these cities. Peninsula Land now has strong presence in both these cities. We are building 1 mn. sq.ft. in Hyderabad and 1.6 mn. sq.ft. at Hinjewadi in Pune, in addition to a 10 mn. sq.ft. integrated township.

We are also building over half a mn. sq.ft. in Gangapur Road in Nasik. Gangapur Road is a fast emerging upmarket location in Nasik and is an existing prime pocket in the city.

With a distinct advantage of a ready land bank, we are confidently executing some of the top projects today that will take us into a high-growth tomorrow.



# EXECUTING TODAY GROWING TOMORROW

Changing growth paradigm.

## Executing bigger today for a bigger tomorrow

From building residential towers to building integrated townships.

Peninsula Land took a big leap in 2010-11. Tapping the big India growth story. As India grows, so does its cities. It is estimated that over 40% of India's population will be living in urban cities by 2030. With rapid urbanisation and increasing density of population, cities need to look beyond peripheral limits and expand to sub-urban parts. With expansion, these sub-urban parts are absorbed to become a part of the main city. There is a compelling need for a new city within the city. Integrated townships - that's the future.

And India is just getting ready for another two decades of high growth.

### Executing today to meet the emerging new India tomorrow.

Peninsula Land is developing integrated townships that will accommodate the new India. These are cities within cities. And these are built on a mega scale to provide a complete environment with all the conveniences of modern living. These integrated townships will be a mix of premium residences, shopping centres, educational institutions, healthcare, entertainment and sporting facilities. We currently have 2 large township projects and in 2010-11 acquired additional land to make them larger and better. We continue to explore similar opportunities in other cities.

#### Growing tomorrow - Pune Ashok City

Pune is a fast emerging metro. Closer to Mumbai, Pune is home to some of the largest automobile companies and is rapidly emerging as a sought after IT destination, thanks to its affordability, quality of man-power, besides pleasant weather and landscape. We acquired an additional 3 mn. sq.ft. to make our existing township a 10 mn. sq.ft. integrated development. Touching the Pune end of the Mumbai-Pune Expressway, this township provides excellent connectivity.

#### Growing tomorrow - Ashok Acres, Nasik

Like Pune, Nasik is also growing fast and expanding faster. Known as the wine capital of India, Nasik is the fastest growing city in Maharashtra. It has seen tremendous development over the last few years and today boasts of a large industrial and trading hub. We moved into Nasik and are planning a 2.2 mn. sq.ft. integrated township that spans over 94 acres 3 km off Gangapur, surrounded by vineyards and an upcoming university.

At Peninsula Land, we are ready to match India's march into the future. We are executing exciting projects today to ensure that as India becomes more urbanised and its cities grow, so will we.



# EXECUTING TODAY GROWING TOMORROW

Changing growth paradigm.

## New India's new lifestyle: vacation homes.

Vacation at home. Every weekend. At the most preferred holiday destinations in western India.

India is growing at an unprecedented pace. The Indian economy is churning out more multi-millionaires than ever before. The wealth effect is driving changes in lifestyle leading to an emergence of new opportunities. This wealthy class of new millionaires live a fast-paced, high-pressure lifestyle. They need to break from this hectic pace. Travelling for pleasure and going for a vacation with family and friends is emerging as one of the strongest trends in the fast-changing lifestyle of the young and wealthy class.

We see vacation homes or second homes as one of the fastest growing segments tailored for rich families. The current vacation homes do not meet the evolving high expectations of the affluent class. They are found lacking in capturing the essence of a holiday. Customers often complain of sub-standard facilities that fail to meet their requirements of a peaceful, enjoyable and relaxing holiday.

Executing tomorrow's need today, Peninsula Land is driving one of the first efforts by a reputed real estate company to develop premium properties in this promising segment. Our vacation homes foray promises to deliver truly unique and superior value by creating fully serviced and managed homes with top-class design and planning. When families stay at Peninsula Land vacation homes, they are assured of excellent location, high quality construction and uncompromising services, making vacation as it should be - relaxing and enjoyable. At Peninsula Land, we are re-defining the vacation home space.

We have already identified two projects in Alibaug and one in Lonavla and Goa each.

Each of these is a preferred vacation destination.

With total vacation home developments of almost 1.2 mn. sq. ft., Peninsula Land is all set to capitalise on this growing trend tomorrow.





# EXECUTING TODAY GROWING TOMORROW

Changing growth paradigm.

## Executing quality today. Growing reputation tomorrow.

Peninsula Land stands tall today. We have built a pedigree you can trust. We have earned the customer's goodwill. And we continue to get stronger. And better.

### **Premium Quality. Committed Delivery.**

Peninsula Land collaborates with the best names of Indian architecture such as Hafeez Contractor, Venkatraman Associates, Kiran Kapadia and also international names such as HB Design Singapore and GFab designs, Bali for designing best in class international landmarks. We also employ top contractors to build the the highest quality of real estate across residential, commercial and retail real estate. All Peninsula Land properties in Mumbai are landmarks.

During the last year, Peninsula Land delivered 2 mn. sq.ft. of premium residential developments in Mumbai. The company has built a solid platform with robust internal processes which will ensure that rapid growth across geographies and in volumes will bear the same standards of quality and value Peninsula has become known for.

### **Excellence Awarded**

Ashok Towers and Peninsula Technopark won the Excellence in Premium Housing Amenities and Entertainment Facilities and the Excellence in Commercial Offices Amenities and Entertainment Facilities award respectively at The Economic Times Acetech 2010 Real Estate Awards - Leaders of Indian Infrastructure and Construction.

### **Customer at the heart**

At Peninsula Land, the focus has always been the customer. We have constantly striven to add value to the customers' lives and offered various value-added services such as Peninsula Facility Management Services for facility management, Serviens for concierge on call and Vesta for interior ideas.

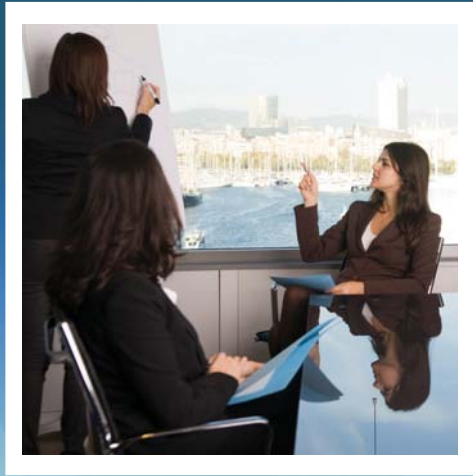
We believe success is in catering to what customer need. And we promise to deliver just that through TIE - through Trusted quality and delivery of promises, value creation through Innovation and fulfilling customer needs through better customer Engagement

### **Long term Value Creation**

At Peninsula Land, we aim at long term shareholder value creation. We have always focussed on consistency and sustainability of growth. We have enhanced our execution capabilities for on-time delivery. We strive to meet the expectation of our customers and make them happy.

Happier customers fuel our growth.





## COMPANY SNAPSHOT



## Our visiting card

### Pedigree

Peninsula Land is part of the trusted Ashok Piramal Group, a multi-business Indian conglomerate with interests ranging from textiles, infrastructure, auto components, machine tools and real estate. The group is respected for its business ethics and contribution to the country's progress. Much like other businesses of the group, Peninsula Land is known in the industry for its thought leadership, quality, customer centricity and the role it plays as a responsible corporate citizen.

### Vision

To create international landmarks through innovation and best practices thereby enhancing value to our customers.

### Values

- Customer Focus
- Integrity
- Teamwork
- Passion for Excellence
- Accountability
- Respect

### Geographic presence:

8 cities in 4 states

**Cities:** *Mumbai, Pune, Nasik, Panjim, Hyderabad, Bangalore, Alibuag, Lonavla*

**State:** *Maharashtra, Andhra Pradesh, Karnataka, Goa*

### Asset Classes:

Commercial, IT Parks, Residential, Retail, Vacation Homes



**Completed projects:** 4.2 mn. sq. ft.

**Projects completed and handed over during the year :** 2 mn. sq. ft.

**Projects under execution currently :** 3 mn. sq. ft.

**Projects under execution and pipeline:** 25 mn. sq. ft.

### **Awards won at The Economic Times Acetech 2010 Real Estate Awards**

- Ashok Towers - Excellence in Premium Housing Amenities and Entertainment Facilities
- Peninsula Technopark - Excellence in Commercial Offices Amenities and Entertainment Facilities

### **Brands**

Ashok - *Residential*

Peninsula - *Office and Commercial*

Crossroads - *Retail*

### **Location and Listing**

The company is located in Mumbai. The corporate and registered office of the company is at :

PENINSULA SPENTA

Mathuradas Mills Compound

Senapati Bapat Marg,

Lower Parel,

Mumbai - 400 013

The company's shares are listed on BSE & NSE as 503031 and PENINLAND , respectively





TOWER C



# FINANCIAL SNAPSHOT



# FINANCIAL SNAPSHOT






**FINANCIAL SNAPSHOT**

(Rs. In lacs)

Particulars	2006-07 (9 Months)	2007-08 (12 Months)	2008-09 (12 Months)	2009-10 (12 Months)	2010-11 (12 Months)
Total Income	32,091	36,337	59,595	81,705	59,175
Profit / (Loss) Before Tax	13,953	14,795	18,151	33,567	30,251
Profit / (Loss) after Tax	13,204	12,979	14,952	29,086	24,578
Total Assets	80,327	122,353	141,936	177,392	244,201
Shareholders' Fund	36,406	87,564	101,177	129,948	149,010
Borrowings	37,173	27,088	34,316	46,653	94,413
Debt Equity Ratio	1.02	0.31	0.34	0.36	0.63
Earnings per share (Basic)	32.65	5.35 *	5.36 *	10.42*	8.80*
Face Value in Rs. (fully paid up)	10.00	2.00	2.00	2.00	2.00
Equity Dividend (%)	30%	40%	45%	75%	85%
Book Value per share (Rs.)	86.49	31.36 *	36.24 *	46.54*	53.37*

\* Adjusted for face value of Rs. 2/- per share





# CORPORATE INFORMATION



Board of Directors

Ms. Urvi A. PIRAMAL  
(Executive Chairperson)

Mr. Rajeev A. PIRAMAL  
(Executive Vice Chairman)

Mr. Mahesh S. GUPTA  
(Group Managing Director)

Mr. Rajesh JAGGI  
(Managing Director)

Mr. Jaydev MODY

Mr. Amitabha GHOSH

Ms. Bhavna DOSHI

Mr. C. M. HATTANGDI

Mr. D. M. POPAT

Lt. Gen. DEEPAK SUMMANWAR

Mr. Sudhindar KHANNA

Group CFO

Mr. Vinay PANDYA

CFO

Mr. Bharat SANGHAVI

Company Secretary

Mr. K. NATH

Auditors :

M/s. Haribhakti & Co  
Chartered Accountants

Bankers / Financial Institutions

Allahabad Bank

HDFC Bank Limited

HDFC Limited

Standard Chartered Bank

Kotak Mahindra Bank Limited

ICICI Bank Limited

Yes Bank Limited

Registered Office :

Peninsula Spenta

Mathuradas Mills Compound

Senapati Bapat Marg

Lower Parel, Mumbai 400 013



# NOTICE



## NOTICE

Notice is hereby given that the 139<sup>th</sup> Annual General Meeting of the members of Peninsula Land Limited will be held at Walchand Hirachand Hall, Indian Merchants' Chamber Building, Churchgate, Mumbai 400 020 on Thursday, the 11<sup>th</sup> day of August, 2011 at 11.00 a.m. to transact the following business :

### Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on preference and equity shares of the Company.
3. To appoint a Director in place of Mr. D.M. Papat, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Amitabha Ghosh, who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Ms. Bhavna Doshi, who retires by rotation and is eligible for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### Special Business :

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

**"RESOLVED THAT** pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, the Company do hereby approve the payment of remuneration by way of commission to the Non-Executive Directors of the Company not exceeding the limit as prescribed by law for the time being in force, if and to the extent necessary with the approval of the Central Government, subject to a ceiling as may be decided by the Board of Directors ("which term shall include any Committee formed thereof"), such commission being paid to and distributed amongst such Directors of the Company or some or any of them and in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payment shall be made in respect of the profits of the Company for each year for the period of five years."

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :

**"RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing Articles of Association of the Company be and are hereby altered in the manner and to the extent set out below:

**(i) That the existing Article 184 be substituted by the following new Article 184 :**

#### **Article 184 The Seal, its custody and use**

The Board of Directors shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board of Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board of Directors or a Committee of the Board previously given in the presence either (a) of one Director or (b) the Secretary or some other person appointed by the Board/Committee of the Board for this purpose.

**(ii) That the existing Article 185 be substituted by the following new Article 185 :**

**Article 185 Deeds how executed**

Every deed or other instrument to which the Seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed either (a) by one Director or (b) by the Secretary or such other person as the Board/Committee of the Board may appoint for this purpose.

**RESOLVED FURTHER THAT** any one of the Directors and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things, as may be required to be done to give effect to the aforementioned resolution."

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed herewith.
3. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 6<sup>th</sup> August, 2011 to Thursday, 11<sup>th</sup> August, 2011 (both days inclusive).
4. Payment of Dividend as recommended by the Board of Directors, if approved at the meeting, will be made on 12<sup>th</sup> August, 2011 to those members whose names appear on the Company's Register of Members on 5<sup>th</sup> August, 2011 for shares held in physical form and in respect of shares held in electronic form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose as on 5<sup>th</sup> August, 2011. After dispatch of dividend warrants, any request for change in the bank account will not be entertained by the Company or its Share Transfer Agent.
5. Section 109A of the Companies Act, 1956 permits nomination by shareholders of the Company in prescribed Form No. 2B. Shareholders are requested to avail this facility. The duly filled in and signed Form No. 2B should be sent to the Share Transfer Agent of the Company at their Nashik address.
6. In order to render better and efficient services, we request you to consolidate the multiple folios which are in the same names and in identical order. Consolidation of folios does not amount to transfer of shares and therefore no stamp duty or other expenses are payable by you. In case you decide to consolidate your folios, you are requested to forward your share certificates to the Share Transfer Agent of the Company at their Nashik address.
7. To ensure against misappropriation of dividend warrants to be mailed to you, members holding shares in physical form who have not sent their bank details are requested to provide their bank account number, name and address of the bank branch to the Company's Share Transfer Agent for incorporating the same on the dividend warrants.
8. Members holding shares in physical form are requested to immediately intimate to the Company / Share Transfer Agent, changes, if any, in their registered addresses alongwith the pin code number. Members holding shares in dematerialized mode are requested to forward intimation for change of address, if any, to their respective Depository Participants.



## NOTICE

9. To support the Green Initiative in Corporate Governance by the Ministry of Corporate Affairs (“MCA”) which allows paperless compliance, the Company has sent notices by e-mode/physical mode requesting shareholders to register/update their email addresses with their respective Depository Participant(s)/Company and accordingly to opt for receiving the Annual Report, etc. by e-mode.
10. Trading in the Company’s shares through Stock Exchanges is permitted only in dematerialized / electronic form. The equity shares of the Company have been inducted in both National Securities Depository Limited and Central Depository Services (India) Limited to enable members to hold and trade the securities in dematerialized / electronic form. In view of the numerous advantages offered by the Depository System, members holding shares of the Company in physical form are requested to avail of the facility of dematerialization.
11. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
12. Brief resume of all the Directors seeking re-appointment and other details as stipulated under Clause 49 of the Listing Agreement, are provided in the Annexure to the Notice.
13. Queries on accounts of the Company, if any, may be sent to the Company atleast 7 days in advance of the meeting so as to enable the management to keep the information ready at the meeting.

By Order of the Board

**K. Nath**

Company Secretary

**Registered Office :**

Peninsula Spenta,  
Mathuradas Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013.  
Mumbai : 12<sup>th</sup> May, 2011



## EXPLANATORY STATEMENT

### Explanatory Statement under Section 173(2) of the Companies Act, 1956 (“the Act”)

#### Item No. 7:

The Non-Executive Directors of your Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas. The Board is of the view that it is necessary that adequate compensation should be given to Non-Executive Directors so as to compensate them for their time and effort and also to retain and attract the pool of talent for the growth and prosperity of the Company. The Shareholders at its Annual General Meeting held on 29<sup>th</sup> December, 2006 passed a special resolution for period of 5 years for approving the payment of commission to Non-Executive Directors of the Company not exceeding the limit as prescribed by the law for the time being in force. The resolution is now being renewed for a further tenure of 5 years.

All the Directors of the Company except the Promoter / Executive Directors are deemed to be concerned or interested in the resolution set out at Item No 7 of the Notice to the extent of the commission that may be received by them.

The Board recommends the Special Resolution as set out under Item No. 7 in the accompanying Notice for approval of the shareholders.

#### Item No. 8:

The Company proposes to alter the Articles 184 and 185 of the Articles of Association of the Company relating to the Common Seal for administrative and operational convenience.

Your Directors therefore recommend the resolution at Item No. 8 of the accompanying Notice for the approval of the members.

The existing Articles of Association as also a copy of the proposed amendments to the Articles are available for inspection at the Registered Office of the Company between 2.00 p.m. and 3.00 p.m. on any working day.

None of the Directors of the Company is, in any way concerned or interested in the said resolution.

By Order of the Board

**K. Nath**

Company Secretary

#### Registered Office :

Peninsula Spenta,  
Mathuradas Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013.  
Mumbai : 12<sup>th</sup> May, 2011



## NOTICE

Additional information on directors recommended for re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement).

### **Mr. D.M.Popat**

#### **Date of Birth**

18<sup>th</sup> December, 1933.

#### **Date of Appointment**

11<sup>th</sup> September, 1970.

#### **Qualification**

D. M. Popat has completed his B.A., B.Com. and LL.B. and is an Attorney at Law.

#### **Profile and Expertise**

Since 1969, Mr. D. M. Popat is a Partner of M/s. Mulla & Mulla & Craigie Blunt & Caroe, Solicitors and Advocates Firm and currently, he is Senior-Most Partner of that Firm. He represents India as a member of the International Court of Arbitration of the International Chamber of Commerce ("ICC") at Paris and also works as a Nominee on ICC's Commission on International Arbitration. Mr. Popat, has since 1993, been, and continues to be, a member of the Governing Body of Indian Council of Arbitration ("ICA"), as also its Vice President for several years. He is also the President of Western Regional Branch of ICA. Mr. Popat has been identified as a "resource person" in the field of arbitration by National Law Academy. Mr. Popat has been a member of the National Executive Committee of FICCI (Federation of Indian Chambers of Commerce and Industry) for last several years and at present he has been co-opted in the category of Experts in Economics / Law / Accounts and Consultancy.

Mr. Popat is a Committee Member and former Vice President of Bombay incorporated Law Society. He was on the Senate of University of Bombay and a member of its Board of Studies in Law. He has been for several years, and continues to be a member of the Managing Committee of Indian Merchants' Chamber ("IMC") and of the Executive Committee of ICC-India. He was, for several years, Chairman of IMC's Committee on Law : Review, Reforms and Rationalisation. He has been, for several years and continues to be Chairman of the IMC's Court of Arbitration and Conciliation Committee. He has expertise in Corporate Laws, Real Estate, Arbitration and Foreign Collaboration matters.

#### **Shareholding in the company**

Mr. D.M.Popat holds 5,535 equity shares of the Company.

#### **Directorships and Committee Memberships (excluding Peninsula Land Limited).**

##### **Directorships**

- Continental Air Services Private Limited.
- Hindustan Construction Company Limited.
- The Hindoostan Spinning and Weaving Mills Limited.
- The Ruby Mills Limited.

##### **Chairman of Board Committees**

None

##### **Member of Board Committees**

None

**Mr. Amitabha Ghosh****Date of Birth**

30<sup>th</sup> August, 1930.

**Date of Appointment**

1<sup>st</sup> November, 2003.

**Qualification**

Mr. Amitabha Ghosh holds a Bachelor degree in Commerce and is a member of the Institute of Chartered Accountants of India and also a Fellow member of Indian Institute of Bankers.

**Profile and Expertise**

Mr. Amitabha Ghosh is a member of The Institute of Chartered Accountants of India with rich experience in Finance, Banking and Administration extending over a period of six decades by virtue of his association with important institutions and committees. He held senior positions like Chairman and Managing Director of Allahabad Bank, Deputy Governor and Governor of Reserve Bank of India. He was also the Chairman of Reserve Bank of India Services Board. He served on the Board of Reserve Bank of India, Industrial Development Bank of India, National Institute of Banking Management, EXIM Bank as well as Deposit Insurance Corporation. He headed and was also member of a number of important committees set up by Government of India and Reserve Bank of India in the area of Finance, Banking and Foreign Exchange. He had the distinction of participating as a panelist as well as addressing important programs organized by international bodies like International Monetary Fund (IMF), South East Asia, New Zealand and Australia (SEANZA), United Nations Conference on Trade and Development (UNCTAD), etc. He is presently a director on the Boards of a number of reputed companies.

**Shareholding in the company**

Mr. Amitabha Ghosh does not hold equity shares of the Company.

**Directorships and Committee Memberships (excluding Peninsula Land Limited)****Directorships**

- Centenary Leasing Company Private Limited.
- Heidelberg Cement India Limited.
- Joonktolle Tea and Industries Limited.
- Kesoram Industries Limited.
- Orient Paper and Industries Limited.
- Palit Consultancy Private Limited.
- Sahara Hospitality Limited.
- Sahara India Life Insurance Co. Limited.
- Sahara Infrastructure and Housing Limited.
- Sahara Prime City Limited.
- Shreyas Shipping and Logistics Limited.
- Shreyas Relay System Limited.



## NOTICE

- Shree Cement Limited.
- Xpro India Limited.
- Zenith Fibres Limited.

### **Chairman of Board Committees**

1. Heidelberg Cement India Limited – Audit Committee.
2. Orient Paper and Industries Limited – Audit Committee.
3. Shreyas Shipping and Logistics Limited – Audit Committee.
4. Sahara Prime City Limited – Audit Committee.

### **Member of Board Committees**

1. Heidelberg Cement India Limited – Shareholders/ Investors Grievance Committee.
2. Kesoram Industries Limited – Audit Committee.
3. Sahara India Life Insurance Co. Limited – Audit Committee.
4. Sahara Infrastructure and Housing Limited – Audit Committee.
5. Sahara Hospitality Limited – Audit Committee.

### **Ms. Bhavna Doshi**

#### **Date of Birth**

26<sup>th</sup> June, 1953.

#### **Date of Appointment**

17<sup>th</sup> April, 2006.

#### **Qualification**

Ms. Bhavna Doshi is a Fellow Member of the Institute of Chartered Accountants of India and holds a Masters Degree in Commerce from Mumbai University.

#### **Profile and Expertise**

Ms. Bhavna Doshi ranked second, at both, Intermediate and Final Examinations conducted by the Institute of Chartered Accountants of India (ICAI) and was also awarded the prize for the Best Lady Candidate at the Final Examination at ICAI.

Ms. Doshi is currently a Senior Advisor to KPMG. She is an elected member of the Council of the Institute of Chartered Accountants of India (ICAI) and chairs Research and Indirect Tax Committees. She was an elected member of the Central Council for three terms earlier and has served on majority of the Committees of ICAI. She was member of Western Regional Council of ICAI for two terms of 3 years each and it's Chairperson during 1991.

Ms. Doshi is the President of the Indian Merchants' Chamber. Ms. Doshi was a member of the Compliance Advisory Panel of International Federation of Accountants headquartered at New York and has also served on the Government Accounting Standards Advisory Board of the Comptroller and Auditor General of India.

During her professional career of over 25 years, Ms. Doshi has advised national and multinational companies on varied matters of taxation, restructuring, valuation of shares and businesses, family partitions, arbitration, accounting matters and joint ventures.

**Shareholding in the company**

Ms. Bhavna Doshi holds 500 equity shares of the Company.

**Directorships and Committee Memberships (excluding Peninsula Land Limited)****Directorships**

- Connect Capital Private Limited (formerly known as Doshi Consultancy Private Limited).
- LIC Pension Fund Limited.
- Peninsula Investment Management Company Limited
- SEAMAC Limited.

**Chairperson of Board Committees**

- SEAMAC Limited - Audit Committee.

**Member of Board Committees**

- Peninsula Investment Management Company Limited - Audit Committee.
- SEAMAC Limited - Shareholders / Investors Grievance Committee.





## **DIRECTORS' REPORT**



## DIRECTORS' REPORT

Dear Shareholders,

1. The Directors have pleasure in presenting their 139<sup>th</sup> Annual Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2011 together with the Auditor's Report thereon.

### 2. Financial Results

Particulars	Rs. in lakhs	
	For the year ended 31 <sup>st</sup> March, 2011	For the year ended 31 <sup>st</sup> March, 2010
Total Income	59,175.48	81,704.93
Profit Before Extraordinary and Exceptional Items	30,251.19	38,589.85
Extraordinary and Exceptional Items	-	5,023.22
Profit before tax	30,251.19	33,566.63
Less : Tax	5,672.86	5,129.11
Profit after Tax	24,578.33	28,437.52
Reversal of Excess Tax Provision for Earlier Years	-	648.75
Profit Brought Forward from Previous Year	40,883.58	21,680.90
Net Profit available for appropriation	65,461.91	50,767.17
<b>Appropriation :</b>		
Transfer to General Reserve	5,000.00	5,000.00
Proposed Dividend on Preference Shares	0.01	0.01
Proposed Dividend on Equity Shares	4,746.42	4,188.01
Distribution Tax Thereon	769.98	695.57
Profit carried to the Balance Sheet	54,945.50	40,883.58

### 3. Dividend

#### Preference Shares

The Board of Directors have recommended dividend of Re. 0.50/- per Preference Share of Rs. 10/- each for the year ended 31<sup>st</sup> March, 2011.

#### Equity Shares

The Board of Directors have recommended dividend of Rs. 1.70/- per Equity Share of Rs. 2/- each for the year ended 31<sup>st</sup> March, 2011.

The dividend will be free of tax in the hands of the shareholders. Total cash outflow on account of these dividend payments together with distribution tax will be Rs. 5,516.41 lakhs

### 4. Operations of the Company

During the year ended 31<sup>st</sup> March, 2011, the Company has earned revenue of Rs. 59,175.48 lakhs as compared to Rs. 81,704.93 lakhs for the previous year ended 31<sup>st</sup> March, 2010. Profit after Tax was Rs. 24,578.33 lakhs as against Rs. 28,437.52 lakhs in the previous year ended 31<sup>st</sup> March 2010.



## 5. Management Discussion and Analysis Report

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report is appended to this report.

## 6. Corporate Governance

As required by Clause 49 of the Listing Agreement, a Report on Corporate Governance is appended together with a Certificate on Corporate Governance from M/s. Nilesh G. Shah, Practising Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49.

As a part of good Corporate Governance, the Board of Directors of the Company has appointed M/s. Mahesh S. Darji, Practising Company Secretary to conduct Secretarial Audit of the Company. The Secretarial Compliance Certificate which entails the compliance of all rules, regulations under the various applicable provisions of the Companies Act, 1956, SEBI Regulations and the applicable regulations under the Listing Agreement entered with the Stock Exchanges has been enclosed in the Annual Report.

## 7. Scheme of Amalgamation and Arrangement of Topstar Mercantile Private Limited ("Topstar") with the Company and its Shareholders and Creditors

The Company has received the approval from the Hon'ble High Court of Judicature at Bombay sanctioning the Scheme of Amalgamation and Arrangement of Topstar with the Company and its Shareholders and Creditors. The Appointed Date of the said Scheme being 27<sup>th</sup> October, 2010. Once the Company files the said Court Order with the Ministry of Corporate Affairs, the said Scheme would become effective.

As per the Scheme, the 11,68,82,052 equity shares of Rs. 2/- each held by Topstar in the Company would get cancelled and fresh shares of equivalent number would be allotted to the shareholders of Topstar.

## 8. Directorate

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. D.M.Popat, Mr. Amitabha Ghosh and Ms. Bhavna Doshi, Directors of the Company retire by rotation at this Annual General Meeting and being eligible, offer themselves for re-appointment.

## 9. Auditors

The Auditors, M/s. Haribhakti & Co., retire at this Annual General Meeting and are eligible for re-appointment. The Board recommends their re-appointment as Auditors to audit the accounts of the Company for the financial year 2011- 2012.

The Company has received letter from the Auditors to the effect that their re-appointment, if made, will be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

## 10. Particulars of Employees

The Directors acknowledge with thanks the contribution made by employees towards the growth of the Company and appreciate their unstinted co-operation and support to the Management.

Any member interested in obtaining a copy of the statement of particulars of employees referred to in Section 217(2A) of the Companies Act, 1956, may write to the Company Secretary at the Registered Office of the Company.



### 11. Subsidiary Companies

The Company has 4 Subsidiary Companies and 15 Step-down Subsidiary Companies, names of which have been entailed below:

1. Peninsula Holdings and Investments Private Limited.
2. Peninsula Mega Properties Private Limited.
3. Renato Finance and Investments Private Limited.
4. Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited).

Peninsula Holdings and Investments Private Limited, in turn, holds the investments of the Company in the following Subsidiary Companies :-

- (i) City Parks Private Limited.
- (ii) Goodtime Real Estate Development Private Limited.
- (iii) Inox Mercantile Company Private Limited.
- (iv) Peninsula Facility Management Services Limited.
- (v) Peninsula Investment Management Company Limited.
- (vi) Peninsula Integrated Land Developers Private Limited.
- (vii) Peninsula Mega-City Development Private Limited.
- (viii) Peninsula Mega Township Developers Private Limited.
- (ix) Peninsula Pharma Research Centre Private Limited.
- (x) Peninsula Real Estate Management Private Limited.
- (xi) Peninsula Trustee Limited.
- (xii) Planetview Mercantile Company Private Limited.
- (xiii) RR Mega Property Developers Private Limited.
- (xiv) RR Real Estate Development Private Limited.
- (xv) Takenow Property Developers Private Limited.

**Details of the operational Subsidiary/Step-down Subsidiary Companies are as under:**

**i) Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited ("Peninsula Crossroads"))**

During the year under review, the Company acquired L and T Urban Infrastructure Limited's stake in Peninsula Crossroads, by virtue of which, Peninsula Crossroads became a wholly owned subsidiary of the Company.

Mr. Vivek Gadgil and Mr. N Sivaraman (Nominee Directors of L and T Urban Infrastructure Limited), have resigned as Directors of Peninsula Crossroads with effect from 22<sup>nd</sup> March, 2011.

Peninsula Crossroads' total revenue was Rs 539.15 lakhs as against the previous year's revenue of Rs 283.98 lakhs. The profit after tax for the current year was Rs 365.29 lakhs as against Rs. 120.34 lakhs for the previous year.

**ii) Peninsula Facility Management Services Limited (“PFMS”)**

PFMS is into the business of Facility Management Services. During the year ended 31<sup>st</sup> March 2011, PFMS earned total revenue of Rs 2067.79 lakhs and profit of Rs 15.73 lakhs as against the total revenue of Rs 1413.70 lakhs and loss of Rs 100.74 lakhs for the previous year.

**iii) Peninsula Investment Management Company Limited (“PIMCL”)**

PIMCL functions as an Asset Management Company, rendering mainly investment advisory services to Peninsula Realty Fund. During the year ended 31<sup>st</sup> March, 2011, PIMCL earned total revenue of Rs 392.73 lakhs and profit of Rs 107.90 lakhs as against the total revenue and profit of Rs. 383.91 lakhs and Rs 82.03 lakhs respectively for the previous year.

The Company has identified land in various parts of India like Goa, Hyderabad, Alibaug, etc., wherein projects are being undertaken by the balance Subsidiary/Step-down Subsidiary Companies. In fact, a residential project mainly “Ashok Astoria” carried on by one of the Step-down Subsidiary Companies’ is in the process of being executed at Nashik.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary/Step-down Subsidiary Companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the Subsidiary/Step-down Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the Subsidiary/Step-down Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and that of the respective Subsidiary/Step-down Subsidiary Companies. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary/Step-down Subsidiary Companies.

The Annual Report will also be displayed on our website [www.peninsula.co.in](http://www.peninsula.co.in)

**12. Fixed Deposits**

During the year ended 31<sup>st</sup> March, 2011, the Company had transferred 4 Fixed Deposits amounting to Rs. 0.56 lakhs to Investor Education and Protection Fund.

**13. Directors’ Responsibility Statement**

Pursuant to Section 217(2AA) of the Companies Act, 1956 (“the Act”), we hereby state that :

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- ii) your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and its profit for the year ended on that date;
- iii) your Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv) your Directors have prepared the Annual Accounts for the year ended 31<sup>st</sup> March, 2011 on a going concern basis.



### 14. Employee Stock Option Scheme

During the year under review, the Company has granted 75,000 options. Disclosures as required by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines - 1999 are attached herewith and marked as Annexure A.

### 15. Group for Inter se Transfer of Shares

As required under Clause 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, persons constituting group (within the meaning as defined in the Monopolies and Restrictive Trade Practices Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulations 10 to 12 of the aforesaid SEBI Regulations are attached herewith and marked as Annexure B and the said Annexure B forms part of this Annual Report.

### 16. Conservation of energy and technology absorption

In view of the nature of activities which are being carried on by the Company, particulars required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, read with Section 217(1) (e) of the Companies Act, 1956, are not applicable.

### 17. Foreign Exchange earning and outgo

There was no Foreign Exchange earning during the year under review. In respect of the Foreign Exchange outgo, disclosure of information as required under Rule 2(C) of Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is already given in Schedule 14 forming part of the Audited Annual Accounts.

### 18. Acknowledgement

The Directors express their deep gratitude and thank the Central and State Governments as well as their respective Departments and Development Authorities connected with the business of the Company, contractors and consultants and also Banks, Financial Institutions, shareholders and employees of the Company for their continued support and encouragement.

By Order of the Board

**Urvi A. Piramal**  
Chairperson

Mumbai: 12<sup>th</sup> May, 2011

## ANNEXURE – “A”

### DISCLOSURES REGARDING STOCK OPTIONS

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the SEBI Guidelines”), as on 31<sup>st</sup> March, 2011 are given below.

	Grant	Grant	Grant	Grant
	3 <sup>rd</sup> October, 2006	25 <sup>th</sup> October, 2007	6 <sup>th</sup> June, 2008	27 <sup>th</sup> April 2010
Options granted	11,25,000	1,17,500	7,70,000	75,000
The pricing formula	The options were granted at a consideration of Rs. 70/- per option.			
Options vested	NIL	1125	228150	NIL
No. of Options exercised and the total number of shares arising as a result of exercise of options	NIL	NIL	NIL	NIL
Options Lapsed	1075237	115625	7475	NIL
Variation of terms of options	NIL	NIL	NIL	NIL
Money realized by exercise of options	NIL	NIL	NIL	NIL
Total number of options in force	49763	1875	762525	75000
Employee wise details of options granted to	All Stock Options as aforesaid, have been granted to Senior Management Personnel of the Company.			
(i) Senior managerial personnel;				
(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year;	<p>The following employees have received a grant amounting to 5% or more of the options granted during the period 2006-2007</p> <p>i. Mr. Rajesh Jaggi – Managing Director</p> <p>ii. Mr. Giridhar Rajagopalan – Vice President – Projects</p> <p>iii. Mr. Sanjay Mhapankar – Chief Executive Officer</p>	<p>Only Mr. Anil Pandit, Chief Operating Officer has received a grant amounting to 5% or more of options granted during the year 2007-2008.</p>	<p>Only Mr. Rajesh Jaggi, Managing Director has received a grant amounting to 5% or more of options granted during the year 2008-2009.</p>	<p>Only Mr. Vinay Pandya, Group CFO has received a grant amounting to 5% or more of options granted during the year 2010-2011.</p>



## DIRECTORS' REPORT

(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	NIL	NIL	NIL	NIL
Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 "Earnings Per Share"	Rs. 8.80			
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Had the Company followed fair value method for accounting the cost of stock options, the employee compensation expense for the year would have been higher by Rs. 49 Lakhs. Consequently, profit after tax would have been lower by Rs. 49 Lakhs and the basis EPS would have been Rs. 8.79 per share and diluted EPS would have been Rs. 8.79 per share			
	Risk free Interest Rate - 7.1%	Risk free Interest Rate - 7.7%	Risk free Interest Rate - 7.25%	Risk free Interest Rate - 7.5%
	Expected life - 3 years	Expected life - 3 years	Expected life - 3 years	Expected life - 3 years
	Volatility - 121%	Volatility - 36.2%	Volatility- 45.26%	Volatility- 70.13%
	Dividend Yield - 0.61%	Dividend Yield - 0.71%	Dividend Yield - 1.28%	Dividend Yield - 1.50%
	Market price of share at the time of grant - Rs. 61.28	Market price of share at the time of grant - Rs. 131.3	Market price of share at the time of grant - Rs. 71.5	Market price of share at the time of grant - Rs. 74.4
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock on the grant date.	Weighted average exercise price of options is Rs.70/- Weighted average fair value of options is Rs. 29.07/-			

## ANNEXURE – “B”

### GROUP COMPANIES

The following are the list of persons constituting group coming within the definition of ‘group’ as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (‘MRTP’) for the purpose of availing exemption from the applicability of the provisions of Regulations 10 to 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (‘the Regulations’), as provided in Clause 3(1)(e)(i) of the Regulations :

Ms. Urvi A. Piramal

Mr. Harshvardhan A. Piramal

Mr. Rajeev A. Piramal

Mr. Nandan A. Piramal

Ms. Reshma H Piramal

Ms. Roopali R. Piramal

Ashok Piramal Group Real Estate Trust.

Ashok Piramal Management Corporation Limited.

Ashok Piramal Enterprises Private Limited.

Goldlife Mercantile Company Private Limited.

Lifestar Hospitality Private Limited.

Onestar Trading Company Private Limited.

Toptech Mercantile Company Private Limited.

Powerjet Carriers And Transporters Private Ltd.



PENINSULA  
CORPORATE PARK

PENINSULA PARK TOWER  
CORPORATE PARK  
PENINSULA PLO  
PENINSULA TOWER





# MANAGEMENT DISCUSSION & ANALYSIS



## 1. THE ECONOMY – FACTS AND FACTORS

2010 turned out to be a much better year for the world economy. According to the information contained in the new report by the IMF’s World Economic Outlook, the world’s GDP at the end of 2010 could grow by 4.2%, well above its trend rate and a lot faster than forecasters were expecting 12 months ago. Most of the dangers that frightened financial markets during the year have failed to materialize. China’s economy has not suffered a hard landing. America’s mid-year slowdown did not become a double-dip recession.

In 2010 the U.S. GDP is expected to grow by 3.1%. Japan also will add to its GDP 1.9% in 2010. As for the euro zone, where the pace of economic development leaves much to be desired, GDP is expected to show marginal growth.

The pace and onus of global growth has clearly shifted to emerging economies specifically to Asian countries like China and India who witnessed highest rate of growth in Asia in 2010. While the Chinese economy grew at 10%, the Indian economy registered a growth of 8.6%. The other strong emerging economy, Brazil grew by 5.5% while Mexican GDP increased by 4.2% in 2010.

As we enter 2011, we are seeing three separate growth curves. The performance of the world economy in 2011 depends on what happens in three places: the big emerging markets, the euro area and America.

The emerging markets are expected to lead global growth. US is expected to grow at similar rates to 2010. Europe is expected to slow down. With the Japanese earthquake, Japanese growth will bow out. This is expected to result in shift of capital from the west to the east, with substantial inflows into India and China. The Indian economy, despite high inflation and high interest rates, will continue to surprise the world. The major decisive indicators will be the crude prices, inflation in emerging markets, improving consumer sentiment in the USA and recovery in Japan and certain pockets on Europe.

In India, the economy continues to muscle its way ahead in spite of recent scams and corruption charges. The GDP growth continued its impressive performance and is grew by 8.5% in 2010-11, largely on the back of accelerating consumption, investments and healthy growth in services, manufacturing and agriculture sectors. According to the IMF estimates, the country will grow in excess of 8% in 2011.

**Table 1: INDIAN MACRO ECONOMIC INDICATORS**

**Economic Indicators**

	2009	2010	2011F
GDP Growth	7.4%	8.4%	8.6%
CPI Growth	12.4%	9.6%	7.1%
Industrial Production	10.4%	9.8%	8.3%
WPI Growth	3.8%	8.2%	8.0%

Source : Consensus Economics, Media releases

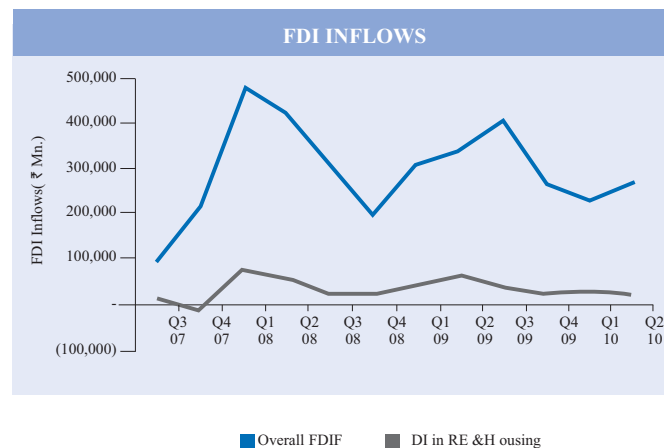
Global investors continued to remain cautious in 2010. As per UNCTAD’s latest report – World Investment Prospects Survey 2010-12, there was no significant change in the global FDI inflows. Global FDI were US\$ 1,122 billion in 2010 compared to US\$ 1,114 billion in 2009.

In spite of slowdown of FDI during 2010, India continues to remain an attractive destination for international investors. According to the UNCTAD report, India was the second most important FDI destination (after China)

for transnational corporations, and will remain in the top 5 most attractive destinations during the 2010- 2012 period.

During the first six months, FDI was down by 24% when compared to the same period last year. FDI in the real estate sector also came down from Rs. 97.9 million in H1 2009 to Rs.37.0 million in H1 2010, a dip of almost 62%. However, in the next 10 years India's real estate sector is expected to witness an addition of US\$ 10 billion of FDI. (source: Cushman and Wakefield Research report, 2010).

**Table 2: FDI INFLOWS IN INDIA 2007-2010**



## 2. THE REAL ESTATE INDUSTRY IN INDIA - TRENDS AND TRAITS

### Broad Review

There has been a spike in demand for all the traditionally strong segments of the industry, particularly residential, as compared to last year. Buoyed by stabilizing economy, access to finance and improved affordability, residential segment continues to lead demand in the industry. Supply continues to remain constrained due to slow pace of construction activity in 2009-10.

In the other two commercial segments, office and retail, the situation is different with supply outstripping demand by a fair degree. In the office segment, improved economic scenario and business sentiment, supported by able policy measures, financial discipline and domestic demand, have all helped it to recuperate from the aftermath of the financial slowdown. The supply-demand gap has been almost similar to the previous year, with increase in demand being matched by increase in supply. The retail segment continues to witness the biggest supply-demand gap. In spite of growth in organized retail, the developers' strategy to take advantage of the burgeoning growth in the retail sector without proper research or study, had led to a serious over-supply situation.

Some interesting trends in the funding of real estate:

- In the first half of 2010, the FDI in real estate sector dipped by nearly 62%
- Similarly, there has been a perceptible slowdown in domestic funding by PE in both Special Purpose Vehicles (SPVs) and entity levels, down by about 80% in the first half of 2010.
- Mumbai continues to attract the highest quantum of investments from SPV as well as portfolio level deals.
- Nearly 90% of the private equity transactions since 2H 2009 were at an SPV level - indicating investor



preference for project level deals where the quantum of investment is lesser as compared to portfolio and entity level deals.

- During the first three quarters of 2010, approximately Rs.23,064 million was raised by major players through QIP. Most of the fund raising in 2010 was largely done to meet the requirements of ongoing projects and land acquisition – contrary to repayment of debt as witnessed during 2009.

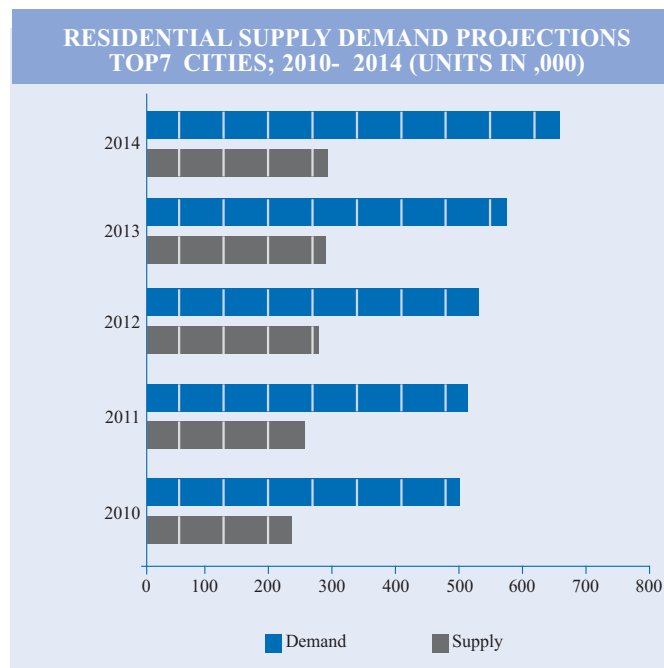
(source : Cushman and Wakefield Research report 2010)

## Demand and Supply Analysis of Key segments:

### RESIDENTIAL SEGMENT

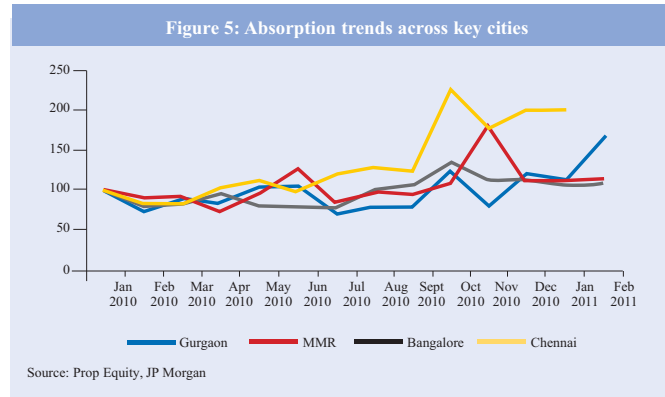
Residential segment continues to dominate the industry and is the mainstay of the total demand in the industry. With a CAGR of 15% by 2014, the estimated pan-India cumulative demand is estimated to be 4.25 million units. The increase in end-user demand is driven by improvements in affordability, access to and availability of home finance, better employment rates and job security leading to higher per capita income and a general uplift in confidence of the economy. This sector has also witnessed increased interest from the NRI and HNI, particularly in the high end and premium residential categories in India.

**Table 3: RESIDENTIAL DEMAND SUPPLY: 2010-14**



An interesting emerging trend is that almost 60% of demand from this segment is estimated to be spread across India's top 7 cities. 40% of this demand is estimated to be concentrated in Tier I cities of Mumbai and NCR. Mumbai is expected to witness a cumulative growth of 24% in demand, followed by NCR with a cumulative growth in demand of 20%. (Source: Cushman & Wakefield Research)

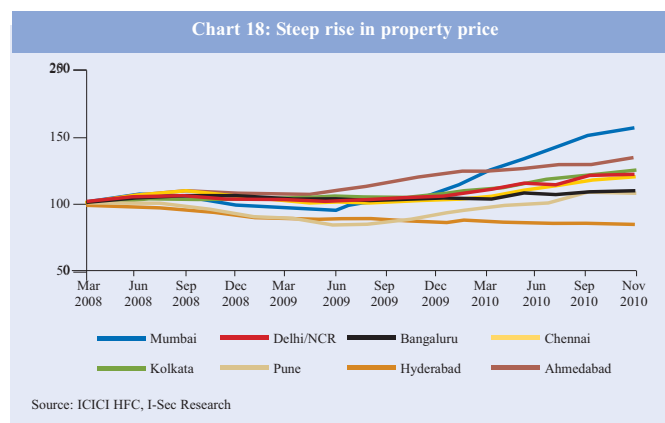
While demand continues to spike and build, supply in the residential segment has been constrained, primarily due to slow pace of development in 2009-10. Due to this, demand is nearly three times higher than supply and is expected to remain so till 2014. Absorption rates in this sector have remained healthy, contrary to perception of a volume slowdown as shown below in the table.

**Table 4: ABSORPTION TRENDS ACROSS KEY CITIES**

The prices of residential segment in most markets in India have recovered. Property prices in major Indian cities have risen between 30-70% in the past 4-6 quarters with some micro markets witnessing a steeper rise in H2CY10. Prices in Mumbai and the NCR have crossed the earlier peaks of '08 and in some places are around 30% higher than the earlier peak. The only exception has been South Indian cities such as Bangalore, Chennai and Hyderabad which witnessed a moderate price rise as they are largely end-user driven markets. As per Cushman and Wakefield research, the trend of capital value appreciation has been as under:

**Table 5: CAPITAL VALUE TRENDS IN KEY CITIES (DECEMBER 2009 TO DECEMBER 2010)**

City	Range	Remarks
Mumbai	14% to 67%	Highest increase in North (Andheri West, Malad, Goregaon) and North East Mumbai (Powai) and lowest in South Mumbai.
Bangalore	9% to 19%	Highest increase in South East Bangalore (Koramangala, Jakassandara).
Chennai	0% to 38%	Highest increase in Rajiv Gandhi Salai and lowest in Poses Garden.

**Table 6: INCREASE IN RESIDENTIAL PRICES ACROSS KEY CITIES**



## Outlook

In its report, RIDING THE WAVE 2010 -Re-emergence of Indian Real Estate Sector, Cushman and Wakefield mentions “India, especially its emerging realty asset classes as discussed earlier, offers sound ground for attracting significant global investments in the current scenario.” This view is re-confirmed by FICCI- E&Y study on the real estate sector which ranks India as the fifth most attractive destination for future real estate investments in a list of top nine attractive destinations that was topped by China and followed by the US, the UK and Singapore.

## Time for Second homes/ vacation homes

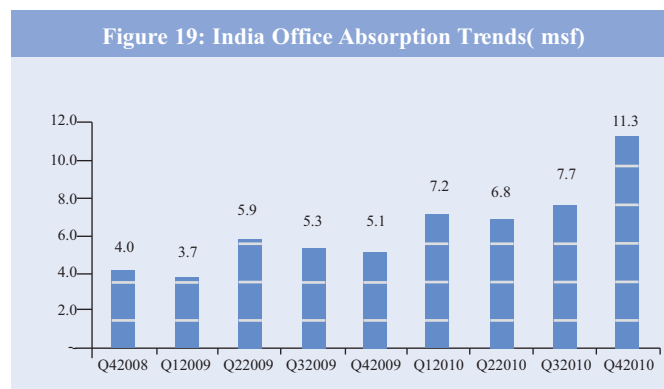
An interesting trend that has emerged in the last few years is the concept of second-homes or vacation homes, particularly sought after by the affluent class. These second-homes or vacation homes provide the dual benefit of owning a property at holiday spots as well as a good investment opportunity. Peninsula Land has entered into this segment with expected developments at Alibaug, Goa and Lonavala.

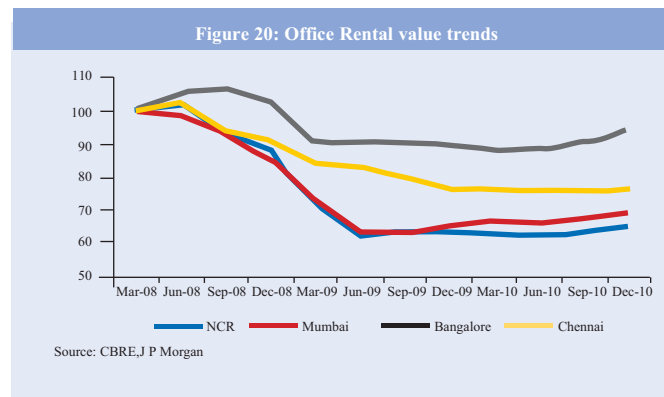
## COMMERCIAL OFFICE SEGMENT

The commercial office segment of the industry had more or less recuperated from the aftermath of the financial slowdown of 2009. Improved economic performance, enhanced confidence in business sentiment, able policy measures and renewed domestic demand has all driven demand in this segment. The Indian commercial office sector has been dominated by the Information Technology and the Information Technology enabled Services segment - IT/ITeS, which has been the driving force for commercial real estate growth in India. Post the downturn in 2009, there was a renewed impetus on spatial expansion by the IT/ITeS occupiers, as well as those belonging to the new economy sectors such as Telecom, Pharmaceuticals, Biotech and Manufacturing. Developers adopted flexibility in pricing and also offered lease incentives like free parking, rental discounts, and hard options, amongst others. This contributed to occupiers pre-committing spaces in numerous under-construction projects as well.

There was a marked pickup in leasing activity with absorption levels picking up to peak levels of 2007-08 levels. The overall absorption for 2010 pan-India stood at 33 million sq.ft., as compared to 20 million sq.ft. in 2009. With increased absorption, velocity in 2010 rentals seems to have stabilized with some micro-markets even witnessing an appreciation. Healthy pre-commitments and large scale transaction activity contributed to developers launching new projects in suburban locations. NCR (Gurgaon), Bangalore, Hyderabad and Mumbai led the country in spatial absorption, with more than 32 million sq ft being absorbed across the top 7 cities in 2010.

**Table 7: INDIA OFFICE ABSORPTION TRENDS IN MILLION SFT (December 2008 – December 2010)**



**Table 8: INDIA OFFICE RENTAL VALUES TREND (March 2008 – December 2010)**

### Outlook

The commercial segment, after being a laggard in the past 15-18 months, has started to pick up, both in terms of leasing volumes and transaction size. This has resulted in rental and capital value stabilizing in major micro-markets. Expansion of existing facilities to accommodate organic growth is the primary reason for the rise in demand for office space. While cities such as Delhi NCR, Bangalore and Hyderabad have been at the forefront of the recovery, others such as Mumbai, Chennai, Pune and Kolkata are showing positive signs of recovery.

The total demand for office space on a pan-India level over the 2010-14 period is expected to be approximately 240.7 million sq.ft. Of this, nearly 46% is from the top 3 cities, reconfirming their continued dominance (source: Cushman & Wakefield research). Supply continues to overrun demand, thereby causing a gap or vacancy level. However, compared to 2009, these vacancy levels have declined in the current year due to buoyant demand and deliveries deferred to 2011. Office rentals appreciated in NCR and Bangalore while in other markets they have remained stable.

It appears that the cycle is turning toward an increase in absorption and is expected to drive strong leasing in FY12 with vacancy rates declining gradually. However, supply in some micro-markets will be adequate to meet demand and will keep rental rise under check. The absorption will increase from about 19.6mn sq.ft. in '09 to about 40 million sq.ft. in 2012 (source: JLL). Vacancy rate is likely to rise on a consolidated basis in CY11 due to oversupply in some micro-markets, which might cap any rapid upside in rentals. We expect vacancy rate to be high in NCR, Chennai and Kolkata, with Bangalore vacancy rate remaining the lowest, thus pushing rental yield up.

Demand outlook appears positive with total take-up across India's seven largest cities increasing 52% quarter on quarter in 4QCY10 (Source: DTZ). Going forward, rental movements are expected to be largely driven by demand-supply dynamics of each micro-market. While central locations of Gurgaon, Bangalore, and Mumbai (BKC) are likely to witness rental appreciation in the near term, supply pressure should keep suburban rentals in these markets under check.

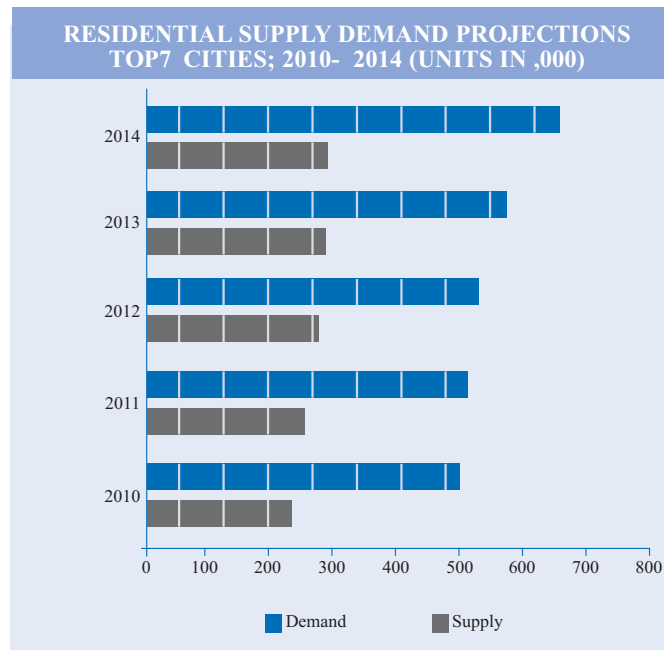
### COMMERCIAL RETAIL SEGMENT

The Commercial Retail segment continued its recovery based on both foreign and domestic retailers resuming their expansion plans. India has over 200 malls with a total retail space of nearly 56 million sq.ft. Of these, NCR accounts for almost 30%. The top seven cities across India have been driving demand in the commercial retail segment with a share of over 57%. NCR, Mumbai and Bangalore account for 37%.



On the supply side, less than about 40% of the initial supply estimates of 2010 actually materialized. Nearly 7 million sq.ft. of commercial retail space was made operational in the current year.

**Table 9: RETAIL DEMAND SUPPLY IN TOP 7 CITIES (2010-2014)**



Vacancy levels came down marginally to about 15.5% from approximately 17% at CY09 end. Mall rentals are currently around 30-45% below their 2007-08 peaks and seem to have bottomed out. Minimum guarantee coupled with revenue share is emerging as favoured model of lease agreement among retailers as well as developers. Developers too have become more accommodating in asking for rental and lease terms, ensuring higher occupancy.

### Outlook

Of all sectors, commercial retail segment is the one with the highest supply-demand gap. This over-supply scenario is likely to continue in 2011 and constrain launch of new projects. Unless demand improves substantially, most cities are likely to witness higher vacancy levels. This is likely to have a moderating effect on the rental and lease terms. However, one caveat is quality of supply : even though there is a general situation of over-supply in this sector, projects that offer differentiated quality, be it in concept, theme, design, branding and catchment will continue to attract investments and will be in much higher demand.

Mumbai and NCR are expected to have large operational retail stocks and hence, vacancy levels are also expected to remain high, particularly in the sub-urban locations.

### 3. PENINSULA LAND - POISED & POSITIONED

#### The Company today

PENINSULA LAND is one of the leading companies in real estate with a specific focus on west and south India. With over 360 eager and enthusiastic employees, it is one of the few fully integrated real estate development and management companies having clearly defined functions of Concept & Development, Construction, Project Management and Sales & Marketing and Finance, Legal & Human Resources. Over the years, the company has



carved a unique place in the minds of its customers by consistently delivering premium projects. The company is firmly poised and positioned with completed projects of about 4.20 million sq.ft. till 2010-11 and a further approximately 3 million sq.ft. is expected to be completed in 2011. The company's strategy to position itself in the traditional strong-hold asset classes – residential, office space and retail, with a strong focus on cash generation and conservative investment philosophy has made it withstand the tough time in real estate.

The company has focused on building its distinct brands in the three main asset classes in which it is a significant player - PENINSULA (Commercial Office Space), ASHOK (Residential Space) and CROSSROADS (Commercial Retail Space). Even during a difficult year, it has ranked 6th (overall) and 1st in the real estate sector in INC.500. In the BT 500 survey conducted by Business Today, PENINSULA LAND was the only real estate company whose profits increased in 2009-10.

The company has developed properties which have reputed companies and established brands as clients, such as Alok Industries, Essar, Vodagone, Deutsche Bank, Sandoz, Bose, Airtel, Lacoste, The Walt Disney Company, Marks & Spencer, Tag Heuer, Swaroski and many more.

### **Strategy**

The company has been following a strategy to differentiate itself. It has built its strengths and capabilities with a clear focus on:

Strong focus on profitability and cash generation with a conservative investment philosophy

- A low leverage - Debt / Equity ratio of 0.63x as on March 31, 2011
- Cash in hand of Rs. 500 cr as on March 31, 2011
- Undertake projects with higher profitability quicker turn-around of 3-5 years
- Exit from unattractive projects at maximum value
- Bid for larger land deals while keeping in mind realizations achievable

Focus on Urban Locations –

- Focus on Key urban areas in western and southern India
- Consolidate presence in Greater Mumbai and surrounding suburbs of the city
- Redevelopment projects to be a key contributor in the Mumbai market
- Cherry pick land at strategic locations at competitive rates, allowing flexibility of usage
- Enter new opportunity in the second homes or vacation homes with development in Lonavala, Goa and Alibaug

Strategy - Fully Integrated Player to ensure quick execution

- Integrated in-house project management - from land acquisition to sales and marketing
- Project planning and execution to match international standards
- In-house facility management capability



Maintain position as key urban player

- Leverage existing capabilities across 3 key sectors
- Consolidate in Bangalore, Pune, Nasik, Hyderabad and Goa

Foray into New Asset Classes and Segments

- Out of Town township development projects
- Redevelopment in Mumbai
- Vacation homes

Brand and Deliver

- Keep building stand-apart brands based on proven commitments of quality and delivery
- Position as best-in-class in each segment
- Top-quality development with superior products
- High levels of services
- Leverage corporate heritage and reputation of TRUST and ASSURANCE

### **Land bank**

The focus during 2010-11 was to acquire new land bank for execution in and beyond 2011. The company has committed close to Rs 580 cr in 2010-11 for acquiring new a development potential of approximately 8 million sq.ft. in the form of JVs, development rights and acquisitions.

The geographic focus for land bank acquisition was in western and southern states in cities of Mumbai, Pune, Alibaug, Lonavla, Hyderabad and Bangalore.

The segment focus on the land bank acquisition was residential homes and second or vacation homes.

The company has nearly 25 million sq.ft. total area under various stages of holding, execution and development planning and of this, an area in pipeline of approximately 3 million sq.ft is expected to be executed in 11-12. The company has entered into the big league and the execution will provide consistent and sustainable growth for the shareholders.

### **Projects**

Listed below are projects that the company has already executed till 2010-11, projects that are currently under fast track execution, and projects that will be executed over the next three to five years.

#### **PROJECTS EXECUTED TILL 2010-11**

The company successfully completed about 4.2 million sq. ft. and has a further approximately 3 million sq. ft. under execution in the current year. Almost 2 million sq ft of new projects were handed over to customers in 2010-11

Completed Projects		
Project Name	Type	Location
Crossroads	Retail Mall	Mumbai
Peninsula Corporate Park	Commercial	Mumbai
Palm Beach Project	Residential	Mumbai
KanjurMarg	Residential	Mumbai
Peninsula Center	Commercial	Mumbai
CR2	Retail Mall	Mumbai
Bayside Mall	Commercial	Mumbai
Ashok House	Residential	Mumbai
Center Point	Commercial	Mumbai
Ashok Towers	Residential	Mumbai
Ashok Gardens	Residential	Mumbai

#### Projects under Execution in 2010-2011

Project Name	Type	Location	
Peninsula Technopark (*)	IT Park	Mumbai	<ul style="list-style-type: none"> <li>IT Park with development potential of approx. 9 lakh sq. ft.</li> </ul>
Peninsula Business Park(**)	IT Park, Commercial	Mumbai	<ul style="list-style-type: none"> <li>State-of-the-art Commercial Centre enriched with landscaped gardens and water bodies</li> <li>Comprises of two towers of 20 storey each and an exclusive 3 storey building</li> <li>Planned development is of approx. 1.2 million sq. ft.</li> </ul>
Ashok Beleza	Residential	Goa	<ul style="list-style-type: none"> <li>Premium 2nd home vacation residential offering for the discerning customer in the heart of Goa in Panjim</li> <li>National Highway connectivity to the airport and all major tourist attractions and beaches</li> <li>Development offers superior views of MandoviRiver and its delta going into the Arabian Sea</li> <li>Project will offer a contemporary mix of villas and townhouses</li> </ul>
Ashok Astoria	Residential	Nasik	<ul style="list-style-type: none"> <li>Premium gated and self supported community spread over 18 acres with a total saleable area in excess 0.6 million sq ft</li> <li>Offering options of 2, 2.5 and 3 BHK apartments housed in G+4 buildings, large 3 BHK terrace homes and row houses</li> <li>The development comes complete with all amenities and facilities catering to everyday shopping needs, retail, entertainment and leisure, which promises to provide residents a better way of life in Nasik</li> </ul>



## Projects in Pipeline

Sr. no	City	Type	Saleable Area, sq ft
1	Mumbai	Residential	100,000
2	Mumbai	Residential	50,000
3	Alibaug	Residential, Vacation Home	600,000
4	Alibaug	Residential, Vacation Home	50,000
5	Lonavla	Residential, Vacation Home	310,000
6	Hyderabad	Residential	1,000,000
7	Bangalore	Residential	550,000
8	Pune	Residential	1,500,000
9	Pune	Mix-use	1,000,000
10	Nasik	Township	2,200,000
11	Hyderabad	Township	3,500,000
12	Pune	Township	10,000,000

The company is poised to take advantage of sustained demand in the residential sector, having almost 22 million sq.ft. of residential projects in the pipeline

## Brand Building

Peninsula Land is amongst the very few companies within the real estate sector in India to have carefully invested in building strong and distinct brands associated with being premium in the eyes of the customer. The company believes that in the long term brands will become increasingly important and a differentiating factor for choice.

The brands of the company stand for superior architecture and design, large open spaces, top construction quality, best services and amenities and an overall premium experience for its customers.

Peninsula Land has created three distinct brands for its three business segments:

Segment	Brand	Attributes
Residential	ASHOK	Supreme Living Spaces
Commercial	PENINSULA CORPORATE PARK	Pioneer in Next gen workspaces/ work meets life
Retail	CROSS-ROADS	India's first organized retail mall

## 4. RISKS AND CONCERNS

### Development Risk

*Inability in developing pipeline projects creates uncertainty of future cash flow. Any delays arising from political constraints, changing governments, shifting policies, partnerships and formalities in obtaining approvals to begin developmental works exposes the company to financial and execution risk.*

The Company has adequate land bank to ensure that the company will execute for the next decade. The company currently has a total development potential of close to 24 million square feet. Upon execution, this land bank will generate adequate cash flow to buy further land bank. During the year, the company added 8 million square feet of development potential. While the company has adequate experience and expertise in executing developments through joint ventures, joint developments and partnerships, any potential conflict arising from differences in developmental visions and strategy may cause projects to be delayed.

The company's developments are in the important cities of India that include Mumbai, Pune, Nasik, Goa, Alibaug, Lonavla, Hyderabad, Bangalore.

### **EXECUTION RISK**

*Execution risk put pressure on cash flow. Execution risk also exposes the company to credibility risk and completion of projects in our industry on time and within cost is a key parameter for success.*

Execution is one of the biggest priorities at Peninsula Land. The company has focused teams dedicated to every development. The company not only is aware of its responsibility towards completing its projects on time, but also ensures that the company's projects are the best-in-class in the country and amongst peers. The quality of execution to the company is also critical as the brand of the company is representative of the best quality delivered on time, always.

The company is currently executing 3 million square feet across residential and commercial developments. The company has adequate cash flow to ensure that the projects are completed on time, and within the budgets.

### **CREDIT RISK**

*Credit risk exposes the company to higher debtors and receivables and puts a strain on the future expected cash flows. It is also a metric that demonstrates the quality of buyers and their intent to buy.*

Peninsula Land is a very reputed brand in the market place that it operates in. The development projects of the company are highly sought after for its location advantages, quality of construction and timely delivery. Peninsula projects command a premium in the market place. This has insulated the company from any significant credit risks.

The company works on a mechanism where advance money is collected on booking and the balance on execution, slab wise. The company Most of the company's buyers in the residential segment are business & corporate professionals and high net worth individuals who have either access to home loans or capital and therefore always pay on time.

### **LEVERAGE RISK**

*Leverage is a double edged sword. Over leverage has the potential to take the company into financial strain in tough economic times.*

The company belongs to the Ashok Piramal Group that has a long history of corporate governance and strong financial discipline. Besides, the company's promoters have access to enough surplus capital. The company has always ensured that leverage is reasonable and the company has adequate cash flow to meet the interest obligations. The company has a total debt to equity ratio of 0.63 as on March 31, 2011. During the year, the company increased its borrowing from Rs. 466cr in 2009-10 to Rs 944cr in 2010-11. This was used to accelerate execution and buy new land bank.

### **INPUT COST RISK**

*A sudden increase in input cost may result in lower margin and profits for the company.*

The company uses steel, cement and manpower to build assets. The company works with large companies for its supply of steel and cement. During the planning stage the company, based on its experience of 13 years, and the emerging trend of steel and cements, takes adequate precaution to ensure that the price variance of its key materials like steel and cement do not affect the margins of the company. The company also enters into long term



## MANAGEMENT DISCUSSION AND ANALYSIS

contracts with suppliers to reduce the impact in adverse times. During the year, the input cost increased but the company was able to ensure the impact being moderate on its margins.

### 5. DISCUSSION OF FINANCIAL PERFORMANCE (STANDALONE)

INCOME: The company recorded a total income of Rs. 59,175 lakh, as compared to Rs. 81,705 lakh for 2009-10.

EBIDTA : The company's EBIDTA stood at Rs. 30,714 lakh against Rs. 38,988 lakh in 2009-10.

PAT : The Profit After Tax (PAT) of the company was Rs. 24,578 lakh against Rs. 29,086 lakh in 2009-10.

### 6. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Peninsula Land has always understood the importance of internal control systems, as they are critical to the company's growth and expansion plans. The company has in place clear and defined organizational structure, documented guidelines on its policy, structured and definite authority matrix. These ensure efficiency of operations, compliance with internal policies, applicable laws and regulations as well as efficient and optimum allocation of resources. The company also keeps upgrading these internal control systems with best practices in the industry.

Extensive internal audits and management reviews, supplemented by standard policies and guidelines further ensure reliability of financial and other records to prepare financial statements and other data. ERP and Management Information System (MIS) strengthen the company's internal control systems further. To ensure quality at all levels, a special quality department has been set up. To ensure that the actual spending is in accordance with allocated budgets, the company has set up rigorous business planning as well as expense, capital and manpower budgeting process. These are regularly and strictly monitored against set target to ensure adherence.

### 7. HUMAN RESOURCES

People play an important role in our business. The company has specialist departments focused on each stage of the development cycle, with teams of specialists that help it deliver consistent shareholder returns.

At the core is the strategy team that consists of senior management that decides on the overall strategy, exposure to each segment, the acquisition of land bank, the priority of execution and the financial and cash flow

The company a concept and design department for project conceptualization.. The team is complimented by a projects team that helps convert brick and mortar into homes and elegant commercial work places.

The company also has an extensive marketing team that works with both the above teams to ensure that the company's projects are marketed directly to the end users and also ensures that the brand continues to grow and command a premium. The marketing team continuously interacts with customers and keeps them informed and engaged not only about current projects, but also upcoming future projects.

The total team strength of Peninsula Land as on March 31, 2011 was 360.

### 8. CAUTIONARY STATEMENT

Certain statements in this Management Discussion and Analysis describing the Company's objectives, projections, expectations or predictions may be forward looking statement within the meaning of applicable securities laws and regulations. Although these expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied.



# CORPORATE GOVERNANCE

**Introduction**

Your Company has complied in all material respects with the requirements of Corporate Governance Code as per Clause 49 of the Listing Agreement with the Stock Exchanges.

A report on the implementation of the Corporate Governance Code of the Listing Agreement by the Company is furnished below:

**1. Company's Philosophy on Corporate Governance**

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good Corporate Governance leads to long term shareholder value and enhances interest of other stake holders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

**2. Board of Directors ("Board")****2.1 Composition and size of the Board**

The Company has an optimum combination of Executive Directors and Non-Executive Directors. The Board consists of 11 Directors out of which 6 are Independent Directors. The Board is headed by Ms. Urvi A. Piramal as the Executive Chairperson and consists of personalities with exceptional expertise and experiences in diversified fields of specialization. Except for Ms. Urvi A. Piramal, Executive Chairperson, Mr. Rajeev A. Piramal, Executive Vice Chairman, Mr. Mahesh S. Gupta, Group Managing Director and Mr. Rajesh Jaggi, Managing Director, all other Directors are Non-Executive Directors.

The composition of the Board and category of Directors are given below:

Category	Name of Directors	Designation	No. of shares held as on 31 <sup>st</sup> March, 2011
Promoter Directors	Ms. Urvi A. Piramal	Executive Chairperson	27,92,015
	Mr. Rajeev A. Piramal	Executive Vice Chairman	9,21,365
Executive Directors	Mr. Mahesh S. Gupta	Group Managing Director	300
	Mr. Rajesh Jaggi	Managing Director	65,000
Non-Executive Non-Independent Director	Mr. Jaydev Mody	Director	28,170
Independent Directors	Mr. Amitabha Ghosh	Director	NIL
	Ms. Bhavna Doshi	Director	500
	Mr. C. M. Hattangdi	Director	500
	Mr. D. M. Popat	Director	5,535
	Lt. Gen. Deepak Summanwar (Retired)	Director	NIL
	Mr. Sudhindar Khanna	Director	NIL



## 2.2 Directors Profile

Brief Resume of the Directors, nature of their expertise in specific functional areas is given below:

### **Ms. Urvi A. Piramal**

The Chairperson of Ashok Piramal Group, Ms. Urvi A. Piramal is 58 years of age, oversees a professionally managed business group in India with business interest in real estate, textiles, engineering, entertainment and sports. She is the guiding force behind the group's sustained and profitable growth; which is bringing the Group Companies closer to realizing her vision of touching the lives of one in five people around the globe.

She has a Bachelor of Science degree and has attended the Advanced Management Program at Harvard Business School.

She joined the Group's Textile division in 1984 and modernized the operations while focusing on higher levels of quality and productivity. Ms. Piramal plays a leading role in envisioning and formulating the Group's strategies in the businesses. The Group's real estate foray has been driven by her foresight and her sharp business acumen has played an immeasurable role in placing Peninsula Land Limited as one of the top real estate companies in India.

She has been a member of Technology and Quality Improvement Committee of the Indian Merchants' Chamber since its inception in 1994, and also the Chairperson of Supply Chain and Retail Business (Internal Trade) Committee (2004-2005).

Ms. Piramal has received a number of awards for her contribution to business. She was awarded the Qimpro Gold Standard Award for excellence in Managing Quality Improvement programmes across the Group. She has won the Outstanding Woman Industrialist Award presented by the Marinelines Junior Chamber and the Yami Woman Award for her outstanding contribution to business by The ITC Grand Central. She also has to her credit the Cheminor Award from the Indian Institute of Materials Management.

She is a Trustee of the Piramal Education Trust, Ashok G. Piramal Trust and Urvi Ashok Piramal Foundation which has been set up for the underprivileged. Piramal Education Trust runs a childrens' school at Bagar in Rajasthan.

She is on the board of Population First, an NGO working on population and health issues within the framework of women's rights and social development.

Ms. Piramal is a keen wild lifer and spends her leisure time reading, listening to music and traveling extensively.

### **Mr. Rajeev A. Piramal**

Mr. Rajeev A. Piramal, Executive Vice Chairman of the Company is 35 years of age and holds a BBA (Bachelor in Business Administration) from Baldwin Wallace College, Cleveland, USA. Mr. Piramal spearheads the real estate business of the Ashok Piramal Group. Mr. Piramal is the chief strategist and leverages his in-depth understanding of the business to enhance the growth of the Company.

Mr. Piramal leads a strong team of managers with a mission of delivering premium value to all stakeholders. With a vision and keen understanding of the dynamic market trends, Mr. Piramal has grown Peninsula Land Limited from Mumbai-based to multiple locations real estate Company.

Mr. Piramal was a part of the team that developed the first textile mill land in Mumbai, after it was opened up for development in Mumbai. Peninsula Corporate Park was developed on textile mill land in Central Mumbai and this project transformed Lower Parel into a new age business district.



His implicit sense of business has enabled Peninsula Land Limited to carve a niche for itself in the real estate sector. With a strong business strategy, Mr. Piramal has ensured that the Company has been consistently growing. Peninsula Land Limited is the only real estate Company in India whose profit increased in 2009 over the previous year, according to survey by Business Today (Date: November, 2009).

Amongst other accolades, Mr. Piramal was featured in the Top 50 Young Achievers selected by one of the India's largest circulating business magazines.

### **Mr. Mahesh S. Gupta**

Mr. Mahesh S. Gupta, Group Managing Director of the Company is 54 years of age.

As the Group Managing Director, Mr Gupta oversees all the businesses of Ashok Piramal Group which comprises mainly Real Estate (Peninsula Land Limited), Textiles (Morarjee Textiles Ltd., Integra Apparels), Engineering (PMP Auto Components Pvt. Ltd, Miranda Tools and PMP PAL International s.r.o.)

Mr Gupta plays the role of formulating the Group's business strategy and steering the Group to achieve its goals. As a senior member in the Group, he plays a very significant role in guiding each business to attain profitable and sustained growth. In the last five years, under his leadership, the Group formulated an aggressive plan which has seen the businesses grow few folds.

Mr Gupta's expertise in mergers and acquisitions has further accelerated growth in all the businesses, particularly in the real estate and auto-components businesses. Under his stewardship, the Group made two acquisitions in the auto-components business in Europe. In 2007, PMP Auto acquired Bakony Wipers from Hungary and the following year, PAL International from the Czech Republic was acquired.

Mr. Gupta has over 3 decades of professional experience in business management and in all aspects of Corporate Finance such as treasury management, mergers and acquisitions, strategic planning, direct taxation, Company law matters etc.

He is in the current position for more than 5 years and formerly he has worked with the Piramal Group for over 22 years including 9 years as Group CFO and whole-time director of Nicholas Piramal (India) Ltd. He has also worked with RPG group as Group CFO and Management Board Member and as CEO-Welspun India Ltd.

Mr. Gupta has received a number of recognitions for his business and professional acumen. He was awarded the CFO of the Year Award, 2001, Special Commendation for Financial Excellence (Mergers and Acquisitions Category) by IMA (formerly known as EIU), New Delhi.

He is on the Board of several Public Listed Companies such as Morarjee Textiles Limited, Ceat Limited, RPG Life Sciences Limited, Delta Corp Ltd etc. From time to time, he has also been associated with various Committees of The Institute of Chartered Accountants of India (ICAI), Member Governing Council of Indian Association Corporate CFOs and Treasurers (InACT), Advisory Board of Chennai Business School.

Mr. Gupta, has an Honours Degree in B.Com; L.L.B (Gen). Fellow Member of The Institute of Chartered Accountants and The Institute of Company Secretaries of India. He had an outstanding academic record and rank holder and a Silver Medalist in Company Secretaries Final examination.

**Mr. Rajesh Jaggi**

Mr. Rajesh Jaggi, Managing Director of the Company is 42 years of age and a Management professional from Babson Graduate School of Business, Boston.

Mr. Rajesh Jaggi is responsible for the direction and performance of the real estate business of the Ashok Piramal Group, Peninsula Land Limited, the Peninsula Realty Fund and Peninsula Facility Management Services Limited.

Under Mr. Jaggi's leadership, Peninsula Land Limited has extended its reach from solely a Mumbai based developer to extending its presence across western and southern India. Under Mr. Jaggi's guidance, the Company has diversified from Commercial, Residential and Retail to SEZ, Townships and IT Parks.

At Peninsula Land, he has been instrumental in developing over 4 mnsqft of construction in the residential, commercial and retail space. Another 25 mnsqft development is in the pipeline.

Mr. Jaggi has over thirteen years of experience in every sector of the real estate business, from sourcing new ventures, construction management, facility management, marketing and sales.

In real estate since 1996, Mr. Jaggi's previous experience as Executive Director at Orbit Group of Companies has equipped him with the knowledge and operational skills required to make a difference in the running of the Company.

Mr. Jaggi has been a major driving force in developing the Facility Management Business and also in the launch of the Real Estate Fund.

**Mr. Jaydev Mody**

Mr. Jaydev Mody, Non-Executive Non Independent Director of the Company is 55 years of age. He has completed his graduation in Arts from the Mumbai University. Mr. Mody has more than 20 years of experience in the field of real estate development and has been instrumental in building and developing Crossroads, one of the first shopping mall of international standards in India. He has been instrumental in development of several large residential complexes, office complexes and retail destinations in and around Mumbai.

**Mr. Amitabha Ghosh**

Mr. Amitabha Ghosh, Non-Executive Independent Director and Chairman of the Audit Committee of the Company is 80 years of age. Mr. Amitabha Ghosh is a member of The Institute of Chartered Accountants of India with rich experience in Finance, Banking and Administration extending over a period of six decades by virtue of his association with important institutions and committees. He held senior positions like Chairman and Managing Director of Allahabad Bank, Deputy Governor and Governor of Reserve Bank of India. He was also the Chairman of Reserve Bank of India Services Board. He served on the Board of Reserve Bank of India, Industrial Development Bank of India, National Institute of Banking Management, EXIM Bank as well as Deposit Insurance Corporation. He headed and was also member of a number of important committees set up by Government of India and Reserve Bank of India in the area of Finance, Banking and Foreign Exchange. He had the distinction of participating as a panelist as well as addressing several important programs organized by international bodies like International Monetary Fund (IMF), South East Asia, New Zealand and Australia (SEANZA), United Nations Conference on Trade and Development (UNCTAD), etc. He is presently a director on the Boards of a number of reputed companies.



### **Ms. Bhavna Doshi**

Ms. Bhavna Doshi, Non Executive Independent Director of the Company is 57 years of age. Ms. Bhavna Doshi is a Fellow Member of the Institute of Chartered Accountants of India and holds a Masters Degree in Commerce from Mumbai University. She ranked second, at both, Intermediate and Final Examinations conducted by the Institute of Chartered Accountants of India (ICAI) and was also awarded the prize for the Best Lady Candidate at the Final Examination at ICAI.

Ms. Doshi is currently a Senior Advisor to KPMG. She is an elected member of the Council of the Institute of Chartered Accountants of India (ICAI) and chairs Research and Indirect Tax Committees. She was an elected member of the Central Council for three terms earlier and has served on majority of the Committees of ICAI. She was member of Western Regional Council of ICAI for two terms of 3 years each and it's Chairperson during 1991.

Ms. Doshi is the President of the Indian Merchants' Chamber. Ms. Doshi was a member of the Compliance Advisory Panel of International Federation of Accountants headquartered at New York and has also served on the Government Accounting Standards Advisory Board of the Comptroller and Auditor General of India.

During her professional career of over 25 years, Ms. Doshi has advised national and multinational companies on varied matters of taxation, restructuring, valuation of shares and businesses, family partitions, arbitration, accounting matters and joint ventures.

### **Mr. C. M. Hattangdi**

Mr. C. M. Hattangdi, Non-Executive Independent Director of the Company is 80 years of age and has graduated from Bombay University with Chemistry and Physics as his major. Mr. C. M. Hattangdi started his career with Pfizer India Limited and rose to the position of Marketing Director of pharmaceuticals and agricultural business in India and Vice President - Agricultural business in Philippines. He joined Parke Davis as the Chairman and Managing Director from 1977 to 1988. In 1988, he joined, Nicholas Laboratories India Limited (now Piramal Healthcare Limited) as Managing Director and continued till June 1998. He was inducted on the Board of the Company in February 1993.

### **Mr. D. M. Popat**

Mr D M Popat, Non Executive Independent Director of the Company is 77 years of age. Mr. D. M. Popat has completed his B.A., B.Com. and LL.B. and is an Attorney at Law. Since 1969, Mr. D. M. Popat is a Partner of M/s. Mulla & Mulla & Craigie Blunt & Caroe, Solicitors and Advocates Firm and currently, he is Senior - Most Partner of that Firm. He represents India as a member of the International Court of Arbitration of the International Chamber of Commerce ("ICC") at Paris and also works as a Nominee on ICC's Commission on International Arbitration. Mr. Popat, has since 1993, been, and continues to be, a member of the Governing Body of Indian Council of Arbitration ("ICA"), as also its Vice President for several years. He is also the President of Western Regional Branch of ICA. Mr. Popat has been identified as a "resource person" in the field of arbitration by National Law Academy. Mr. Popat has been a member of the National Executive Committee of FICCI (Federation of Indian Chambers of Commerce and Industry) for last several years and at present he has been co-opted in the category of Experts in Economics / Law / Accounts and Consultancy.

Mr. Popat is a Committee Member and former Vice President of Bombay incorporated Law Society. He was on the Senate of University of Bombay and a member of its Board of Studies in Law. He has been for several years,

and continues to be a member of the Managing Committee of Indian Merchants' Chamber ("IMC") and of the Executive Committee of ICC-India. He was, for several years, Chairman of IMC's Committee on Law : Review, Reforms and Rationalisation. He has been, for several years and continues to be Chairman of the IMC's Court of Arbitration and Conciliation Committee. He has expertise in Corporate Laws, Real Estate, Arbitration and Foreign Collaboration matters.

#### **Lt. Gen. Deepak Summanwar**

Lt. Gen. Deepak Summanwar, Non-Executive Independent Director of the Company is 64 years of age. Lt. Gen. Deepak Summanwar holds a Post Graduate Diploma in Marketing with distinction and also has a post graduate degree in Business Administration with specialization in Finance from Vrije University of Brussels. In addition, he has graduated from the Defence Services Staff Colleges, Wellington and was awarded a Masters Degree in Defence and Strategic studies from Madras University. He has successfully completed the Higher Command course from the Army War College, Mhow, this course is equated with a M. Phil in Strategy and Management by the Ahillia Devi University, Indore.

Lt. Gen. Deepak Summanwar has retired from the Army after forty years of service. He has commanded a Mountain Division in Kargil during Operation Parakram and has been the Director General of Military Intelligence during his Army Career. He possesses wide expertise and skills in management, environmental security and risk assessment and analysis, leadership and decision making. He has been decorated five times for his gallantry and distinguished service.

#### **Mr. Sudhinder Khanna**

Mr. Sudhinder Khanna, Non-Executive Independent Director of the Company is 58 years of age. Mr. Khanna is a Chartered Accountant from the Institute of Chartered Accountants of England and Wales (after being placed first in the UK Financial exams and 3rd in the Intermediate exams/ Best paper in Law) and received a First Class Bachelor in Economics from St. Stephens College, New Delhi. Mr. Khanna joined Accenture, London as a Senior Consultant in the year 1977 and spent the next ten years working for major public sector clients and almost all major banks and insurance companies in the UK. He was admitted to the partnership in 1987. Mr. Khanna was responsible for the start of Accenture offshore IT and BPO in India, which has since grown to over 60,000 people.

Mr. Khanna possesses wide experience in advising clients in strategy, re-engineering and technology across a range of industries at the Chairman / CEO level in approximately 20 countries. Mr. Khanna retired from Accenture after 30 years of service. His last position in Accenture was that of Global Managing Partner, based in London.

Mr. Khanna speaks at a variety of global conferences and interacts with the media globally. He serves on the boards of United Spirits and HSBC Insurance

Mr. Khanna is currently Chairman and Managing Director of IEP Fund Advisors Private Limited, a private equity fund with offices in Mumbai and New York.



### 2.3 The details of directorship of the Company's Directors in other Limited Companies and subsidiaries of Public Limited Companies as on 31<sup>st</sup> March, 2011 are given below:

Sr. No.	Name of Directors	Other Directorships held
1	Ms. Urvi A. Piramal	<ul style="list-style-type: none"><li>• Ashok Piramal Management Corporation Limited</li><li>• Delta Magnets Limited</li><li>• Just Textiles Limited</li><li>• Morarjee Textiles Limited</li><li>• Peninsula Trustee Limited</li><li>• Pune Football Club Limited</li><li>• Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited)</li></ul>
2	Mr. Rajeev A. Piramal	<ul style="list-style-type: none"><li>• Ashok Piramal Management Corporation Limited</li><li>• City Parks Private Limited</li><li>• Delta Corp Limited</li><li>• Inox Mercantile Company Private Limited</li><li>• Peninsula Investment Management Company Limited</li><li>• Peninsula Pharma Research Centre Private Limited</li><li>• Planetview Mercantile Company Private Limited</li><li>• Peninsula Mega Properties Private Limited</li><li>• Peninsula Mega Township Developers Private Limited</li><li>• Pune Football Club Limited</li><li>• Rockfirst Real Estate Limited</li><li>• RR Mega Property Developers Private Limited</li><li>• RR Real Estate Development Private Limited</li><li>• Takenow Property Developers Private Limited</li></ul>

3	Mr. Mahesh S. Gupta	<ul style="list-style-type: none"> <li>• Ashok Piramal Management Corporation Limited</li> <li>• Ceat Limited</li> <li>• City Parks Private Limited</li> <li>• Delta Corp Limited</li> <li>• Delta Magnets Limited</li> <li>• Just Textiles Limited</li> <li>• Morarjee Textiles Limited</li> <li>• Peninsula Holdings and Investments Private Limited</li> <li>• Peninsula Investment Management Company Limited</li> <li>• Peninsula Pharma Research Centre Private Limited</li> <li>• Peninsula Real Estate Management Pvt. Ltd.</li> <li>• Renato Finance and Investments Private Limited</li> <li>• RPG Life Sciences Limited</li> </ul>
4	Mr. Rajesh Jaggi	<ul style="list-style-type: none"> <li>• City Parks Private Limited.</li> <li>• Delta Corp Limited</li> <li>• Delta Magnets Limited</li> <li>• Highstreet Cruises and Entertainment Private Limited</li> <li>• Inox Mercantile Company Private Limited</li> <li>• Peninsula Holdings and Investments Private Limited</li> <li>• Peninsula Investment Management Company Limited</li> <li>• Peninsula Mega Township Developers Private Limited</li> <li>• Planetview Mercantile Company Private Limited</li> <li>• Rockfirst Real Estate Limited</li> <li>• RR Mega Property Developers Private Limited</li> <li>• RR Real Estate Development Private Limited</li> <li>• Takenow Property Developers Private Limited</li> </ul>



5	Mr. Jaydev Mody	<ul style="list-style-type: none"><li>• Arrow Textiles Limited</li><li>• Ashok Piramal Management Corporation Limited</li><li>• Delta Corp Limited</li><li>• Delta Magnets Limited</li><li>• MMG India Private Limited</li><li>• Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited)</li><li>• Peninsula Investment Management Company Limited</li></ul>
6	Mr. Amitabha Ghosh	<ul style="list-style-type: none"><li>• Heidelberg Cement India Limited</li><li>• Joonktolle Tea and Industries Limited</li><li>• Kesoram Industries Limited</li><li>• Orient Paper and Industries Limited</li><li>• Sahara Hospitality Limited</li><li>• Sahara India Life Insurance Co. Limited</li><li>• Sahara Infrastructure and Housing Limited</li><li>• Sahara Prime City Limited</li><li>• Shreyas Shipping and Logistics Limited</li><li>• Shreyas Relay System Limited</li><li>• Shree Cement Limited</li><li>• Xpro India Limited</li><li>• Zenith Fibres Limited</li></ul>
7	Ms. Bhavna Doshi	<ul style="list-style-type: none"><li>• LIC Pension Fund Limited</li><li>• Peninsula Investment Management Company Limited</li><li>• SEAMAC Limited</li></ul>
8	Mr. C. M. Hattangdi	<ul style="list-style-type: none"><li>• The Swastik Safe Deposit and Investments Limited</li></ul>
9	Mr. D. M. Papat	<ul style="list-style-type: none"><li>• Hindustan Construction Company Limited</li><li>• The Hindoostan Spinning and Weaving Mills Limited</li><li>• The Ruby Mills Limited</li></ul>
10	Lt. Gen. Deepak Summanwar	<ul style="list-style-type: none"><li>• Great Offshore Limited</li><li>• The Waterbase Limited</li></ul>
11	Mr. Sudhindar Khanna	<ul style="list-style-type: none"><li>• Blue Star Design and Engineering Limited</li><li>• Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited</li><li>• United Spirits Limited</li></ul>



## 2.4 Attendance at Board Meetings and Last Annual General Meeting

Attendance of each Director at the Board Meetings and last Annual General Meeting (AGM) and the number of Companies and Committees where she/he is a Director / Member.

Name	Category	Relationship with other directors	Attendance		No. of Board/Committees (other than Peninsula Land Limited) as at 31 <sup>st</sup> March, 2011		
			Board Meetings	A.G.M. (held on 5 <sup>th</sup> August, 2010)	No. of other directorships	Committees	
						Chairperson/Chairman	Member
Ms. Urvi A. Piramal	Executive Chairperson	Mother of Mr. Rajeev A. Piramal and Sister of Mr. Jaydev Mody	4	Yes	7	-	-
Mr. Rajeev A. Piramal	Executive Vice Chairman	Son of Ms. Urvi A. Piramal	4	Yes	14	1	1
Mr. Mahesh S. Gupta	Group Managing Director	None	4	Yes	13	4	5
Mr. Rajesh Jaggi	Managing Director	None	4	Yes	13	-	1
Mr. Jaydev Mody	Non-Executive Non-Independent Director	Brother of Ms. Urvi A. Piramal	3	No	7	3	-
Mr. Amitabha Ghosh	Independent Director	None	4	Yes	13	4	5
Ms. Bhavna Doshi	Independent Director	None	4	No	3	1	2
Mr. C. M. Hattangdi	Independent Director	None	4	Yes	1	-	-
Mr. D. M. Popat	Independent Director	None	4	No	3	-	-
Lt. Gen. Deepak Summanwar	Independent Director	None	3	Yes	2	1	1
Mr. Sudhinder Khanna	Independent Director	None	2	No	3	1	-

The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Companies registered under Section 25 of the Companies Act, 1956 and Private Limited Companies other than Subsidiaries of Public Limited Company.

None of the Directors is a member in more than 10 committees nor is Chairperson / Chairman of more than 5 committees amongst the Companies mentioned above. The Committees considered for the above purpose are those specified in the existing Clause 49 of the Listing Agreement i.e. Audit Committee and Shareholders' / Investors' Grievance Committee.



## 2.5 Meetings of the Board of Directors

Four Board Meetings were held during the financial year 2010-2011 and the gap between two Board Meetings did not exceed four calendar months.

The dates on which the meetings were held were as follows:

Sr. No.	Date of Meetings	Board Strength	No. of Directors present
1	27 <sup>th</sup> April, 2010	11	10
2	26 <sup>th</sup> July, 2010,	11	10
3	28 <sup>th</sup> October , 2010	11	10
4	19 <sup>th</sup> January , 2011	11	10

## 2.6 Board Procedures

The Company Secretary prepares the Agenda in consultation with the Chairperson of the Board of Directors, the Chairperson / Chairman of the various Committees and the Vice Chairman, Group Managing Director and Managing Director. The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The Agenda for the Meetings of the Board and its Committees, together with the appropriate supporting documents and papers are circulated well in advance of the meetings to enable the Board to take informed decisions.

The meetings are generally held in Mumbai.

## 2.7 Details of Directors being re-appointed

As per the statute, two-thirds of the total number of Directors should be retiring Directors. One-third of these retiring directors are required to retire every year, and if eligible, these directors qualify for re-appointment.

- A detailed profile of Directors eligible for re-appointment alongwith additional information required under Clause 49 of the Listing Agreement is provided separately by way of an Annexure to the Notice for the Annual General Meeting.
- Mr. D.M.Popat, Mr. Amitabha Ghosh and Ms. Bhavna Doshi, retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

## 2.8 Directors with materially significant related party transactions, pecuniary or business relationship with the Company

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interests of the Company at large.

## 3. Audit Committee

### 3.1 Composition, Meetings and Attendance

The Audit Committee of the Company comprises of 3 Directors, all of whom are Independent Directors namely Mr. Amitabha Ghosh (Chairman), Ms. Bhavna Doshi and Mr. C. M. Hattangdi. They all have expert knowledge of Finance and Accounting. Mr. Amitabha Ghosh, the Chairman of the Audit Committee was present at the last Annual General Meeting held on 5th August, 2010. The Managing Director, Group CFO,

Chief Financial Officer and Company Secretary are permanent invitees for the meetings. The Statutory Auditors and the Internal Auditors are also invited for the meetings. The Company Secretary functions as Secretary to the Committee. The Committee oversees the accounting and financial reporting process of the Company, the performance of the internal auditors, performance and remuneration of the statutory auditors and the safeguards employed by them.

During the financial year 2010-2011, the Audit Committee met 4 (four) times on 27<sup>th</sup> April, 2010, 26<sup>th</sup> July, 2010, 28<sup>th</sup> October, 2010 and 19<sup>th</sup> January, 2011. The attendance details are given below:-

Name of the Directors	Designation	No. of meetings during the year	
		Held	Attended
Mr. Amitabha Ghosh	Chairman	4	4
Ms. Bhavna Doshi	Member	4	4
Mr. C. M. Hattangdi	Member	4	4

### 3.2 Terms of reference

The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement, as well as in Section 292A of the Companies Act, 1956 and are as follows :

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. to review with the management, the financial statements at the end of the quarter, half year and the annual financial statements before submission to the Board for approval, focusing particularly on:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report.
3. to recommend to the Board the appointment, re-appointment, replacement, removal of the statutory auditors, the audit fee, any question of resignation or dismissal and payment to statutory auditors for any other services rendered by them;
4. to discuss with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern (in absence of management, wherever necessary);



5. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
6. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems and discuss the same periodically with the statutory auditors prior to the Board making its statement thereon;
7. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
8. discussion with internal auditors any significant findings and follow up there on;
9. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
10. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
11. to review the functioning of the Whistle Blower mechanism, in case the same is existing;
12. to approve the appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
13. to consider other topics, as defined by the Board;
14. to review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions, submitted by the management;
  - c. Management letters / letters of internal control weakness issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weakness; and
  - e. The appointment, removal and terms of remuneration of the Internal Auditor.

#### **4. Remuneration Committee**

##### **4.1 Composition, Meeting and Attendance**

The Remuneration Committee comprises of 4 (four) Directors of which 3 (three) are Independent Directors, namely, Mr. D. M. Papat (Chairman), Mr. C. M. Hattangdi and Mr. Amitabha Ghosh and one Executive Director, namely Ms. Urvi A. Piramal. During the financial year 2010 - 2011, the Remuneration Committee met once on 27<sup>th</sup> April, 2010 to recommend commission to Executive and Independent Directors and other

related issues thereto. The details are given below :-

Name of the Directors	Designation	No. of meetings during the year	
		Held	Attended
Mr. D. M. Papat	Chairman	1	1
Mr. C. M. Hattangdi	Member	1	1
Mr. Amitabha Ghosh	Member	1	1
Ms. Urvi A. Piramal	Member	1	1

#### 4.2 Terms of reference and Remuneration Policy

The Committee decides the remuneration of the Executive Directors and commission to Non-Executive Directors. The broad terms of reference of the Remuneration Committee are to recommend to the Board, salary (including annual increments), perquisites and commission to be paid to the Executive Directors and to suggest the package of perquisites within the overall ceiling fixed by the Board and also to formulate and administer the Employee Stock Option Scheme including the review and grant of options to eligible employees under this Scheme.

Remuneration to Executive Directors and Commission to Non-Executive Independent Directors is determined after taking into account their valuable guidance received for the various business initiatives and decisions at the Board level.

### 5. Investors' Grievance Committee

#### 5.1 Composition, Meeting and Attendance

The Committee comprises of one Non-Executive Independent Director i.e. Mr. C. M. Hattangdi, Chairman and one Executive Director i.e. Ms. Urvi A. Piramal. During the financial year 2010-2011, the Investors' Grievance Committee met 4 (four) times on 27<sup>th</sup> April, 2010, 26<sup>th</sup> July, 2010, 28<sup>th</sup> October, 2010 and 19<sup>th</sup> January, 2011. The attendance details are given below :

Name of the Directors	Designation	No. of meetings during the year	
		Held	Attended
Mr. C. M. Hattangdi	Chairman	4	4
Ms. Urvi A. Piramal	Member	4	4

#### 5.2 Terms of Reference

The Investors' Grievance Committee specifically looks into the redressal of investors' complaints like transfer of shares, non-receipt of annual reports, non-receipt of declared dividends, non-receipt of interest / redemption on debentures. In addition, the Committee also looks into matters which can facilitate investors' services and relations.



### 5.3 Details of Shareholders' Complaints

The Company had received 26 Complaints during the year ended 31<sup>st</sup> March, 2011 out of which 24 Complaints were replied to the satisfaction of the shareholders. There were two complaints outstanding as on 31<sup>st</sup> March, 2011, which have subsequently been resolved.

### 5.4 Company Secretary and Compliance Officer.

Name of the Company Secretary and the Compliance Officer	Mr. K. Nath
Address	Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.
Telephone Number	+91-22-6615 4651 – 53
Fax Number	+91-22-6615 4593
E-mail ID	investor@peninsula.co.in

## 6. Remuneration of Directors

### 6.1 Remuneration paid to Non-Executive Directors of the Company

The Non-Executive Directors of the Company are paid sitting fees for attending each meeting of the Board of Directors and Committees thereof. During the year 2010-2011, commission for the year ended 2010 was paid to the Non-Executive Independent Directors. Commission is determined after taking into account their valuable guidance received for the various business initiatives and decisions at the Board level.

The Company has not granted any stock option to any of its Non-Executive Directors.

The details of the sitting fees paid and commission payable during the year are given below:

Name of the Directors	Sitting Fees (Rs.)	Commission (Rs.)
Mr. Jaydev Mody	60,000/-	9,00,000/-
Mr. Amitabha Ghosh	1,30,000/-	12,00,000/-
Ms. Bhavna Doshi	120,000/-	11,00,000/-
Mr. C. M. Hattangdi	1,30,000/-	12,00,000/-
Mr. D. M. Popat	90,000/-	10,00,000/-
Lt. Gen. Deepak Summanwar	60,000/-	9,00,000/-
Mr. Sudhindar Khanna	40,000/-	9,00,000/-

### 6.2 Remuneration paid to the Executive Directors of the Company

The remuneration of the Promoter Directors and other Executive Directors are decided on the recommendation of the Remuneration Committee and approved by the Board of Directors and shareholders. Any change in remuneration is also effected in the same manner and/or in line with the applicable statutory approvals.

The remuneration package of the Executive Directors comprises of salary and allowances, contribution to provident fund and superannuation fund and commission. No bonus, pension or incentive is paid to any of the Executive Directors.

The details are summarized below:

Name of the Directors	Designation	Salary and Allowances (Rs.)	Company's contribution to Provident Fund and Superannuation Fund (Rs.)	Commission (Rs.)
Ms. Urvi A. Piramal	Executive Chairperson	3,29,41,236	55,08,000	4,70,00,000
Mr. Rajeev A. Piramal	Executive Vice-Chairman	1,75,81,257	40,50,000	3,00,00,000
Mr. Mahesh S. Gupta	Group Managing Director	1,96,17,152	51,84,000	3,00,00,000
Mr. Rajesh Jaggi	Managing Director	1,92,19,600	8,20,000	1,41,00,000

The tenure of office of the Executive Directors of the Company is for a period of 5 years from their respective date of appointments and can be terminated by either party by giving three months' notice in writing. There is no separate provision for payment of severance fees.

### 6.3 Employee Stock Option Scheme

During the year, the Company had granted 75,000 stock options of face value of Rs. 2/- each to a Senior Employee of the Company under the Employee Stock Option Scheme.

## 7. General Body Meetings and Postal Ballot

### 7.1 Location and time, where Annual General Meeting (AGM) / Extra Ordinary General Meeting (EGM) for the last 3 years were held is given below:

Financial Year	AGM/EGM	Date	Time	Location
2007-08	136 <sup>th</sup> AGM	13 <sup>th</sup> August, 2008	3.00 p.m.	Walchand Hirachand Hall Indian Merchants' Chamber Buiding Churchgate, Mumbai 400 020
2008-09	137 <sup>th</sup> AGM	10 <sup>th</sup> August, 2009	3.00 p.m.	
2009-10	138 <sup>th</sup> AGM	5 <sup>th</sup> August, 2010	3.00 p.m.	

All the resolutions set out in the respective notice were passed by the majority of the shareholders.

### 7.2 Special Resolutions passed in the previous Annual General Meetings (AGM) and Extra Ordinary General Meeting (EGM) :

AGM	Date of AGM	Special Resolution
136 <sup>th</sup> AGM	13 <sup>th</sup> August, 2008	Resolution No. 9 : Alteration of Articles of Association of the Company.
137 <sup>th</sup> AGM	10 <sup>th</sup> August, 2009	Resolution No. 7 : Issue of Fresh Securities by way of QIP / ADR / GDR / FCCB to domestic / foreign investors / foreign institutional investors / qualified institutional buyers, etc.  Resolution No. 9 : Increase in the limits of FII holding to 40% of the paid up equity share capital of the Company.



138 <sup>th</sup> AGM	5 <sup>th</sup> August, 2010	Resolution No. 12 : Issue of Fresh Securities by way of QIP / ADR / GDR / FCCB to domestic / foreign investors / foreign institutional investors / qualified institutional buyers, etc.
<b>EGM</b>	<b>Date of EGM</b>	<b>Special Resolution</b>
EGM	5 <sup>th</sup> January, 2011	Reduction of Share Capital pursuant to a merger of Topstar Mercantile Private Limited into Peninsula Land Limited

### 7.3 Postal Ballot

No postal ballot was conducted during the year under review. At present, there is no proposal for passing any Special Resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

## 8. Disclosures

### 8.1 Statutory Compliance, Penalties and Strictures

There were no instances of non-compliance by the Company nor have any penalties, strictures been imposed by the Stock Exchanges or Securities and Exchange Board of India or any other statutory authority during the last three years on any matter related to the capital markets.

### 8.2 Materially significant related party transactions

The transactions between the Company and the Directors and Companies in which the directors are interested are disclosed in Note No. 16 to Schedule 14 to Notes to the Accounts in the Annual Report in compliance with the Accounting Standard relating to "Related Party Disclosures". There is no materially significant Related Party Transaction that may have potential conflict with the interest of the Company at large.

### 8.3 Code of Conduct

All the members of the Board and the Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct of the Company as on 31<sup>st</sup> March, 2011. The Code of Conduct has been posted on the Company's website ([www.peninsula.co.in](http://www.peninsula.co.in))

A declaration to this effect signed by the Managing Director is appended to this Report.

### 8.4 Listing Agreement Compliance

The Company complies with all the requirements of the Listing Agreement including the mandatory requirements of Clause 49 of the Listing Agreement.

### 8.5 Risk Management

The Audit Committee and the Board of Directors regularly review the risk management strategy of the Company to ensure the effectiveness of the risk management policy and procedures. The Company has set up a system to appraise the Board of Directors of the Company on the key risk assessment areas and suggestive risk mitigation mechanism.

### 8.6 CEO and CFO Certification

The CEO and the CFO of the Company have given the certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement with the Stock Exchanges.



## 8.7 Corporate Social Responsibility Policy

As part of its corporate social responsibility, the Company has undertaken various social initiatives during the year under review.

The Company has endeavored to engage its stakeholders in its sustainable social development initiatives, major focus being on community development in the area of livelihood and health care programme. All the activities have been carried out through Ashok G. Piramal Trust, covering 25 villages with population of 60,000 through mobile health clinic and health care services to villagers.

In order to reduce infant mortality rate and prevent gynecological health problems, the Company has implemented community based health education programs for mothers' group in rural areas. The Company has also started health clinics at construction sites.

Under livelihood program, the Company has started vocational skill training programs for youth along with short term job driven courses such as electrician, two wheeler repairing, security guard course etc.

The Company has also engaged its employees through employee volunteering programmes. The employees have actively participated in career education programmes organized by Junior Achievement organization. Some of the employees provided financial support to girl child education in Mumbai through Nanhi Kali project of Mahindra Education Trust.

## 9. Monitoring of Subsidiary Companies

The Company monitors the performance of Subsidiary Companies, inter alia, by the following means :

- (a) Financial statements, in particular the investments made by the unlisted Subsidiary Companies, are reviewed regularly by the Audit Committee of the Company.
- (b) All minutes of the Board meetings of the unlisted Subsidiary Companies are placed before the Board regularly.

The Company does not have any material unlisted subsidiary and hence is not required to nominate an independent director of the Company on the Board of any subsidiary.

## 10. Means of communication

The quarterly results and annual results are generally published in Economic Times and Maharashtra Times and simultaneously posted on the Company's website ([www.peninsula.co.in](http://www.peninsula.co.in)). The Management Discussion and Analysis Report have been included in the Annual Report.

The Company's website [www.peninsula.co.in](http://www.peninsula.co.in) contains a separate dedicated section 'Investors Relations' where shareholders information is available. The Annual Report of the Company is also available on the website in a user friendly and downloadable form.

The Company makes presentations to the Institutional Investors and Analyst.

## 11. General Shareholder Information

### 11.1 139<sup>th</sup> Annual General Meeting

Date	Time	Venue
11 <sup>th</sup> August, 2011	11.00 a.m.	Walchand Hirachand Hall, Indian Merchants' Chamber Building, Churchgate, Mumbai 400 020

**11.2. Financial Calendar for the Year 2011 -2012**

Financial year	1 <sup>st</sup> April, 2011 to 31 <sup>st</sup> March, 2012
Payment of Dividend	The final dividend, if declared by the shareholders at the Annual General Meeting shall be paid / credited on or before 10 <sup>th</sup> September, 2011 i.e. within 30 days from the date of declaration.
Book Closure Dates	Saturday, 6 <sup>th</sup> August, 2011 to Thursday, 11 <sup>th</sup> August, 2011 (both days inclusive) to determine the entitlement of shareholders to receive the dividend as may be declared for the year ended 31 <sup>st</sup> March, 2011.

Financial reporting for the quarter ending (tentative and subject to change)

30 <sup>th</sup> June, 2011	:	By 15 <sup>th</sup> August , 2011
30 <sup>th</sup> September, 2011	:	By 15 <sup>th</sup> November, 2011
31 <sup>st</sup> December, 2011	:	By 15 <sup>th</sup> February, 2012
Year ending 31 <sup>st</sup> March, 2012	:	By 15 <sup>th</sup> May, 2012 if, Un-audited Results By 30 <sup>th</sup> May, 2012 if, Audited Results
Annual General Meeting for the year ending 31 <sup>st</sup> March, 2012	:	By September, 2012

**11.3 Dividend History**

Sr. No.	Financial year	Dividend per share (Rs.)	Date of Declaration (Annual General Meeting)	Date of payment (Date of Dividend Warrant)
1	2007 – 2008	0.80	13 <sup>th</sup> August, 2008	14 <sup>th</sup> August, 2008
2	2008-2009	0.90	10 <sup>th</sup> August, 2009	13 <sup>th</sup> August, 2009
3	2009-2010	1.50	5 <sup>th</sup> August, 2010	6 <sup>th</sup> August, 2010

**11.4 Unclaimed dividends**

All the shareholders whose dividend is unclaimed are requested to claim their dividend. Under the Transfer of Unclaimed Dividend Rules, it would not be possible to claim the dividend amount once deposited in Investor Education and Protection Fund.

The statement of Unclaimed Dividend as per clause 5A of the Listing agreement is mentioned below:

- I. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year as on 1<sup>st</sup> April,2010 – NIL
- II. Number of shareholders who approached issuer for transfer of shares from suspense account during the year 2011 - NIL;
- III. Number of shareholders to whom shares were transferred from suspense account during the year 2011- NIL
- IV. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year 2011 - NIL;

**11.5 Transfer to Investor Education and Protection Fund**

Pursuant to Section 205C of the Companies Act, 1956, dividends that are unclaimed for a period of seven years are to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. At present, there are no dividends due for transfer to IEPF.

## 11.6 Registered Office

The Registered Office of the Company is situated at :

Peninsula Spenta,  
Mathuradas Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013.

## 11.7 Listing of Equity Shares on Stock Exchanges and Stock Code

### Listing on Stock Exchanges

Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 023.	National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Mumbai 400 051.
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Name of the Exchange	Stock Code
Bombay Stock Exchange Limited	503031
National Stock Exchange of India Limited	PENINLAND
ISIN Demat	INE138A01028

The Company has been regular in paying the Annual Listing Fees to the Stock Exchanges. Listing fees for the year 2011 - 2012 have been paid within the due date.

## 11.8 Stock Market Data

The high / low of the market price of the shares of the Company is given below :

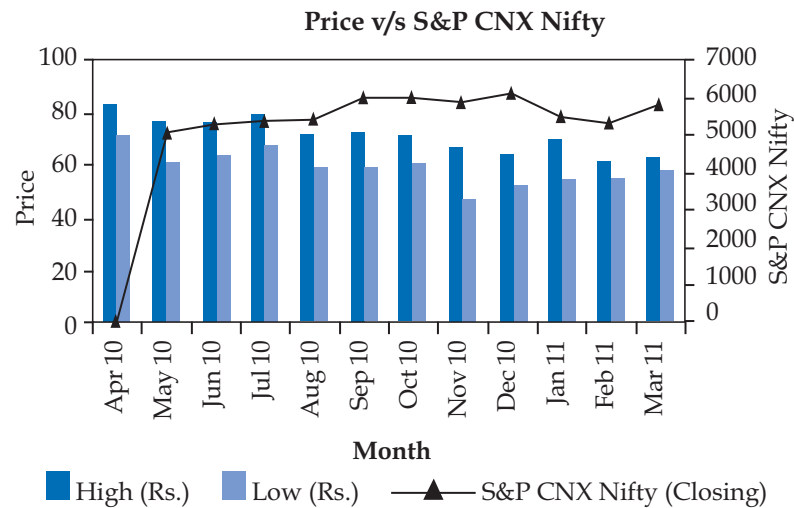
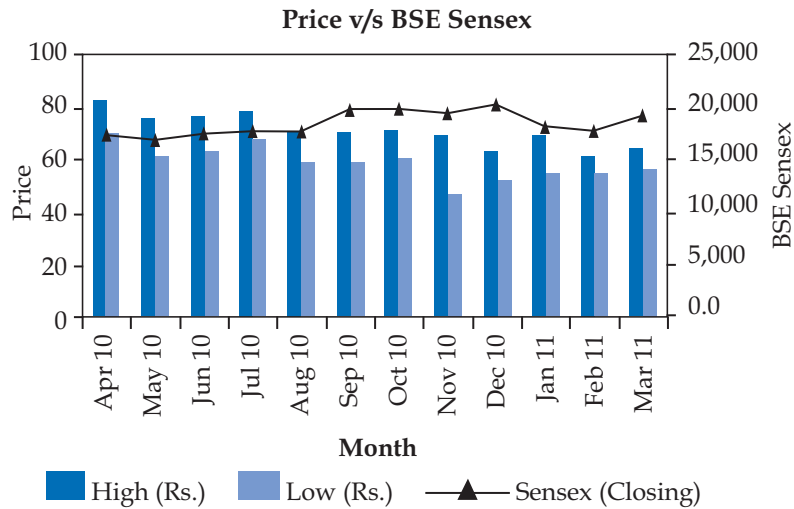
Month	Bombay Stock Exchange Limited (BSE)				National Stock Exchange of India Limited (NSE)			
	High (Rs.)	Low (Rs.)	Monthly volume	Sensex (Closing)	High (Rs.)	Low (Rs.)	Monthly volume	S&P CNX NIFTY (Closing)
April, 2010	83.8	71.8	4767931	17558.71	83.45	71.55	5660234	5278.00
May, 2010	76.7	61.7	1322173	16944.63	76.45	62.00	2337708	5086.30
June, 2010	76.95	64.00	1258892	17700.90	77.00	64.00	1702460	5312.50
July, 2010	79.50	68.10	2242458	17868.29	79.15	68.10	2992943	5367.60
August, 2010	71.50	59.50	2726901	17971.12	71.40	59.25	3938205	5402.40
September, 2010	71.00	59.90	2248317	20069.12	72.80	59.20	3698259	6029.95
October, 2010	71.50	60.80	2768093	20032.34	71.65	59.10	5306505	6017.70
November, 2010	70.00	47.00	1467328	19521.25	66.45	47.00	2054537	5862.70
December, 2010	63.85	52.50	1457944	20509.09	63.90	51.20	2459702	6134.50
January, 2011	69.50	55.00	1471595	18327.76	69.60	55.10	2153870	5505.90
February, 2011	62.10	55.25	912508	17823.4	61.90	55.05	1350916	5333.25
March, 2011	65.00	56.70	900765	19445.22	62.90	57.40	1021607	5833.75

Sources : BSE, NSE, Sensx and S&P CNX Nifty websites



**Stock Performance v/s BSE Sensex and S&P CNX Nifty**

The performance of Peninsula Land Limited’s Equity Shares relative to the BSE Sensex and S & P CNX Nifty is given in the charts below :



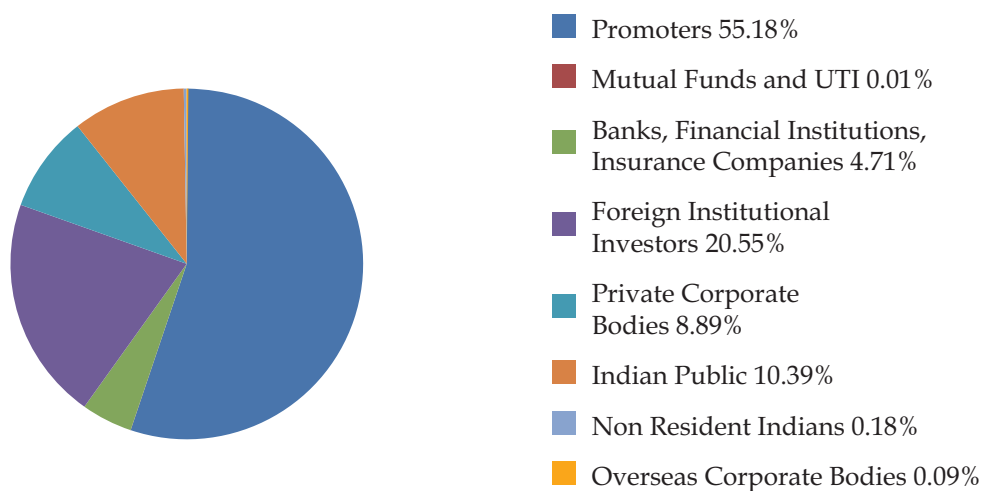
**11.9 Distribution of shareholding as on 31<sup>st</sup> March, 2011**

Slab of shareholding	No. of share-holders	% of share-holders	No. of shares	% of shares held
1 to 5000	52858	98.74	19359595	6.93
5001 to 10000	347	0.65	2508838	0.90
10001 to 20000	160	0.30	2251223	0.81
20001 to 30000	69	0.13	1729417	0.62
30001 to 40000	14	0.03	483083	0.17
40001 to 50000	13	0.02	615970	0.22
50001 to 100000	20	0.04	1394717	0.50
100001 & Above	51	0.10	250858377	89.85
	<b>53532</b>	<b>100.00</b>	<b>279201220</b>	<b>100.00</b>

11.10 Shareholding Pattern as on 31<sup>st</sup> March, 2011

Category		No. of shares held	% of shares held
<b>A</b>	<b>Promoters Holding</b>		
1	Indian promoters	154058306	55.18
	Foreign promoters	--	--
2	Persons acting in concert	--	--
	<b>Sub total (1 + 2)</b>	<b>154058306</b>	<b>55.18</b>
<b>B</b>	<b>Non Promoters Holding</b>		
3	<b>Institutional Investors</b>		
a	Mutual Funds and UTI	25795	0.01
b	Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non Govt. Institutions)	13157404	4.71
c	Foreign Institutional Investors	57366161	20.55
	<b>Sub-total (3)</b>	<b>70549360</b>	<b>25.27</b>
4	<b>Others</b>		
a	Private Corporate Bodies	24837731	8.89
b	Indian Public	29000188	10.39
c	Non Resident Indians	505635	0.18
d	Overseas Corporate Bodies	250000	0.09
	<b>Sub total (4)</b>	<b>54593554</b>	<b>19.55</b>
	<b>Total B</b>	<b>125142914</b>	<b>44.82</b>
	<b>Grand total (1 + 2 + 3 + 4)</b>	<b>279201220</b>	<b>100.00</b>

## % of Shareholding





### 11.11 Share Transfers (Physical Form)

The Board has delegated the authority for approving transfer, transmission, etc. of the Company's equity shares to a Share Transfer Committee comprising of Ms. Urvi A. Piramal, Mr. Rajeev A. Piramal, Mr. Mahesh S. Gupta and Mr. Rajesh Jaggi. The share certificates in physical form are generally processed and returned within 30 days from the date of receipt, if the documents are clear in all respects.

For administrative convenience and to facilitate speedy approvals, authority has also been delegated to Senior Executives to approve share transfers upto specified limits.

A summary of the transfer / transmission so approved by the Committee and the authorized Executives is placed at every Board Meeting.

The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement with the Stock Exchanges, and files a copy of the certificate with the Stock Exchanges.

The Company conducts a Secretarial Audit on a quarterly basis in accordance with SEBI requirements. M/s Haribhakti & Co., Chartered Accountants has been appointed by the Company to conduct such audit. The Secretarial Audit Reports of M/s. Haribhakti & Co., which have been submitted to the Stock Exchanges within the stipulated period, inter alia confirms that the equity shares of the Company held in dematerialized form and in physical form tally with the issued and paid-up equity share capital of the Company.

### 11.12 Dematerialization of shares and liquidity

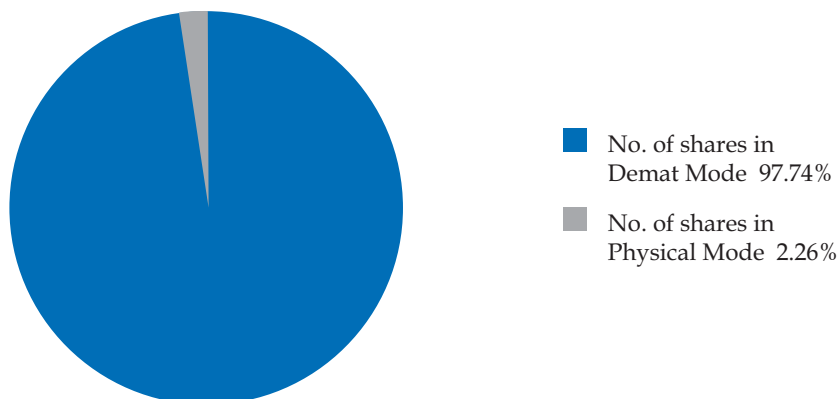
As at 31<sup>st</sup> March, 2011, 27,28,95,435 Equity Shares representing 97.74% of the Company's paid-up Equity Share Capital have been dematerialized.

Trading in Equity Shares of the Company is permitted only in dematerialized form as per the notification issued by SEBI.

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to the Share Transfer Agent of the Company. Upon receipt of the request and share certificates, the Share Transfer Agent will verify the same. Upon verification, the Share Transfer Agent will request National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) to confirm the demat request. The demat account of the respective shareholder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Share Transfer Agent. The Share Transfer Agent then request NSDL / CDSL to confirm the same. Approval of the Company is sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificate is dispatched within one month from the date of issue of shares.

### No. of shares in Demat & Physical Mode



#### 11.13 Share Transfer Agent

Freedom Registry Limited has been appointed as one point agency for dealing with shareholders. Shareholders' correspondence should be addressed to the Company's Share Transfer Agent at the address mentioned below :

##### Registered Office

Freedom Registry Limited,  
Plot No. 101/102, 19<sup>th</sup> Street, MIDC Area,  
Satpur, Nasik 422 007.  
Tel (0253) - 2354 032, Fax (0253) - 2351 126  
E-mail : amtrac\_nsk@sancharnet.in

##### Mumbai Liaisoning Office

Freedom Registry Limited,  
104, Bayside Mall, 35, C. M. M. Malviya Marg,  
Tardeo Road, Haji Ali, Mumbai 400 034.  
Tel : (022) - 2352 5589 / 6743 2799

#### 11.14 Investor Helpdesk

Share transfers, dividend payments and all other investor related activities are attended to and processed at the office of the Share Transfer Agent, Freedom Registry Limited.

For lodgement of transfer deeds and other documents or for any other grievance / complaints, shareholders / investors may contact Share Transfer Agent, Freedom Registry Limited at the address mentioned above.

Any queries relating to share transfers, dividend payments, annual report, etc. may be mailed at investor@peninsula.co.in

#### 11.15 Investor Correspondence

Shareholders can also contact the following Official for Secretarial matters of the Company :

Name	E-mail ID	Telephone No.	Fax No.
Mr. K. Nath Company Secretary	investor@peninsula.co.in	+91-22-6615 4651 - 53	+91-22-6615 4593



Shareholders can contact the following Officials for Financial matters of the Company :

Name	E-mail ID	Telephone No.	Fax No.
Mr. Vinay Pandya Group Chief Financial Officer	info@peninsula.co.in	+91-22-6615 4651 - 53	+91-22-6615 4593
Mr. Bharat Sanghavi Chief Financial Officer		+91-22-6622 9300	+91-22-6622 9302

**Correspondence address :**

Peninsula Land Limited,  
Peninsula Spenta,  
Mathuradas Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013.

### 11.16 Plant Location

The Company has no manufacturing plant.

### 11.17 Outstanding GDRs / ADRs / Warrants or any Convertible Instruments

There are no outstanding convertible warrants / instruments.

### 11.18 Status of Compliance with Non Mandatory Requirements

- For Remuneration Committee, please refer No. 4 above.
- Since the financial results are published in newspapers having wide circulation, only the annual accounts are sent to each of the shareholders.
- The provisions relating to postal ballot shall be complied with on matters as may be applicable.

## 12. Code for Prevention of Insider Trading

The Company has adopted a Code for Prevention of Insider Trading in the shares of the Company which is in line with the Model Code as prescribed by the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended. The said Code inter alia prohibits purchase / sale of shares of the Company by Directors and Employees while in possession of unpublished price sensitive information in relation to the Company.



## Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

To,

**The Members of Peninsula Land Limited**

**Declaration by the Managing Director under Clause 49 of the Listing Agreement**

I, Rajesh Jaggi, Managing Director of Peninsula Land Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2011

**Rajesh Jaggi**  
Managing Director

Mumbai: 7<sup>th</sup> May, 2011

## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
**Peninsula Land Limited**

We have examined the compliance of conditions of Corporate Governance by Peninsula Land Limited (the 'Company'), for the year ended on 31<sup>st</sup> March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

Based on the representation received from the Company and certified by the Share Transfer Agent of the Company, no investor grievance is pending for a period exceeding one month as on 31<sup>st</sup> March, 2011 against the Company and the Share Transfer Agent have reported to the Shareholders / Investors Grievances Committee on the status of the grievances.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Nilesh Shah & Associates  
Company Secretaries

Place : Mumbai  
Date : 12<sup>th</sup> May, 2011

(Nilesh Shah)  
Partner (FCS - 4554)  
C.P.No: 2631



## SECRETARIAL COMPLIANCE CERTIFICATE

To,  
The Board of Directors,  
PENINSULA LAND LIMITED  
MUMBAI

We have examined the necessary registers, records, books and papers of Peninsula Land Limited (The 'Company') as required to be maintained under the Companies Act, 1956, (The 'Act') and the Rules made thereunder, Listing Agreement, applicable SEBI Rules and Regulations and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the requisite statutory registers and other records as per the provisions of the Act and the Rules made there under either in physical or electronic mode as applicable.
2. The Company has filed the requisite forms and returns as required to be filed with the Registrar of Companies, Maharashtra, Mumbai and other authorities with additional filing fees, in case of delay, as prescribed under the Act and the Rules made thereunder.
3. The Board of Directors of the Company is duly constituted. Following changes had taken place in the Board of Directors during the financial year under review:

Ms. Urvi A. Piramal was re-appointed as Executive Chairperson;

Mr. Rajeev A. Piramal was re-appointed as Executive Vice Chairman;

Mr. Mahesh S. Gupta was re-appointed as Group Managing Director; and

Mr. Rajesh Jaggi was re-appointed as Managing Director of the Company.

The Board of Directors duly met 4 times on 27<sup>th</sup> April, 2010, 26<sup>th</sup> July, 2010, 28<sup>th</sup> October, 2010 and 19<sup>th</sup> January, 2011 respectively, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

4. As required under the Listing Agreement and the Companies Act, 1956, the Company has the following Committees. Minutes of these committee meetings were properly recorded.
  - Audit Committee: The Committee had met 4 times during the year under review.
  - Investor Grievance Committee: The Committee had met 4 times during the year under review.
  - Remuneration Committee: The Committee had met once during the year under review. The Committee Meeting held on 27<sup>th</sup> April, 2010 had considered and approved the agenda for re-appointment of and payment of remuneration to Executive Directors and payment of commission to Non-Executive Directors. The Committee also took note of the lapse of certain option under ESOP Scheme due to the resignation of employees and grant of 75,000 options under ESOP Scheme.

- Besides the above, the Company has also non-mandatory committees like Share Transfer Committee, Committee of Directors (Borrowings), Committee of Directors (Bank Accounts), Management Committee and Investment and Loan Committee.
5. The Company closed its Register of Members from 29<sup>th</sup> July, 2010 to 5<sup>th</sup> August, 2010 (both days Inclusive) and necessary compliance of Section 154 of the Companies Act, 1956 has been made in respect of the same.
  6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2010 was held on 5<sup>th</sup> August, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.

The Company has passed special resolution under section 81(1A) of the Companies Act, 1956 for issue of shares / securities by way of Qualified Institutional Placement at the Annual General Meeting held on 5<sup>th</sup> August, 2010.

The Company has convened a meeting of members on 5<sup>th</sup> January, 2011 pursuant to instructions of Hon'ble High Court of Bombay for approval of Scheme of Amalgamation / Arrangement of Topstar Mercantile Private Limited with the Company.

The Company has not passed any resolution by Postal Ballot process during the financial year under review.

7. The Company has complied with the requirements of the Depositories Act, 1996 pertaining to dematerialization of shares and wherever required, share certificates have been issued and delivered to the shareholders and the transfers / transmissions thereof have been carried out and registered as per requirements.
8. Declaration and Payment of dividend for the previous financial year was made during the year under review and amount lying in unclaimed dividend account has been transferred to the Investor Education and Protection Fund as per the requirements of the Act.
9. Charges created, modified or satisfied by the Company were filed and noted and entered in the Register maintained for the purpose during the financial year under review. Save and except filing of one Form 8 was delayed for which condonation application has been filed with the Company Law Board and order has been received and filed with the Registrar of Companies as required under the Act.
10. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the Rules made thereunder.
11. The Company has not allotted any new shares / debentures / other securities during the financial year under review.
12. The Company has not redeemed any preference shares during the financial year under review.
13. The Company has not accepted any fresh Fixed Deposits. The dividend declared had been transferred / paid during the year in accordance with the provisions of the Act. The Annual Return and Annual Reports have been filed as required under the Act. The Company has, therefore not defaulted in provisions of Section 274(1)(g) of the Act, which may otherwise disqualify the Directors of the Company from acting as a Director of any other Public Company.
14. The amount borrowed by the Company from various sources is within the borrowing limits of the Company.



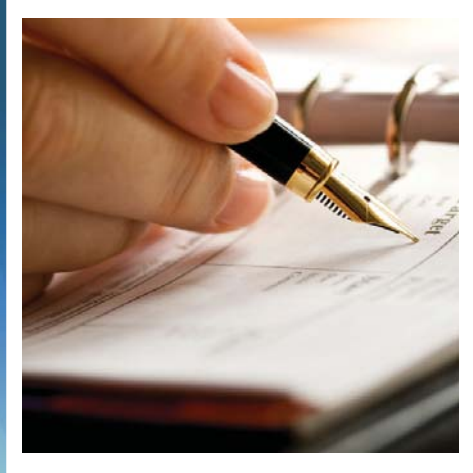
## SECRETARIAL COMPLIANCE CERTIFICATE

15. The Company had complied with the provisions of Section 372A and other provisions of the Act in respect of guarantees given, loans granted, investments made during the financial year under review, wherever applicable.
16. The Company has complied with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 as amended from time to time.
17. The Company has granted 75,000 options under ESOP Scheme during the financial year under review. However 63,339 Options which were granted earlier had lapsed during the year under review.
18. The Company has substantially complied with the Listing Agreement with the Stock Exchanges pertaining to submissions of the statements, documents, disclosure requirements, publication in newspapers, Corporate Governance Standards as prescribed in Clause 49 of Listing Agreement.
19. The Company has substantially complied with the provisions of SEBI (Provisions of Insider Trading) Regulations, 1992 as amended from time to time.
20. The Company has instituted the Code of Conduct for Directors and Senior Executives of the Company and has complied with the Code of Conduct for Directors and other Senior Executives as required under Clause 49 of the Listing Agreement.
21. The Company has not altered the provisions of Memorandum of Association with respect to Authorised Share Capital of the Company, Name of the Company and Objects of the Company during the financial year under review and has complied with the provisions of the Act.
22. The Company has not altered any provisions of its Articles of Association during the financial year under review.

(MAHESH M. DARJI)  
Company Secretary  
C.P.No: 7809  
ACS No. 21473

Place: Mumbai

Date: 12<sup>th</sup> May, 2011



# AUDITOR'S REPORT



## AUDITORS' REPORT

- To
- The Members of  
PENINSULA LAND LIMITED
1. We have audited the attached Balance Sheet of Peninsula Land limited ('the Company') as at March 31, 2011 and also the Profit and Loss account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
  2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
  3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
  4. Further to our comments in the paragraph 3 above, we report that:
    - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
    - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
    - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
    - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. As regards disclosure required in AS-15 (Revised) "Employee Benefit" attention is invited to Note No.15 of Schedule - 14 to Accounts.
    - v. Recognition of income and expenses for ongoing projects are based upon expected sales value and estimated costs, as per the judgment of management and certificates of architects, which have been relied upon by us, these being technical matters.
    - vi. On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
    - vii. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a

true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2011;
- b) in the case of the profit and loss account, of the profit for the year ended on that date; and
- c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For Haribhakti & Co.  
Chartered Accountants  
Firm's Registration No.103523W

Chetan Desai  
Partner  
Membership No.17000

Place: Mumbai

Date: 12<sup>th</sup> May, 2011

## ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Peninsula Land limited on the financial statements for the year ended March 31, 2011]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) We are informed that the fixed assets of the company are physically verified by the management according to phased programme designed to cover all the items over a period of the three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, physical verification has been carried out during the year, as informed, no material discrepancies were noticed on such verification.
  - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
  - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) The Company has granted loan to fifteen companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.1,06,344 lacs and the year-end balance of loans granted to such parties was Rs. 88,290 lacs.
  - (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.



## AUDITORS' REPORT

- (c) The loans granted are repayable on demand. As informed, the company has not demanded repayment of any such loan and interest during the year, thus, there has been no default on the part of the parties to whom the money has been lend. The payment of interest has been regular.
  - (d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
  - (e) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct weakness in internal control system of the company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time. However, in respect of one such transaction, due to the specialized nature of such transaction, we are unable to comment upon the prevailing market price.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public in the earlier years. According to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company in respect of the aforesaid deposits.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax and other material statutory dues applicable to it. As explained to us, the provisions regarding custom duty and excise duty are presently not applicable to the company.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The company does not have any accumulated losses at the year end. Further, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the records of the Company and according to the information and explanations provided to us, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In respect of dealing / trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, generally the Company did not deal or trade in it. However, on short term basis, surplus funds were invested in mutual fund for which proper records for the transaction and contracts have been maintained and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were raised. However, on short term basis, pending utilization, surplus borrowings were parked in fixed deposits of various banks.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company had not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The Company did not issue any debentures during the year.
- (xx) During the year the company has not raised any money through public issue.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For Haribhakti & Co.  
Chartered Accountants  
Firm's Registration No.103523W

Chetan Desai  
Partner

Membership No.17000

Place: Mumbai  
Date: 12<sup>th</sup> May, 2011.





# FINANCIALS



# BALANCE SHEET AS AT 31ST MARCH, 2011

Rs. In Lakhs

	Schedule	As at 31 <sup>st</sup> March, 2011	As at 31 <sup>st</sup> March, 2010
<b>SOURCES OF FUNDS</b>			
<b>Shareholders Funds</b>			
Share Capital	1	5,589.66	5,589.66
Reserves and Surplus	2	143,420.30	124,358.36
		<b>149,009.96</b>	129,948.02
<b>Loan Funds</b>			
Secured Loans	3	94,412.91	46,652.74
<b>Deferred Tax Liability</b>			
Deferred Tax Liability		899.04	972.60
Less: Deferred Tax Asset		120.94	791.24
		<b>778.10</b>	181.36
		<b>244,200.97</b>	177,392.00
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	4	5,775.17	5,057.54
Less: Accumulated Depreciation		1,380.14	941.45
Net Block		4,395.03	4,116.09
Capital Work -in- Progress		-	-
		<b>4,395.03</b>	4,116.09
<b>Investments</b>			
	5	<b>21,989.01</b>	5,729.93
<b>Current Assets, Loans and Advances</b>			
Inventories	6	29,487.55	18,532.27
Sundry Debtors		18,956.30	24,152.50
Cash and Bank Balances		50,249.41	64,041.98
Other Current Assets		2,491.35	3,033.46
Loans and Advances		133,553.38	72,721.63
		<b>234,737.99</b>	182,481.84
<b>Less: Current Liabilities and Provisions</b>			
Current Liabilities	7	11,044.15	9,686.58
Provisions		5,876.91	5,249.28
<b>Net Current Assets</b>		<b>217,816.93</b>	167,545.98
		<b>244,200.97</b>	177,392.00
<b>Significant Accounting Policies</b>	13		
<b>Notes To The Financial Statements</b>	14		

As per report of even date

For and on behalf of Board of Directors

**For Haribhakti & Co.**  
Chartered Accountants

**Urvi A. Piramal**  
Chairperson

**Rajeev A. Piramal**  
Executive Vice Chairman

**Mahesh S. Gupta**  
Group Managing Director

**Bhavna Doshi**  
Director

**C. M. Hattangdi**  
Director

**Amitabha Ghosh**  
Director

**Chetan Desai**  
Partner

**Sudhinder Khanna**  
Director

**Deepak Summanwar**  
Director

**Bharat Sanghavi**  
Chief Financial Officer

Mumbai: 12<sup>th</sup> May, 2011

**K. Nath**  
Company Secretary

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

Rs. In Lakhs

	Schedule	2010-2011	2009-2010
<b>INCOME</b>			
Income from Operations		47,889.97	76,087.73
Interest Income (Net)	8	10,305.31	4,781.84
Other Income	9	980.20	835.36
<b>Total Income</b>		<b>59,175.48</b>	<b>81,704.93</b>
<b>EXPENDITURE</b>			
Cost of Realty Sales		20,039.13	34,335.18
Operating Expenses	10	3,320.37	3,709.49
Staff Cost	11	5,102.46	4,672.56
Depreciation / Amortisation (Including Depreciation on Investment Property)		462.33	397.86
<b>Total Expenditure</b>		<b>28,924.29</b>	<b>43,115.09</b>
<b>Profit Before Tax, Extraordinary and Exceptional Items</b>		<b>30,251.19</b>	<b>38,589.84</b>
Exceptional Items		-	455.00
<b>Profit Before Tax, and Extraordinary Items</b>		<b>30,251.19</b>	<b>38,134.84</b>
Income Tax		5,844.74	6,213.00
MAT Credit Entitlement		(158.74)	-
Deferred Tax		(13.14)	(1,083.89)
		<b>5,672.86</b>	<b>5,129.11</b>
<b>Profit For The Year After Tax Before Extraordinary Items</b>		<b>24,578.33</b>	<b>33,005.73</b>
Reversal of Excess Tax Provision of Earlier Year's Extra Ordinary Items	12	-	648.75
		-	(4,568.23)
<b>Profit After Tax</b>		<b>24,578.33</b>	<b>29,086.25</b>
Profit Brought Forward from Previous Year		40,883.58	21,680.90
<b>Net Profit Available For Appropriation</b>		<b>65,461.91</b>	<b>50,767.15</b>
Transfer to General Reserves		5,000.00	5,000.00
Proposed Dividend on Preference Shares		0.01	0.01
Distribution Tax thereon (Rs 82/- P.Y. Rs 83/-)		0.00	0.00
Proposed Dividend on Equity Shares		4,746.42	4,188.01
Distribution Tax Thereon		769.98	695.57
		<b>10,516.41</b>	<b>9,883.59</b>
<b>Balance Carried To Balance Sheet</b>		<b>54,945.50</b>	<b>40,883.56</b>
Earning per Share of Rs. 2/- each - Basic (before extraordinary items)		8.80	12.05
Earnings per Share of Rs. 2/- each - Basic (After extraordinary items)		8.80	10.42
Earning per Share of Rs. 2/- each - Diluted (before extraordinary items)		8.80	12.04
Earnings per Share of Rs. 2/- each - Diluted (After extraordinary items)		8.80	10.41
(Refer Sr. No. 19 of Schedule 14)			
<b>Significant Accounting Policies</b>	13		
<b>Notes To The Financial Statements</b>	14		

As per report of even date

For and on behalf of Board of Directors

For Haribhakti & Co.  
Chartered AccountantsUrvi A. Piramal  
ChairpersonRajeev A. Piramal  
Executive Vice ChairmanMahesh S. Gupta  
Group Managing DirectorBhavna Doshi  
DirectorC. M. Hattangdi  
DirectorAmitabha Ghosh  
DirectorChetan Desai  
PartnerSudhinder Khanna  
DirectorDeepak Summanwar  
DirectorBharat Sanghavi  
Chief Financial OfficerMumbai: 12<sup>th</sup> May, 2011K. Nath  
Company Secretary



## SCHEDULES TO BALANCE SHEET

	Rs. In Lakhs	
	As at 31st March, 2011	As at 31st March, 2010
<b>1. SHARE CAPITAL</b>		
<b>Authorised:</b>		
37,49,95,000 (37, 49,95,000 Shares of Rs. 2/- Each) Equity Shares of Rs. 2/- Each	7,499.90	7,499.90
1000 (1000) 5% Cumulative Redeemable Preference Shares of Rs. 10/- each.	0.10	0.10
	<u>7,500.00</u>	<u>7,500.00</u>
<b>Issued , Subscribed and paidup</b>		
(a) 27,92,01,220 (27,92,01,220 Shares of Rs. 2/- Each) Equity Shares Rs.2/- Each Fully paid up - Includes 13,33,20,055 (13,33,20,055 Shares of Rs. 2/- Each) shares of Rs. 2/- Each issued pursuant to Schemes of Arrangement for consideration other than cash. - Also includes 4,82,87,635 (4,82,87,635 shares of Rs. 2/- Each) shares of Rs. 2/- Each allotted as fully paid up by way of bonus by capitalisation of Rs. 23 Lakhs from Share Premium account and Rs. 942.75 Lakhs from Reserves) Add:Forfeiture of Shares	5,584.02          <u>5.54</u> 5,589.56	5,584.02          <u>5.54</u> 5,589.56
(b) 1000 (1000) 5% Cumulative Redeemable Preference Shares of Rs. 10/- each pursuant to Scheme of Arrangement for consideration other than cash - Preference shares are redeemable on the expiry of ten years from the date of allotment, with an option for the Company for early redemption but not before 18 months from the date of allotment 25 <sup>th</sup> January, 2006	0.10          <u>5,589.66</u>	0.10          <u>5,589.66</u>
<b>2. RESERVES AND SURPLUS</b>		
Capital Reserve	185.03	185.03
Capital Redemption Reserve	17.25	17.25
Security Premium Account	64,032.31	64,032.31
<b>Debenture Redemption Reserve</b>		
As per last Balance Sheet	-	5,939.00
Less : Transfer to General Reserve	-	5,939.00
<b>General Reserve</b>		
As per last Balance Sheet	19,240.21	8,301.21
Add : Transferred from Profit and Loss account	5,000.00	5,000.00
Add : Transferred from Debenture Redemption Reserve	-	5,939.00
	<u>24,240.21</u>	<u>19,240.21</u>
<b>Profit and Loss Account</b>		
As per Annexed Profit and Loss Account	54,945.50	40,883.56
	<u>143,420.30</u>	<u>124,358.36</u>

	Rs. In Lakhs	
	As at 31st March, 2011	As at 31st March, 2010
<b>3. LOAN FUNDS</b>		
<b>Secured Loan</b>		
From Financial Institutions (Term Loan )	42,500.00	35,000.00
From Bank ( Term Loan )	51,912.91	11,650.88
Vehicle Loan	-	1.86
	<b>94,412.91</b>	<b>46,652.74</b>
<b>NOTE :</b>		
<b>1) The Term loans from Financial Institutions are secured by :</b>		
Mortgage of the company's immovable property comprising land and present and future construction thereon at its project Peninsula Business Park at Lower Parel, Mumbai and a charge on the Receivables from the said Project.	42,500.00	35,000.00
<b>2) The term loans from Banks are secured as under :</b>		
a) By way of mortgage on the company's immovable property located at Parel Mumbai and charge on the rent receivable therefrom	3,662.91	4,258.35
b) By way of mortgage of unsold area of its Project Ashok Towers at Parel, Mumbai and a charge on the receivables from the said project	-	2,430.00
c) Exclusive Charge on the receivables of (i) the residential project named as "Ashok Gardens" being developed at Sewri, Mumbai and (ii) project named as " Peninsula Technopark" being developed at Kurla, Mumbai and (iii) charge on Peninsula Business Park at Lower Parel, Mumbai project and a charge on the Receivables from the said Project.	48,250.00	4,962.53
<b>3) Hypothecation of Vehicle</b>	-	1.86



## SCHEDULES TO BALANCE SHEET

### 4. FIXED ASSETS (AT COST)

Rs. in Lakhs

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.10	Additions during the year	Deductions during the year	As on 31.03.2011	Upto 01.04.10	Additions during the year	Deductions during the year	Upto 31.03.2011	As on 31.03.11	As on 31.03.2010
Leasehold Land	13.37	-	-	13.37	-	13.27	-	13.27	0.10	13.37
Freehold Land	24.07	-	-	24.07	-	-	-	-	24.07	24.07
Building	3,879.33	1.26	7.00	3,873.59	536.08	149.08	4.54	680.62	3,192.97	3,343.24
Construction Equipments		650.00		650.00		130.00		130.00	520.00	-
Office Equipments and Computers	760.52	65.95		826.47	284.21	106.35		390.56	435.91	476.32
Furniture and Fixtures	297.83	11.90		309.73	68.66	41.34		109.99	199.74	229.17
Motor Vehicles	82.42	0.60	5.08	77.94	52.50	7.63	4.42	55.70	22.24	29.92
<b>TOTAL (A)</b>	<b>5,057.54</b>	<b>729.71</b>	<b>12.08</b>	<b>5,775.17</b>	<b>941.45</b>	<b>447.67</b>	<b>8.96</b>	<b>1,380.14</b>	<b>4,395.03</b>	<b>4,116.09</b>
<b>Previous Year (A)</b>	<b>5,369.49</b>	<b>1,060.29</b>	<b>1,372.25</b>	<b>5,057.54</b>	<b>874.51</b>	<b>397.86</b>	<b>330.92</b>	<b>941.45</b>	<b>4,494.97</b>	<b>4,494.97</b>
Capital Work-in-progress	-	-	-	-						
Capital Work-in-progress Previous year	721.79	38.44	760.23	-						

Rs. In Lakhs

	Nos.	Face Value (Rs)	March 31, 2011	March 31, 2010
<b>5. INVESTMENTS (AT COST)</b>				
<b>LONG TERM INVESTMENTS :</b>				
<b>SHARES / DEBENTURES OF COMPANIES (UNQUOTED) (Fully paid up unless stated otherwise)</b>				
<b>I) Subsidiary Companies</b>				
Champs Elysee Enterprises Private Limited	—	—	—	505.00
	(250000)	(10)		
Peninsula Crossroads Private Limited (Formerly known as L and T Crossroads Private Limited) (Till Previous Year- Associate Company) *	1800000	10	1627.50	1,200.00
	(9000000)	(10)		
Peninsula Mega Properties Private Limited	10000	10	1.00	0.74
	(7400)	(10)		
Peninsula Holdings and Investments Private Limited ( Formerly Known as Boom Realty Private Limited)	10000	10	1.00	1.00
	(10000)	(10)		
Renato Finance and Investments Private Limited	1000000	10	100.00	100.00
	(1000000)	(10)		



Rs. In Lakhs

	Nos.	Face Value (Rs.)	March 31, 2011	March 31, 2010
<b>II) Associate Companies</b>				
JM Realty Management Private Limited	2500 (2500)	10 (10)	0.25	0.25
Sew Engineering (India) Private Limited (Formerly known as - SEW Electricals Private Limited)	989300 (989300)	10 (10)	653.57	653.57
<b>III) Others (Non-Trade)</b>				
Aero Ports and Infrastructure projects Private Limited-Equity Shares	43750 (43750)	10 (10)	4.38	4.38
Goodhome Realty Limited (Formerly Known as Goodhome Realty Private Limited)18% Unsecured Redeemable Optionally Fully Convertible Debentures	5958330 -	100 -	5958.33	-
Goodhome Realty Limited (Formerly Known as Goodhome Realty Private Limited) 18% Unsecured Redeemable Optionally Fully Convertible Debentures Partly paid up (Rs 50 per Debenture)	6722000 -	100 -	3361.00	-
JM Township and Real Estate Private Limited- Equity Shares	175000 (175000)	10 (10)	17.50	17.50
JM Township and Real Estate Private Limited-0% Unsecured Redeemable Optionally Fully Convertible Debentures	9896855 -	10 -	989.69	-
Rockfirst Real Estate Limited (Formerly known as Rockfirst Real Estate Private Limited) - 18%Unsecured Redeemable Optionally Fully Convertible Debentures	3488450 (3488450)	100 (100)	3488.45	3,488.45
Rockfirst Real Estate Limited (Formerly known as Rockfirst Real Estate Private Limited) - Equity Shares	14000 (14000)	10 (10)	1.40	1.40
Rockfirst Real Estate Limited (Formerly known as Rockfirst Real Estate Private Limited) - 2% Redeemable Non Cumulative Preference Shares	10150 (10150)	100 (100)	10.15	10.15
RR Mega City Builders Limited-(Formerly Known as RR Mega City Builders Private Limited) 15% Unsecured Redeemable Optionally Fully Convertible Debentures	5486981 -	100 -	5486.98	-
The Shamrao Vithal Co operative Bank Limited	25 (25)	25	0.01	0.01
Sukh Sagar Premises Co-operative Hsg. soc. Limited (Rs 250/- P.Y. Rs 250/-)	5 (5)	50	0.00	0.00



## SCHEDULES TO BALANCE SHEET

Rs. In Lakhs

	Nos.	Face Value (Rs.)	March 31, 2011	March 31, 2010
<b>INVESTMENTS IN CAPITAL OF FIRMS / ASSOCIATION OF PERSONS</b>				
Peninsula GSG MHP Project - AOP (50% Share)			100.00	-
<b>IMMOVABLE PROPERTIES</b>			202.49	202.49
<b>Less : Accumulated Depreciation on Immovable Properties</b>			(14.69)	-
Provision for Diminution in Investments			-	(455.00)
			<b>21,989.01</b>	<b>5,729.93</b>

Notes:

Rs. In Lakhs

Aggregate of Investments	As at 31 <sup>st</sup> March, 2011		As at 31 <sup>st</sup> March, 2010	
	Cost	Market Value	Cost	Market Value
1. Quoted Investments	-	-	-	-
2. Unquoted Investments	21,701.20	-	5,982.44	-
3. Investments in AOP	100.00	-	-	-
4. Immovable Properties (At WDV)	187.81	-	202.49	-
<b>TOTAL</b>	<b>21,989.01</b>	<b>-</b>	<b>6,184.93</b>	<b>-</b>
Less : Provision for Diminution in value of Shares			455.00	-
<b>TOTAL</b>	<b>21,989.01</b>	<b>-</b>	<b>5,729.93</b>	<b>-</b>

\* Now known as Peninsula Crossroads Private Limited w.e.f. 3<sup>rd</sup> May 2011

Rs. In Lakhs

	As at 31 <sup>st</sup> March, 2011		As at 31 <sup>st</sup> March, 2010	
<b>6. CURRENT ASSETS, LOANS AND ADVANCES</b>				
<b>A) Inventories</b>				
Finished Stock ( Realty Stock)	104.92		1,152.78	
Work In Progress (Realty Stock)	29,382.63	29,487.55	17,379.49	18,532.27
<b>B) Sundry Debtors</b>				
(Unsecured, Considered Good)				
(i) Over Six Months	50.55		117.50	
(ii) Others	18,905.75	18,956.30	24,035.00	24,152.50
<b>C) Cash and Bank Balance</b>				
Cash on hand	5.35		4.63	
With Scheduled banks				
- in Current accounts	8,505.63		3,685.10	
- in deposit accounts	41,620.29		60,276.01	
- unclaimed dividend accounts	118.14		76.24	
		<b>50,249.41</b>		<b>64,041.98</b>

Rs. In Lakhs

	As at 31 <sup>st</sup> March, 2011	As at 31 <sup>st</sup> March, 2010	
<b>D) Other Current Assets</b>			
Interest Receivable	2,491.35	1,068.73	
Application Money for 0% Optionally Convertible Debentures	-	1,893.93	
Share Application Money	-	55.00	
Receivable for sale of Shares	-	15.80	
	<b>2,491.35</b>		<b>3,033.46</b>
<b>E) Loans and Advances</b> (Unsecured, Considered Good)			
Advances Recoverable In Cash or Kind or for value to be received	3,917.73	3,064.85	
Advance for Project	22,018.79	1,651.27	
Advance Tax Less Provision	1,021.89	1,008.65	
MAT Credit entitlement	1,592.09	1,433.35	
Deposit with Public Bodies	53.36	51.75	
Loans to Subsidiaries and Stepdown Subsidiaries	92,061.63	61,463.29	
Loans/Deposit with Others	12,883.33	4,041.97	
Advances To Staff and Others	4.56	6.50	72,721.63
	<b>234,737.99</b>		<b>182,481.84</b>
<b>7. CURRENT LIABILITIES AND PROVISIONS</b>			
<b>A) Current Liabilities</b>			
Sundry Creditors			
Micro, Small and Medium Enterprises	-	0.51	
Others	7,919.38	7,356.42	
Other liabilities	1,096.34	995.36	
Unclaimed Dividend/Deposits			
Unclaimed Dividends	118.14	76.24	
Unclaimed Public Deposits (Shall be credited to Investor education and protection fund to the extent as and when required)	-	0.56	
Interest accrued but not due	452.13	185.85	
Trade Deposits and Advances	1,458.16	931.33	
Payable to Subsidiary Company	-	140.31	9,686.58
<b>B) Provisions</b>			
Proposed Dividend on Preference Shares	0.01	0.01	
Proposed Dividend on Equity Shares	4,746.42	4,188.01	
Tax Payable on Proposed Dividend	769.98	695.57	
Employees Retirement Benefit	360.50	365.69	
	<b>5,876.91</b>		<b>5,249.28</b>
	<b>16,921.06</b>		<b>14,935.86</b>



## SCHEDULES TO PROFIT & LOSS ACCOUNT

	Rs. In Lakhs	
	2010-2011	2009-2010
<b>8. INTEREST (NET)</b>		
Interest Income (TDS Rs 1201.19 Lakhs P.Y. Rs 669.78 Lakhs)	12,234.44	6,924.75
Less: Interest paid :		
On term loans	7,991.91	5,652.18
Others	28.64	223.10
	<u>8,020.55</u>	<u>5,875.28</u>
Less: Interest cost Transferred to Work in progress	6,091.42	1,929.13
Interest Income ( Net)	<u>10,305.31</u>	<u>4,781.84</u>
<b>9. INCOME - OTHER INCOME</b>		
Miscellaneous Income	6.74	8.27
Profit on sale of Fixed Assets	15.78	28.50
Dividend on Mutual Fund Units	928.00	623.23
Dividend on Shares (Non-Trade)	29.68	15.06
Profit on sale of Long Term Investments	-	160.30
	<u>980.20</u>	<u>835.36</u>
<b>10. OPERATING EXPENSES</b>		
Power and Fuel	81.70	94.23
Repairs and Maintenance -Buildings	228.26	276.74
Repairs and Maintenance - Others	179.44	135.30
Insurance	4.34	6.18
Rent	156.81	216.73
Rates and Taxes	207.24	197.54
Legal and Professional Fees	822.83	504.64
Advertisement and Sales Promotions	686.32	499.03
Brokerage and Commission	24.77	565.06
Donations (Refer note 7 in Schedule 14)	229.42	29.86
Miscellaneous Expenses	595.39	844.81
Loss on Sale of Fixed Assets	0.55	260.87
Loss on sale of Investments	25.00	-
Non -Executive Directors' Commission	72.00	72.00
Directors' Sitting Fees	6.30	6.50
	<u>3,320.37</u>	<u>3,709.49</u>
<b>11. STAFF COST (Including Managerial Remuneration)</b>		
Salaries, Wages and Bonus	3,245.24	2,600.91
Contributions To ESIS, Provident Fund, Super Annuation fund Etc.	369.14	324.76
Staff and Labour Welfare	277.08	246.89
Executive Directors' Commission	1,211.00	1,500.00
	<u>5,102.46</u>	<u>4,672.56</u>
<b>12. EXTRA ORDINARY ITEMS</b>		
<b>a) Extraordinary Items</b>		
(i) Deferred Revenue Expenses Written off	-	(4,568.23)
	<u>-</u>	<u>(4,568.23)</u>

### 13. SIGNIFICANT ACCOUNTING POLICIES

#### I Basis of Accounting

The Financial statements have been prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the mandatory accounting standards ("AS") as notified by the Companies Accounting Standard (Rules), 2006 to the extent applicable and with the relevant provisions of the Companies Act, 1956.

#### II Use of Estimates

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenue and expenses for the year. Actual results could differ from these estimates. Difference between the actual result and estimates are recognised in the year in which results are known /materialized. Any revision to an accounting estimate is recognised prospectively in the year of revision.

#### III Revenue Recognition

- (a) The Company is in the business of Property Development. Revenue from sale of properties under construction is recognised on the basis of actual bookings done (provided the significant risks and rewards have been transferred to the buyer and there is reasonable certainty of realisation of the monies) proportionate to the percentage of physical completion of construction/ development work as certified by the Architect.
- (b) Revenue from sale of completed properties (Finished Realty Stock) is recognised upon transfer of significant risks and rewards to the buyer.
- (c) Revenue on Development Rights is recognised on the basis of our revenue share receivable, from the related projects as per agreed terms and conditions.
- (d) Income from Operations include Realty Sale, Lease Rentals, Service Fees, Signages, Car park and PMC/ Marketing Fees.
- (e) Interest income is recognised on time basis determined by the amount outstanding and the rate applicable.
- (f) Dividend income is recognised when the right to receive the payment is established.

#### IV Inventories

- (a) Inventories comprise of: (i) Finished Realty Stock representing unsold premises in closed projects and (ii) Realty Work in Progress representing properties under construction / development.
- (b) Inventories are valued at lower of cost and net realisable value.
- (c) Cost of Realty construction / development is charged to the Profit and Loss Account in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Realty Work-in-Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries/receipts) upto the date of receipt of occupancy certificate from the relevant authorities.



## SCHEDULES TO PROFIT & LOSS ACCOUNT

### V Fixed Assets

#### (a) Tangible Assets

- (i) Tangible assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to acquisition or construction of fixed assets which takes substantial period of time to get ready for their intended use is capitalised.
- (ii) Expenses incurred for acquisition of capital assets along with advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet date are disclosed under Capital Work in Progress.

#### (b) Intangible Assets

Intangible Assets are recorded at the consideration paid for the acquisition.

### VI Leases

- (a) Assets acquired on lease where a significant portion of risks and rewards of ownership are retained by the Lessor are classified as Operating Leases. Lease Rentals are charged to Profit and Loss Account on accrual basis.
- (b) Assets leased out under Operating Leases are capitalised. Rental Income is recognised on accrual basis over the Lease term.

### VII Depreciation / Amortization

#### (a) Depreciation

- (i) Depreciation has been charged on SLM basis for the assets acquired from erstwhile Piramal Holdings Limited (PHL) and Piramyd Retail and Merchandising Private Limited (PRMPL).
- (ii) For all other assets depreciation is provided on WDV basis.
- (iii) Depreciation is provided at the rates and in the manner specified under Schedule XIV of the Companies Act, 1956.
- (iv) Depreciation is calculated on a pro-rata basis from the date of installation / acquisition till the date the assets are sold or disposed.
- (v) Individual assets costing less than Rs 5,000/- are depreciated fully in the year of acquisition.

#### (b) Amortization

- (i) Leasehold assets are amortized over the period of lease.
- (ii) Intangible assets are amortized over their estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use.

### VIII Investments

Long term investments are carried at cost less any permanent diminution in value. Current investments are carried at the lower of cost and fair value.

Carrying amount of the individual investment is determined on the basis of the average carrying amount of the total holding of the investments.

#### **IX Foreign Currency Transactions**

- (a) Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transaction or at the contracted rates as applicable. Exchange difference arising on foreign exchange transactions settled during the year, if any is recognised in the Profit and Loss account.
- (b) Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognised in the Profit and Loss account.
- (c) Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

#### **X Employee Benefits**

##### **(a) Short Term Employee Benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in Profit and Loss account of the year in which the related service is rendered.

##### **(b) Post Employment Benefits**

Contribution to Provident Fund and Superannuation Scheme are charged against revenue. Provision for Gratuity is recorded on the basis of actuarial valuation certificate, provided by the actuary.

##### **(c) Other Long Term Employee Benefits**

Company's liability towards earned leave is determined by an independent actuary using Projected Unit Credit Method. Past services are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the Profit and Loss account as income or expense. Obligation is measured at the present value of the estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

##### **(d) VRS Payments**

Payments made under Voluntary Retirement Scheme are charged off in the year in which it is incurred.

#### **XI Taxation**

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of Profit and Loss for the year.

##### **(a) Current Tax**

The current charge for Income Tax is calculated in accordance with the relevant tax regulations applicable to the Company.

##### **(b) Deferred Tax**

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future, however where there is unabsorbed depreciation or carry forward of losses, deferred



## SCHEDULES TO PROFIT & LOSS ACCOUNT

tax assets are recognised only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date.

### (c) Minimum Alternate Tax (MAT)

In case the Company is liable to pay income tax U/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

### XII Borrowing Cost

Borrowing cost attributable to the individual Projects have been treated as Project Cost and added to Stock in Trade. Other borrowing costs are charged to Profit and Loss account in the year in which they are incurred.

### XIII Employee Stock Option

Employee Compensation Cost, if any, arising on account of option granted to employees is recognised in the Financial Statements. It is the difference between the intrinsic value and the exercise price of options.

### XIV Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

### XV Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and reliable estimates can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognised nor disclosed.

## 14. NOTES FORMING PART OF FINANCIAL STATEMENTS

1. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business. The provisions for all known liabilities are adequate.

### 2. Commitments and Contingent Liabilities

	Rs.In Lakhs	
	As At 31.03.2011	As At 31.03.2010
a. Claims against the Company not acknowledged as debts in respect of		
i. Income Tax	643.03	—
b. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net off Advances)	—	3.75



- 3 Recognition of Income and Expenses for ongoing projects are based upon expected / achieved sales value and estimated costs and work completion status as certified by architects, which being a technical matter, has been relied upon by the auditors.

#### 4 Income From Operations

	Rs.In Lakhs	
	Year Ended 31.03.2011	Year Ended 31.03.2010
a. Realty Sales	42,634.72	73,796.05
b. Realty Rentals	4,459.84	1,612.74
c. Other Operating Income	795.40	678.94
	<b>47,889.97</b>	<b>76,087.73</b>

#### 5 Prior Period

	Rs.In Lakhs	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Sale of earlier years included in Realty Sales	—	384.74
Corresponding Cost of above Realty Sales	—	359.71
Net Realty Income pertaining to earlier years	—	25.03

#### 6 Foreign Currency Exposure

The year end foreign currency exposures that have not been hedged by derivative or otherwise are given below  
Fig. in Lakhs

	As At 31.03.2011		As At 31.03.2010	
	Amt in USD	Amt in Rs.	Amt in USD	Amt in Rs.
Loans	375.70	17,500.00	375.70	17,500.00

- 7 Donation includes Rs 7.26 Lakhs (Previous Year Rs. 1.85 Lakhs) paid to political parties. The details of the same are as under:

	Rs.In Lakhs	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Shivsena	1.63	0.25
Maharashtra Navnirman Sena	4.71	1.30
Maharashtra Navnirman Vahtuk Sena	0.27	0.10
Maharashtra Navnirman Kamgar Sena	0.15	-
Worli Taluka Rashtravadi Congress	-	0.05
Mumbai South Central District Youth Congress	-	0.15
Republican Party of India	0.10	-
Rashtravadi Congress Party	0.05	-
Bharatiya Janata Party	0.35	-
Total	<b>7.26</b>	<b>1.85</b>



## SCHEDULES TO PROFIT & LOSS ACCOUNT

### 8 Details of Purchase and Sale of Investments made during the year are as under

#### a Current Year

Fig. in Lakhs

Mutual Funds Units Particulars	Type of scheme	Opening Balance		Purchase		Sale		Closing Balance	
		Units	Rs.	Units	Rs.	Units	Rs.	Units	Rs.
Birla Sun Life Cash Plus - Institutional. Premium	Daily Dividend	-	-	4,668.47	46,775.74	4,668.47	46,775.74	-	-
Birla Sun Life Savings Fund - Institutional	Daily Dividend	-	-	601.12	6,015.25	601.12	6,015.25	-	-
Birla Sun Life Dynamic Bond Fund - Retail Plan	Monthly Dividend	-	-	488.41	5,110.55	488.41	5,110.55	-	-
HDFC Cash Management Savings Plan	Daily Dividend	-	-	229.89	2,445.23	229.89	2,445.23	-	-
HDFC Cash Management Fund Treasury Advantage Plan - Wholesale	Daily Dividend	-	-	926.22	9,291.33	926.22	9,291.33	-	-
ICICI Prudential Liquid Super Institutional Plan	Daily Dividend	-	-	573.08	57,320.66	573.08	57,320.66	-	-
ICICI Prudential Floating Rate Plan D	Daily Dividend	-	-	141.32	14,135.31	141.32	14,135.42	-	-
ICICI Prudential Flexible Income Plan Premium	Daily Dividend	-	-	113.14	11,963.28	113.14	11,963.28	-	-
ICICI Prudential Ultra Short Term Plan Super Premium	Daily Dividend	-	-	251.11	2,516.32	251.11	2,516.32	-	-
Reliance Money Manager Fund-INS Option	Daily Dividend	-	-	64.59	64,679.15	64.59	64,679.15	-	-
Reliance Money Interval Fund - Series I - Institutional	Monthly Dividend	-	-	100.96	1,009.94	100.96	1,009.94	-	-
Reliance Liquidity Fund	Daily Dividend	-	-	7,118.42	71,220.54	7,118.42	71,220.54	-	-
Religare Liquid Super Institutional	Daily Dividend	-	-	1,466.68	16,621.32	1,466.68	16,621.32	-	-
Religare Credit Oppurtunities Fund - Institutional	Monthly Dividend	-	-	102.12	1,022.81	102.12	1,022.81	-	-
Religare Overnight Fund	Daily Dividend	-	-	290.35	2,903.54	290.35	2,903.54	-	-
Religare Ultra Short Term Fund Institutional	Daily Dividend	-	-	1,148.10	14,000.70	1,148.10	14,000.70	-	-
Reliance Liquid Fund - Cash Plan	Daily Dividend	-	-	1,394.81	15,540.22	1,394.81	15,540.22	-	-
Reliance Liquid Fund - Treasury Plan - Institutional Option	Daily Dividend	-	-	229.56	3,509.40	229.56	3,509.40	-	-
DWS Treasury Fund Cash - Institutional Plan	Daily Dividend	-	-	393.75	3,957.05	393.75	3,957.05	-	-
JPLDI - JPMorgan India Liquid Fund - Super Institutional	Daily Dividend	-	-	251.29	2,514.91	251.29	2,514.91	-	-

**b Previous Year**

Fig. in Lakhs

Mutual Funds Units Particulars	Type of scheme	Opening Balance		Purchase		Sale		Closing Balance	
		Units	Rs.	Units	Rs.	Units	Rs.	Units	Rs.
Birla Sun Life Cash Plus	Daily Dividend	-	-	2,251.12	22,555.08	2,251.12	22,555.08	-	-
Birla Sun Life Saving Fund	Daily Dividend	-	-	1,753.63	17,548.23	1,753.63	17,548.23	-	-
HDFC Cash Management Fund- Saving Plan	Daily Dividend	-	-	3,204.61	34,085.51	3,204.61	34,085.51	-	-
HDFC Cash Management Fund- Treasury Advantage Plan	Daily Dividend	-	-	3,919.52	39,318.71	3,919.52	39,318.71	-	-
HDFC Floating Rate Income Fund - Short term Plan- Wholesale Option	Daily Dividend	-	-	249.17	2,511.88	249.17	2,511.88	-	-
ICICI Prudential Flexible Income Plan (FV Rs 10)	Daily Dividend	-	-	1,199.75	12,685.56	1,199.75	12,685.56	-	-
ICICI Prudential Flexible Income Plan (FV Rs 100)	Daily Dividend	-	-	333.87	35,301.47	333.87	35,301.47	-	-
ICICI Prudential Institutional Liquid Plan-Super Institutional (FV Rs 10)	Daily Dividend	-	-	1,546.14	15,464.80	1,546.14	15,464.80	-	-
ICICI Prudential Institutional Liquid Plan-Super Institutional (FV Rs 100)	Daily Dividend	-	-	457.18	45,728.49	457.18	45,728.49	-	-
LICMF Liquid Fund	Daily Dividend	182.18	2,000.37	455.80	5,004.71	637.98	7,005.08	-	-
Reliance Liquidity Fund	Daily Dividend	-	-	3,832.65	38,338.36	3,832.65	38,338.36	-	-
Reliance Medium Term Fund	Daily Dividend	64.35	1,100.17	199.60	3,412.34	263.96	4,512.51	-	-
Reliance Money Manager Fund	Daily Dividend	-	-	47.12	47,174.43	47.12	47,174.43	-	-
Religare Liquid Fund	Daily Dividend	-	-	200.19	2,003.18	200.19	2,003.18	-	-
Religare Ultra Short Term Fund- Institutional Daily Dividend	Daily Dividend	-	-	100.13	1,002.91	100.13	1,002.91	-	-

**9 Employee Stock Option Scheme (ESOS)**

- a During the year, the Company has granted 75,000 (Previous Year - NIL) Employee Stock Options to some employees of the Company.
- b The company has granted stock options to employees under the Employees Stock Option Scheme at grant price of Rs. 70/- (face value Rs. 2/-)

The details of options granted, lapsed and in force at the end of the year are as under

	Current year	Previous year
Option in force at the beginning of the year (face value Rs. 2/-)	877,502	1,072,714
Add : Granted during the year	75,000	-
Less : Lapsed during the year	63,339	195,212
Option vested during the year	229,275	199,538
Option in force at the end of the year	889,163	877,502

- c As the options are granted using the fair value, no compensation cost will arise.



## SCHEDULES TO PROFIT & LOSS ACCOUNT

### 10 Managerial Remuneration

	Rs.In Lakhs	
	Year Ended 31.03.2011	Year Ended 31.03.2010
a To Chairperson and Executive Directors		
(i) Salary	833.82	666.15
(ii) Commission to Executive Chairperson and Whole time Directors	1,211.00	1,500.00
(iii) Contribution to Provident and Superannuation Funds *	155.62	145.80
(iv) Reimbursement of Medical Expenses	1.38	0.53
(v) Other Perquisites	58.40	56.99
Total	2,260.21	2,369.46
b To Non Whole-time Directors - Commission	72.00	72.00
c Directors' Sitting Fees	6.30	6.50
<b>Total Managerial Remuneration</b>	<b>2,338.51</b>	<b>2,447.96</b>

\* Since the premium on Group Policy with LIC for Gratuity is computed on totality valuation basis, the Contribution applicable is not ascertainable and accordingly the same has not been considered above.

### d Computation of Net Profit u/s 198/ 349 of the Companies Act, 1956

Profit Before Taxes	30,251.19	33,566.60
Less : Exceptional Items		
Other Income	980.20	817.08
	29,270.99	32,749.52
Add: Loss on Sale of Assets/Investments	25.55	715.87
Managerial Remuneration	2,338.51	2,447.96
<b>Net Profit u/s 198 / 349 of the Companies Act, 1956</b>	<b>31,635.05</b>	<b>35,913.35</b>
i) Commission to Executive Chairperson and Whole-time Directors restricted to	1,211.00	1,500.00
ii) Commission to Non Whole-time Directors @1% of Net Profit u/s 349, Rs. 316.35 Lakhs (Previous period Rs.359.13 Lakhs) restricted to	72.00	72.00

### 11 Miscellaneous Expenses include Auditors' remuneration in respect of:

	Rs.In Lakhs	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Statutory Auditors		
a) Audit Fees (including limited review and consolidation fees)	14.75	14.75
b) Tax Audit Fees	5.50	5.50
c) Certification Work	5.78	5.17
d) Reimbursement of Expenses	0.35	0.18
e) Service Tax on Fees and Reimbursement	2.72	2.64
	29.10	28.24

## 12 Loans and Advances to Subsidiary and Companies under the same Management

		Rs.In Lakhs			
Outstanding Balances	As At	As At	Max O/s during the year		
	31.03.2011	31.03.2010	31.03.2011	31.03.2010	
<b>a) Subsidiaries</b>					
(i) Peninsula Holdings and Investments Private Limited	32,330.33	11,962.68	48,469.58	12,162.85	
(ii) Renato Finance and Investments Private Limited	675.22	630.17	675.22	630.17	
(iii) Peninsula Mega Properties Private Limited	2.00	2.44	2.45	2.44	
(iv) Champs Elysee Enterprises Private Limited	-	-	-	52.97	
<b>Total</b>	<b>33,007.55</b>	<b>12,595.30</b>			
<b>b) Step Down Subsidiaries</b>					
(i) City Parks Private Limited	9,491.16	6,499.69	9,491.16	6,499.69	
(ii) Inox Mercantile Company Private Limited	8,735.78	7,945.97	8,774.93	7,945.97	
(iii) Peninsula Facility Management Services Limited	1,693.39	1,598.52	1,693.40	1,598.52	
(iv) Peninsula Pharma Research Centre Private Limited	3,587.53	3,415.12	3,587.53	3,415.12	
(v) Planetview Mercantile Company Private Limited	3,017.73	2,319.33	3,017.73	2,319.33	
(vi) Peninsula Mega Township Developers Private Limited	13,822.16	11,334.00	13,822.16	11,334.00	
(vii) RR Mega Property Developers Private Limited	14,948.53	13,354.87	14,948.53	13,354.87	
(viii) RR Real Estate Development Private Limited	2,935.78	2,400.10	2,935.78	2,400.10	
(ix) Takenow Property Developers Private Limited	3.56	14.00	17.71	14.52	
(x) Rishiraj Enterprise Limited	-	217.74	217.76	217.74	
(xi) Peninsula Trustee Limited	-	-	-	0.08	
(xii) Peninsula Investment Management Company Limited	3.07	-	5.88	-	
(xiii) Peninsula Real Estate Management Private Limited	910.00	0.09	3,760.52	0.09	
(xiv) Peninsula Integrated Developers Private Limited	-	0.10	0.23	0.10	
(xv) Peninsula Mega City Development Private Limited	2.00	2.35	1,262.36	2.35	
(xvi) Goodtime Real Estate Development Private Limited	0.28	0.04	0.28	0.04	
<b>Total</b>	<b>59,150.96</b>	<b>49,101.92</b>			



## SCHEDULES TO PROFIT & LOSS ACCOUNT

Rs.In Lakhs

	As At 31.03.2011	As At 31.03.2010	Max O/s during the year	
			31.03.2011	31.03.2010
<b>c) Companies under the same Management</b>				
(i) Ashok Piramal Management Corporation Limited	7.52	3.02	7.52	3.02
(ii) Morarjee Textiles Limited	3.22	87.16	81.19	328.38
(iii) Onestar Mercantile Company Private Limited	-	-	0.00	-
(iv) Thundercloud Technologies (India) Private Limited	0.02	0.36	1.22	0.36
(v) RR Mega City Builders Limited (Formerly known as RR Mega City Builders Private Limited)	5,147.76	3.15	10,637.98	3.15
(vi) Peninsula S A Realty Private Limited	3.59	3.59	3.59	3.59
(vii) Peninsula Townships Development Private Limited	2.00	2.39	2.42	2.40
(viii) Delta Corp Limited	-	101.28	-	101.28
(ix) Rockfirst Real Estate Limited	28.87	426.44	535.79	426.44
(x) Ashok Piramal Mega City Development Private Limited	0.20	0.10	0.29	0.10
(xi) Ashok Piramal Mega Properties Private Limited	0.20	0.08	0.20	0.08
(xii) Ashok Piramal Township Development Private Limited	0.20	0.10	0.20	0.10
(xiii) Jammin Recreation Private Limited	0.01	0.01	0.01	0.01
(xiv) Pune Football Club Limited	-	1.12	82.64	63.80
(xv) Topvalue Brokers Private Limited	-	-	0.02	2.94
(xvi) Truewin Realty Limited (Formerly known as Truewin Realty Private Limited)	-	-	19.41	0.10
(xvii) Topvalue Real Estate Development Limited (Formerly known as Topvalue Real Estate Development Private Limited)	-	-	25.57	1.60
(xviii) CAMS Learning Private Limited	-	-	0.12	-
(xix) Edustar Learning Private Limited	-	-	0.10	-
(xx) Bridgepoint Learning Private Limited	0.00	-	0.00	-
<b>Total</b>	<b>5,193.59</b>	<b>628.60</b>		
<b>Grand Total (a+b+c)</b>	<b>97,352.11</b>	<b>62,325.81</b>		

13 The Company has advanced Rs 1621.18 Lakhs (including accrued interest) to its Wholly Owned Subsidiary, Peninsula Facility Management Services Limited (PFMSL). The net worth of this subsidiary is presently negative in view of past losses which are largely attributable to interest servicing cost on these advances from the parent Company, despite reasonable operating margins. Moreover, the operations of this subsidiary confer significant strategic advantages and value addition to the core real estate business of the Company. The Management is also pursuing viable business development plans and immediate financial restructuring measures to achieve a turnaround and strengthen the equity base of PFMSL. In view of this, no provision is made in the accounts in respect of these advances.

#### 14 Borrowing Cost

	Rs.In Lakhs	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Borrowing Cost treated as project cost during the year	6,091.42	3,732.37

#### 15 Employee Benefit Plans

The Company has classified various benefit plans as under:

##### a Defined Contribution Plan

The Company has recognised the following amounts in Profit and Loss Account which are included under Contributions to Funds

	Rs.In Lakhs	
	Current Year	Previous Year
Employer's contribution to Provident Fund	185.58	152.59
Employer's contribution to Superannuation Fund	120.21	120.98
Employer's contribution to Employees State Insurance	1.48	0.23

##### b Defined Benefit Plan:

- i. Gratuity (Funded)
- ii. Leave Encashment (Non funded)

In terms of the Guidance on implementing the revised AS 15, issued by the Accounting Standards Board of the Institute of Chartered Accountants of India, the Gratuity Trust set up by the Company is treated as defined benefit plan since the Company has to meet the shortfall, if any. However at the year end, no shortfall remains unprovided for.

Leave encashment is payable to eligible employees who have earned leaves, during the employment and / or separation as per the Company's policy.

Valuations in respect of Gratuity and Leave Encashment, as at the Balance Sheet date, are based on the following assumptions.



## SCHEDULES TO PROFIT & LOSS ACCOUNT

i The disclosures of Gratuity are as under:

The Company has funded its gratuity obligation under Group Gratuity Policy managed by LIC. The disclosures stated below have been obtained from independent actuary, as the figures from LIC were not available. In view of this, certain disclosures could not be provided. The other disclosures in accordance with AS -15 (revised) pertaining to Defined Benefit Plans are given below:

	Rs.In Lakhs	
	As at 31.03.2011	As at 31.03.2010
<b>Assumptions</b>		
Discount rate	8%	8%
Salary escalation	6%	6%
Employee Turnover Ratio	" 3% at younger ages 1% at older Ages"	" 3% at younger ages 1% at older Ages "
Expected Rate of Return on Planned Assets	9%	9%
Retirement Age	58 years	58 years
<b>Changes in Present Value of Obligations</b>		
Present value of obligations as at beginning of the year	262.11	212.94
Interest cost	20.97	17.04
Current service cost	58.55	51.66
Benefits paid	(6.97)	(1.77)
Actuarial (gain)/ loss on obligations	7.28	(17.75)
Present value of obligations as at end of the year	341.94	262.11
<b>Actuarial Gain / Loss recognised</b>		
Actuarial gain/(loss) for the year -Obligations	(7.28)	17.75
Actuarial gain/(loss) for the year -Plan Assets	(4.86)	(1.24)
Total gain/(loss) for the year	(12.14)	16.51
Actuarial gain/(loss) recognised in the year	(12.14)	16.51
<b>The amounts to be recognised in the Balance Sheet and Statement of Profit &amp; Loss</b>		
Present value of obligations as at end of the year	341.94	262.11
Fair value of plan assets as at end of the year	157.09	27.63
Funded status	157.09	27.63
Net assets (liability) recognised in Balance Sheet	(184.85)	(234.48)
<b>Expenses recognised in Statement of Profit &amp; Loss</b>		
Current service cost	58.55	51.66
Interest cost	20.97	17.04
Expected return on plan assets	(7.98)	(1.24)
Net actuarial (gain)/loss recognised in the year	12.14	(16.51)
Expenses recognised in statement of Profit and Loss	83.68	50.94



	Rs.In Lakhs	
	As at 31.03.2011	As at 31.03.2010
<b>Pattern of Investment</b>		
Central and State Government Securities	-	56%
Bonds/Debentures	-	36%
Equity Shares	-	6%
Money Market Instrument	-	2%
Policy of Insurance	100%	-

ii Leave Encashment (Unfunded)

Value of liability for leave encashment has been carried out by an independent actuary, as at the Balance Sheet date based on the following

	Rs.In Lakhs	
	As at 31.03.2011	As at 31.03.2010
<b>Assumptions</b>		
Discount rate (per annum)	8%	8%
Rate of increase in compensation levels	6%	6%
Rate of return on plan assets	-	-
Retirement Age	58 years	58 years
<b>Changes in present value of obligation</b>		
Present value of obligation as at 1 <sup>st</sup> April 2010	131.21	53.02
Interest Cost	10.04	4.24
Current Service Cost	26.46	29.28
Contributions by plan participants	-	-
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Benefits Paid	(7.40)	(3.38)
Actuarial (Gain) / Loss	15.34	48.04
Present value of obligation as at 31 <sup>st</sup> March 2011	175.65	131.21
<b>Amounts recognised in Balance Sheet</b>		
Present value of obligation as at 31 <sup>st</sup> March 2011	175.65	131.21
Fair value of plan assets as at 31 <sup>st</sup> March 2011	-	-
(Asset) / Liability recognised in the Balance Sheet	175.65	131.21
<b>Expenses recognised in Statement of Profit &amp; Loss Account</b>		
Current service cost	26.46	29.28
Past service cost	-	-
Interest Cost	10.04	4.24
Expected return on plan assets	-	-
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (Gain) / Loss	15.34	48.04
Employee's Contribution	-	-
Total expenses recognised in Profit & Loss account	51.84	81.56

Note: As the Company does not have plan assets for leave encashment policy, disclosures pertaining to plan assets are not shown.



## SCHEDULES TO PROFIT & LOSS ACCOUNT

### 16 List of Related Parties and Transactions during the year.

#### I Controlling Companies

- (i) Topstar Mercantile Private Limited

#### II Subsidiary Companies

- (i) Champs Elysee Enterprises Private Limited
- (ii) Peninsula Mega Properties Private Limited
- (iii) Peninsula Holdings and Investments Private Limited (formerly known as Boom Realty Private Limited)
- (iv) Renato Finance and Investments Private Limited
- (v) Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited) (w.e.f. March 2011)

#### III Step Down Subsidiary Companies

- (i) City Parks Private Limited
- (ii) Goodtime Real Estate Development Private Limited
- (iii) Inox Mercantile Company Private Limited
- (iv) Peninsula Facility Management Services Limited (formerly known as Peninsula Facility Management Services Private Limited)
- (v) Peninsula Integrated Developers Private Limited (formerly known as Peninsula Real Estate Management Services Private Limited)
- (vi) Peninsula Investment Management Company Limited
- (vii) Peninsula Mega City Development Private Limited
- (viii) Peninsula Mega Township Developers Private Limited
- (ix) Peninsula Pharma Research Centre Private Limited
- (x) Peninsula Real Estate Management Private Limited
- (xi) Peninsula Trustee Limited
- (xii) Planetview Mercantile Company Private Limited
- (xiii) RR Mega Property Developers Private Limited
- (xiv) RR Real Estate Development Private Limited
- (xv) Rishiraj Enterprises Limited (formerly known as Rishiraj Enterprises Private Limited)
- (xvi) Takenow Property Developers Private Limited

#### IV Associate Companies with whom the Company had transactions during the year

- (i) Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)
- (ii) JM Realty Management Private Limited
- (iii) SEW Engineering (India) Private Limited (formerly known as SEW Electricals Private Limited)
- (iv) Topzone Mercantile Company Private Limited
- (v) RA Realty Ventures Private Limited

**V Companies where Key Management Personnel / their relatives exercise significant influence**

- (i) Ashok Piramal Management Corporation Limited
- (ii) Freedom Registry Limited (formerly known as Amtrac Management Services Limited)
- (iii) Morarjee Textiles Limited
- (iv) Onestar Mercantile Company Private Limited
- (v) Thundercloud Technologies (India) Private Limited
- (vi) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)
- (vii) Peninsula Mega City Development Private Limited
- (viii) Peninsula SA Realty Private Limited
- (ix) Peninsula Townships Development Private Limited
- (x) Delta Corp Limited
- (xi) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)
- (xii) Ashok Piramal Mega City Development Private Limited
- (xiii) Ashok Piramal Mega Properties Private Limited
- (xiv) Ashok Piramal Township Development Private Limited
- (xv) Goldlife Mercantile Company Private Limited
- (xvi) Jammin Recreation Private Limited
- (xvii) Pune Football Club Limited
- (xviii) Topvalue Brokers Private Limited
- (xix) Integra, a division of Morarjee Textiles Limited (formerly known as Itegra Apperals and Textiles Limited)
- (xx) Truewin Realty Limited (formerly known as Truewin Realty Private Limited)
- (xxi) Topvalue Real Estate Development Limited (formerly known as Topvalue Real Estate Development Private Limited)
- (xxii) CAMS Learning Private Limited
- (xxiii) EDUSTAR Learning Private Limited
- (xxiv) Bridgepoint Learning Private Limited

**VI Enterprises where Key Management Personnel /their relatives exercise significant influence**

- (i) Ashok G. Piramal Trust
- (ii) Peninsula Land Limited ESOP Trust

**VII Enterprise over which Company exercise significant control**

- (i) Peninsula GSG MHP Project - AOP (50% share)

**VIII Key Management Personnel**

- (i) Ms. Urvi A. Piramal - Executive Chairperson
- (ii) Mr. Rajeev A. Piramal - Executive Vice Chairman
- (iii) Mr. Mahesh S. Gupta - Group Managing Director
- (iv) Mr. Rajesh Jaggi - Managing Director



## SCHEDULES TO PROFIT & LOSS ACCOUNT

### IX Relatives of Key Management Personnel

- (i) Mr. Harshvardhan A. Piramal - Son of Executive Chairperson
- (ii) Mr. Nandan A. Piramal -Son of Executive Chairperson
- (iii) Mr. Jaydev Mody - Brother of Executive Chairperson
- (iv) Ms. Sunita Gupta - Spouse of Group Managing Director
- (v) Ms. Kalpana Singhania - Sister of Executive Chairperson

Details of Transactions are as follows :

		Rs. In Lakhs	
		2010-11	2009-10
<b>I</b>	<b>Sale of Investments</b>		
	<b>a Subsidiary Companies</b>		
	(i) Peninsula Holdings and Investments Private Limited	-	9,025.78
<b>II</b>	<b>Purchase of Investments</b>		
	<b>a Companies where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	5,486.98	-
<b>III</b>	<b>Advance given for Purchase of Land</b>		
	<b>a Controlling Companies</b>		
	(i) Topstar Mercantile Private Limited	5.50	-
<b>IV</b>	<b>Advance received on behalf of</b>		
	<b>a Subsidiary Companies</b>		
	(i) Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited)	0.81	-
<b>V</b>	<b>Rent received from</b>		
	<b>a Companies where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) Morarjee Textiles Limited	123.17	123.17
<b>VI</b>	<b>Receipt of Services from</b>		
	<b>a Step Down Subsidiary Companies</b>		
	(i) Peninsula Facility Management Services Limited	291.30	89.17
	<b>b Companies where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) Freedom Registry Limited	4.13	6.73
	(ii) Delta Corp Limited		
	PMC Fees	-	1,371.41
	Brokerage Fees	-	450.50
	(iii) Pune Football Club Limited		
	Advertisement	350.00	335.00

		Rs.In Lakhs	
		2010-11	2009-10
<b>VII</b>	<b>Purchase from</b>		
	<b>a Associate Companies</b>		
	(i) SEW Engineering (India) Private Limited	3,264.57	1,773.04
	<b>b Companies where Key Management Personnel/their relatives exercise significant influence</b>		
	(i) Integra, a division of Morarjee Textiles Limited (formerly known as Itegra Apperals and Textiles Limited)	37.80	14.53
<b>VIII</b>	<b>Reimbursement made to</b>		
	<b>a Companies where Key Management Personnel/their relatives exercise significant influence</b>		
	(i) Ashok Piramal Management Corporation Limited	1.10	1.05
	<b>b Step Down Subsidiary Companies</b>		
	(i) Peninsula Investment Management Company Limited	1.74	1.99
<b>IX</b>	<b>Donation paid to</b>		
	<b>a Companies/Enterprises where Key Management Personnel/their relatives exercise significant influence</b>		
	(i) Ashok G. Piramal Trust	207.11	19.47
<b>X</b>	<b>Loan given to</b>		
	<b>a Subsidiary Companies</b>		
	(i) Renato Finance and Investments Private Limited	5.86	18.45
	(ii) Peninsula Mega Properties Private Limited	-	-
	(iii) Peninsula Holdings and Investments Private Limited	44,910.91	12,163.87
	(iv) Champs Elysee Enterprises Private Limited	-	0.22
	<b>b Step Down Subsidiary Companies</b>		
	(i) City Parks Private Limited	2,193.52	1,641.54
	(ii) Inox Mercantile Company Private Limited	1,180.25	218.33
	(iii) Peninsula Facility Management Services Limited	-	88.70
	(iv) Peninsula Pharma Research Centre Private Limited	553.30	129.51
	(v) Planetview Mercantile Company Private Limited	423.64	58.31
	(vi) RR Real Estate Development Private Limited	287.40	40.75
	(vii) Peninsula Mega Township Developers Private Limited	1,447.96	466.63
	(viii) RR Mega Property Developers Private Limited	143.12	1,151.41
	(ix) Takenow Property Developers Private Limited	2.50	14.00
	(x) Rishiraj Enterprises Limited	12.92	8.05
	(xi) Peninsula Mega City Development Private Limited	1,260.00	-
	(xii) Peninsula Real Estate Management Private Limited	4,660.00	-
	(xiii) Goodtime Real Estate Development Private Limited	-	0.04



## SCHEDULES TO PROFIT & LOSS ACCOUNT

		Rs. In Lakhs	
		2010-11	2009-10
<b>c</b>	<b>Associate Companies</b>		
(i)	Topzone Mercantile Company Private Limited	-	75.30
(ii)	RA Realty Ventures Private Limited	6,872.20	-
<b>d</b>	<b>Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i)	Onestar Mercantile Company Private Limited	0.00	-
(ii)	RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	12,004.82	0.00
(iii)	Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	111.29	420.00
(iv)	Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	300.00	-
<b>XI</b>	<b>Loan repaid by</b>		
<b>a</b>	<b>Subsidiary Companies</b>		
(i)	Renato Finance and Investments Private Limited	44.03	7.65
(ii)	Peninsula Holdings and Investments Private Limited	26,785.54	201.35
(iii)	Champs Elysee Enterprises Private Limited	-	53.12
<b>b</b>	<b>Step Down Subsidiary Companies</b>		
(i)	City Parks Private Limited	88.57	54.57
(ii)	Peninsula Facility Management Services Limited	19.18	65.50
(iii)	Inox Mercantile Company Private Limited	1,349.95	75.41
(iv)	Peninsula Pharma Research Centre Private Limited	788.79	32.22
(v)	RR Real Estate Development Private Limited	29.91	145.32
(vi)	Peninsula Mega Township Developers Private Limited	365.58	106.93
(vii)	RR Mega Property Developers Private Limited	165.35	136.98
(viii)	Planetview Mercantile Company Private Limited	33.86	22.08
(ix)	Takenow Property Developers Private Limited	14.00	-
(x)	Rishiraj Enterprises Limited	231.64	0.04
(xi)	Peninsula Mega City Development Private Limited	1,258.00	-
(xii)	Peninsula Real Estate Management Private Limited	3,750.00	-
<b>c</b>	<b>Associate Companies</b>		
(i)	Delta Hospitality Private Limited	-	4,033.25
(ii)	Topzone Mercantile Company Private Limited	-	75.68
(iii)	RA Realty Ventures Private Limited	2,015.44	-
<b>d</b>	<b>Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i)	Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	540.94	0.72
(ii)	Delta Corp Limited	-	349.00
(iii)	Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	300.00	-
(iv)	RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	6,857.05	-

Rs. In Lakhs

	2010-11	2009-10
<b>XII Expenses incurred on behalf of</b>		
<b>a Subsidiary Companies</b>		
(i) Peninsula Mega Properties Private Limited	0.01	0.02
(ii) Peninsula Holdings and Investments Private Limited	0.12	0.02
(iii) Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited)	-	3.22
<b>b Step Down Subsidiary Companies</b>		
(i) Peninsula Facility Management Services Limited	76.99	53.97
(ii) Peninsula Investment Management Company Limited	7.53	8.00
(iii) City Parks Private Limited	8.35	2.08
(iv) RR Real Estate Development Private Limited	0.01	-
(v) Peninsula Mega Township Developers Private Limited	0.00	0.93
(vi) RR Mega Property Developers Private Limited	0.04	2.24
(vii) Takenow Property Developers Private Limited	1.59	0.52
(viii) Peninsula Mega City Development Private Limited	0.01	-
(ix) Peninsula Real Estate Management Private Limited	0.43	0.06
(x) Goodtime Real Estate Development Private Limited	0.23	0.04
(xi) Peninsula Integrated Developers Private Limited	0.13	0.07
(xii) Rishiraj Enterprises Limited	-	0.42
(xiii) Peninsula Trustee Limited	-	0.08
<b>c Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i) Thundercloud Technologies (India) Private Limited	0.87	0.21
(ii) Peninsula Townships Development Private Limited	0.03	0.02
(iii) Ashok Piramal Mega City Development Private Limited	0.10	0.08
(iv) Ashok Piramal Mega Properties Private Limited	0.11	0.06
(v) Ashok Piramal Township Development Private Limited	0.10	0.08
(vi) Topvalue Brokers Private Limited	0.02	3.09
(vii) CAMS Learning Private Limited	0.12	-
(viii) Edustar Learning Private Limited	0.10	-
(ix) Bridgepoint Learning Private Limited	0.00	-
(x) Morarjee Textiles Limited	6.65	4.50
(xi) Ashok Piramal Management Corporation Limited	4.50	4.50
(xii) Pune Football Club Limited	5.01	4.37
(xiii) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	0.10	0.08
(xiv) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	9.93	163.44
(xv) Topvalue Real Estate Development Limited (formerly known as Topvalue Real Estate Development Private Limited)	28.00	1.50
(xvi) Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	27.32	-
(xvii) Delta Corp Ltd	-	5.65



## SCHEDULES TO PROFIT & LOSS ACCOUNT

	Rs.In Lakhs	
	2010-11	2009-10
(xviii) Goldlife Mercantile Company Private Limited	-	0.13
(xix) Peninsula SA Realty Private Limited	0.34	0.05
<b>d Enterprise over which Company exercise significant control</b>		
(i) Peninsula GSG MHP Project - AOP (50% share)	11.13	-
<b>XIII Expenses incurred on behalf reimbursed by</b>		
<b>a Subsidiary Companies</b>		
(i) Peninsula Holdings and Investments Private Limited	0.14	-
(ii) Peninsula Mega Properties Private Limited	0.45	-
(iii) Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited)	-	3.22
<b>b Step Down Subsidiary Companies</b>		
(i) Takenow Property Developers Private Limited	0.52	0.52
(ii) Peninsula Mega City Development Private Limited	2.36	-
(iii) Peninsula Real Estate Management Private Limited	0.52	-
(iv) Goodtime Real Estate Development Private Limited	0.28	-
(v) Peninsula Integrated Developers Private Limited	0.23	-
(vi) Peninsula Investment Management Company Limited	-	3.50
(vii) Peninsula Trustee Limited	-	0.08
<b>c Associate Companies</b>		
(i) Topzone Mercantile Company Private Limited	-	0.02
<b>d Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	9.93	164.16
(ii) Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	27.32	0.10
(iii) Topvalue Real Estate Development Limited (formerly known as Topvalue Real Estate Development Private Limited)	28.00	1.60
(iv) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	0.01	-
(v) Peninsula Land Limited ESOP Trust	-	30.70
(vi) Goldlife Mercantile Company Private Limited	0.70	0.08
(vii) Topvalue Brokers Private Limited	0.02	3.09
(viii) Thundercloud Technologies (India) Private Limited	1.21	-
(ix) Peninsula Townships Development Private Limited	0.42	-
(x) CAMS Learning Private Limited	0.12	-
(xi) Edustar Learning Private Limited	0.10	-
(xii) Morarjee Textiles Limited	4.74	1.50
(xiii) Ashok Piramal Management Corporation Limited	-	1.50
(xiv) Delta Corp Limited	-	6.19
(xv) Pune Football Club Limited	6.13	10.08



		Rs.In Lakhs	
		2010-11	2009-10
<b>e</b>	<b>Enterprise over which Company exercise significant control</b>		
	(i) Peninsula GSG MHP Project - AOP (50% share)	11.13	-
<b>XIV</b>	<b>Advance Repaid to</b>		
<b>a</b>	<b>Subsidiary Companies</b>		
	(i) Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited)	0.81	-
<b>XV</b>	<b>Interest income from</b>		
<b>a</b>	<b>Subsidiary Companies</b>		
	(i) Renato Finance and Investments Private Limited	83.23	75.52
	(ii) Peninsula Holdings and Investments Private Limited	2,242.29	-
<b>b</b>	<b>Step Down Subsidiary Companies</b>		
	(i) Inox Mercantile Company Private Limited	959.51	754.14
	(ii) Peninsula Facility Management Services Limited	41.85	155.04
	(iii) Peninsula Pharma Research Centre Private Limited	407.90	322.23
	(iv) Planetview Mercantile Company Private Limited	308.62	220.81
	(v) City Parks Private Limited	878.17	545.67
	(vi) Peninsula Mega Township Developers Private Limited	1,405.77	1,069.25
	(vii) RR Mega Property Developers Private Limited	1,615.84	1,219.84
	(viii) RR Real Estate Development Private Limited	278.18	218.22
	(ix) Rishiraj Enterprises Limited	-	0.39
<b>c</b>	<b>Associate Companies</b>		
	(i) Delta Hospitality Private Limited	-	131.85
	(ii) RA Realty Venture Private Limited	154.39	-
<b>d</b>	<b>Companies where Key Management Personnel/their relatives exercise significant influence</b>		
	(i) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	32.08	7.16
<b>XVI</b>	<b>Investments/Equity Share application</b>		
<b>a</b>	<b>Associate Companies</b>		
	(i) Delta Hospitality Private Limited	-	(26.00)
<b>XVII</b>	<b>Remuneration to Key Management Personnel (Includes Commission)</b>		
	(i) Ms. Urvi A. Piramal	854.49	831.84
	(ii) Mr. Rajeev A. Piramal	516.31	520.54
	(iii) Mr. Mahesh S. Gupta	548.01	566.69
	(iv) Mr. Rajesh Jaggi	341.40	450.40
<b>XVIII</b>	<b>Dividend Paid to</b>		
<b>a</b>	<b>Key Management Personnel</b>		
	(i) Ms. Urvi A. Piramal	394.71	227.83
	(ii) Mr. Rajeev A. Piramal	35.12	21.07
	(iii) Mr. Rajesh Jaggi	0.98	0.59
<b>XIX</b>	<b>Sale to Company where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) Delta Corp Limited	285.77	384.74



## SCHEDULES TO PROFIT & LOSS ACCOUNT

		Rs.In Lakhs	
		2010-11	2009-10
XX	<b>Outstanding balances as at 31<sup>st</sup> March, 2011</b>		
	<b>1 Payable by Company to</b>		
	<b>A For Services received</b>		
	<b>a Companies where Key Management Personnel/their relatives exercise significant influence</b>		
	(i) Freedom Registry Limited	0.14	1.14
	<b>b Step Down Subsidiary Companies</b>		
	(i) Peninsula Facility Management Services Limited	103.04	57.41
	<b>2 Receivable by Company</b>		
	<b>A Loans</b>		
	<b>a Associate Companies</b>		
	(i) JM Realty Management Private Limited	778.79	778.79
	(ii) RA Realty Ventures Private Limited	5,011.15	-
	<b>b Companies where Key Management Personnel/their relatives exercise significant influence</b>		
	(i) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	28.87	426.44
	(ii) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	5,147.76	-
	<b>c Subsidiary Companies</b>		
	(i) Renato Finance and Investments Private Limited	675.22	630.17
	(ii) Peninsula Holdings and Investments Private Limited	32,330.33	11,962.68
	<b>d Step Down Subsidiary Companies</b>		
	(i) Peninsula Mega City Development Private Limited	2.00	-
	(ii) City Parks Private Limited	7,626.27	4,643.15
	(iii) Inox Mercantile Company Private Limited	8,735.78	7,945.97
	(iv) Peninsula Facility Management Services Limited	1,621.19	1,598.52
	(v) Peninsula Pharma Research Centre Private Limited	3,587.53	3,415.12
	(vi) Planetview Mercantile Company Private Limited	3,017.73	2,319.33
	(vii) Peninsula Mega Township Developers Private Limited	13,811.23	11,323.08
	(viii) RR Mega Property Developers Private Limited	14,942.07	13,348.45
	(ix) RR Real Estate Development Private Limited	2,760.70	2,225.02
	(x) Takenow Property Developers Private Limited	2.50	14.00
	(xi) Rishiraj Enterprises Limited	(0.98)	158.40
	(xii) Goodtime Real Estate Development Private Limited	-	0.04
	(xiii) Peninsula Real Estate Management Private Limited	910.00	-
	<b>B For Reimbursement of Expenses</b>		
	<b>a Companies where Key Management Personnel/their relatives exercise significant influence</b>		
	(i) Ashok Piramal Management Corporation Limited	7.52	3.02
	(ii) Morarjee Textiles Limited	3.22	3.00

		Rs.In Lakhs	
		2010-11	2009-10
(iii)	RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	3.24	3.15
(iv)	Onestar Mercantile Company Private Limited	0.00	-
(v)	Thundercloud Technologies (India) Private Limited	0.02	0.36
(vi)	Peninsula SA Realty Private Limited	3.94	3.59
(vii)	Peninsula Townships Development Private Limited	2.00	2.39
(viii)	Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	-	-
(ix)	Delta Corp Limited	0.45	0.45
(x)	Ashok Piramal Mega City Development Private Limited	0.20	0.10
(xi)	Ashok Piramal Mega Properties Private Limited	0.20	0.08
(xii)	Ashok Piramal Township Development Private Limited	0.20	0.10
(xiii)	Jammin Recreation Private Limited	0.01	0.01
(xiv)	Pune Football Club Limited	-	1.12
(xv)	Goldlife Mercantile Company Private Limited	5.21	5.90
<b>b</b>	<b>Subsidiary Companies</b>		
(i)	Peninsula Mega Properties Private Limited	2.00	2.44
<b>c</b>	<b>Step Down Subsidiary Companies</b>		
(i)	City Parks Private Limited	1,864.88	1,856.53
(ii)	Peninsula Mega Township Developers Private Limited	10.92	10.92
(iii)	RR Mega Property Developers Private Limited	6.46	6.42
(iv)	RR Real Estate Development Private Limited	175.09	175.08
(v)	Peninsula Facility Management Services Limited	72.20	41.50
(vi)	Takenow Property Developers Private Limited	1.06	-
(vii)	Peninsula Real Estate Management Private Limited	-	0.09
(viii)	Peninsula Integrated Developers Private Limited	-	0.10
(ix)	Peninsula Mega City Development Private Limited	-	2.35
(x)	Peninsula Investment Management Company Limited	5.79	(140.31)
(xi)	Rishiraj Enterprises Limited	-	59.34
<b>C</b>	<b>Towards Sales/Services</b>		
<b>a</b>	<b>Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i)	Morarjee Textiles Limited	1.38	46.18
(ii)	Delta Corp Limited	21.24	100.83
<b>D</b>	<b>Towards Advance against services/supplies</b>		
<b>a</b>	<b>Associate Companies</b>		
(i)	SEW Engineering (India) Private Limited	59.89	106.13
<b>XXI</b>	<b>Resources/Premises sharing with related parties</b>		
	Transactions involving resource/premise sharing with undermentioned related parties which are for non monetary consideration		



## SCHEDULES TO PROFIT & LOSS ACCOUNT

	Rs.In Lakhs	
	2010-11	2009-10
<b>a Controlling Companies</b>		
(i) Topstar Mercantile Private Limited	-	-
<b>b Subsidiaries and Step Down Subsidiaries</b>		
(i) Champs Elysee Enterprises Private Limited	-	-
(ii) Peninsula Mega Properties Private Limited	-	-
(iii) Peninsula Holdings and Investments Private Limited	-	-
(iv) Renato Finance and Investments Private Limited	-	-
(v) City Parks Private Limited	-	-
(vi) Inox Mercantile Company Private Limited	-	-
(vii) Peninsula Facility Management Services Limited	-	-
(viii) Peninsula Investment Management Company Limited	-	-
(ix) Peninsula Mega Township Developers Private Limited	-	-
(x) Peninsula Pharma Research Centre Private Limited	-	-
(xi) Peninsula Trustee Limited	-	-
(xii) Planetview Mercantile Company Private Limited	-	-
(xiii) RR Mega Property Developers Private Limited	-	-
(xiv) RR Real Estate Development Private Limited	-	-
(xv) Rishiraj Enterprises Limited	-	-
(xvi) Takenow Property Developers Private Limited	-	-
(xvii) Peninsula Mega City Development Private Limited	-	-
(xviii) Peninsula Integrated Developers Private Limited	-	-
(xix) Peninsula Real Estate Management Private Limited	-	-
(xx) Peninsula Crossroads Private Limited (formerly known as L and T Crossroads Private Limited)	-	-
<b>c Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i) Ashok Piramal Management Corporation Limited	-	-
(ii) Onestar Mercantile Company Private Limited	-	-
(iii) Thundercloud Technologies (India) Private Limited	-	-
(iv) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	-	-
(v) Peninsula SA Realty Private Limited	-	-
(vi) Peninsula Townships Development Private Limited	-	-
(vii) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	-	-
(viii) Ashok Piramal Mega City Development Private Limited	-	-
(ix) Ashok Piramal Mega Properties Private Limited	-	-
(x) Ashok Piramal Township Development Private Limited	-	-
(xi) Goldlife Mercantile Company Private Limited	-	-
(xii) Jammin Recreation Private Limited	-	-

Rs.In Lakhs

	2010-11	2009-10
(xiii) Pune Football Club Limited	-	-
(xiv) Topvalue Brokers Private Limited	-	-
(xv) Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	-	-
(xvi) Topvalue Real Estate Development Limited (formerly known as Topvalue Real Estate Development Private Limited)	-	-

**17 Leases****a Assets taken on Operating Lease**

Future minimum lease payments under non - cancellable operating lease are as under:

Rs.In Lakhs

	As At 31.03.2011	As At 31.03.2010
Not later than one year	103.15	94.65
Later than one year and not later than five years	187.18	121.12
Later than five years	-	-
<b>Total</b>	<b>290.33</b>	<b>215.77</b>

Total lease rental cost recognised in the financial statement is Rs. 108.18 Lakhs [Previous Year Rs.215.10 Lakhs]. This rental cost is inclusive of service tax.

**b Assets given on Operating Lease**

Future minimum lease income under operating lease are as under:

Rs.In Lakhs

	As At 31.03.2011	As At 31.03.2010
Not later than one year	2,221.45	1,496.29
Later than one year and not later than five years	65.40	267.77
Later than five years	-	-
<b>Total</b>	<b>2,286.85</b>	<b>1,764.06</b>

Total lease rental income recognised in the financial statement is Rs. 4,459.84 Lakhs [Previous Year Rs.1,612.74 Lakhs].

**18 Major components of deferred tax assets and liabilities are:**

Rs.In Lakhs

	As At 31.03.2011	As At 31.03.2010
Opening Deferred Tax Liability	791.26	1,875.15
Add: Difference between book WDV and WDV as per Income Tax Act 1961	(73.57)	9.63
Less: VRS unamortised	(1.47)	1,114.70
Less: Deferred Tax Asset as per Section 43B	(4.51)	31.07
Add: Business Loss	54.42	52.25
Closing Deferred tax Liability	778.09	791.26



## SCHEDULES TO PROFIT & LOSS ACCOUNT

### 19 Earnings Per Share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra - ordinary / exceptional items. The number of shares in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair price (ie the average market value of outstanding shares). Statement showing the computation of EPS is as under:

	Rs. In Lakhs	
	2010-11	2009-10
<b>a Profit after tax before extraordinary item</b>	24,578.33	33,654.47
Less: Preference Share Dividend and Dividend Distribution tax thereon	0.01	0.01
	24,578.32	33,654.46
<b>b Profit after tax after extraordinary item</b>	24,578.33	29,086.24
Less: Preference Share Dividend and Dividend Distribution tax thereon	0.01	0.01
	24,578.32	29,086.23
	2010-11	2009-10
<b>c Weighted Average Number of Shares</b>		
Basic	279,201,220	279,201,220
Diluted	279,201,220	279,310,334
<b>d. Basic EPS (Rs.) (After Extraordinary and Prior Period Items)</b>	8.80	10.42
<b>e Basic EPS (Rs.) (Before Extraordinary and Prior Period Items)</b>	8.80	12.05
<b>f Diluted EPS (Rs.) (After Extraordinary and Prior Period Items)</b>	8.80	10.41
<b>g Diluted EPS (Rs.) (Before Extraordinary and Prior Period Items)</b>	8.80	12.04
<b>h Face value of share in Rs.</b>	2	2

### 20 The Micro, Small and Medium Enterprises Development Act, 2006

Company has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act, 2006 as well as they have filed required memorandum with the prescribed authorities. Out of the letters sent to the parties, some confirmations have been received till the date of finalisation of Balance Sheet. Based on the confirmations received, the details of outstandings are as under:

	Rs. In Lakhs	
	As at 31.03.2011	As at 31.03.2010
The principal amount remaining unpaid at the end of the year	-	0.51
The interest amount remaining unpaid at the end of the year	-	0.03
The balance of MSMED parties as at 31 <sup>st</sup> March, 2011	-	0.54

**21 The details of Cost of Realty Sales and Work in Progress (Realty Stock) are as under:**

	Rs.In Lakhs	
	As At 31.03.2011	As At 31.03.2010
Opening Work in Progress	18,532.29	21,779.23
Add : Expenses during the year		
Material Costs	4,260.01	8,516.06
Development Expenses	18,295.92	14,714.94
Interest Expenses	6,091.42	3,732.37
Statutory Fees	1,209.36	1,703.79
Allocated Expenses	1,137.69	2,421.09
Total Project Expenses for the Year	<u>30,994.39</u>	<u>31,088.24</u>
	49,526.68	52,867.48
Less: Transferred to Closing Stock	<u>(29,487.55)</u>	<u>(18,532.29)</u>
Cost of Realty Sales (Revenue Recognised)	<u>20,039.13</u>	<u>34,335.19</u>

**22 Value of Direct Imports calculated on C.I.F.basis**

	Rs.In Lakhs	
	2010-11	2009-10
Raw Materials	28.06	21.17
Capital Goods	-	98.68

**23 Expenditure in Foreign Currency**

	Rs.In Lakhs	
	2010-11	2009-10
Consultancy and Professional Fees	190.95	94.11
Others	26.98	48.49

**24 Dividend to NRI/ OCB**

	Rs.In Lakhs	
	2010-11	2009-10
Dividend	11.25	7.63
Number of Shareholders (Nos)	387	407
Total number of Shares (Nos)	749,977	847,994

**25 Segment Reporting**

Since the financial statements contain both consolidated and standalone financials, segment reporting disclosure is provided in notes to consolidated financial statements.

**26 The Scheme of Amalgamation and Arrangement of Topstar Mercantile Private Limited (TMPL) with the Company, has been sanctioned by Hon'ble Bombay High Court, whereby the entire business of TMPL would vest into the Company from the Appointed date of 27<sup>th</sup> October 2010. Since the filing of the sanctioned scheme**



## SCHEDULES TO PROFIT & LOSS ACCOUNT

with the Ministry of Corporate Affairs is pending, the same has not become effective. Hence the effect of the amalgamation has not been given in the accounts of the Company for the year. There will be no adverse impact of the scheme on the financial position or operating results of the Company.

- 27 Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

### Signatures to Schedules 1 to 14

For and on behalf of Board of Directors

**Urvi A. Piramal**  
Chairperson

**Rajeev A. Piramal**  
Executive Vice Chairman

**Mahesh S. Gupta**  
Group Managing Director

**Bhavna Doshi**  
Director

**C. M. Hattangdi**  
Director

**Amitabha Ghosh**  
Director

**Sudhinder Khanna**  
Director

**Deepak Summanwar**  
Director

**Bharat Sanghavi**  
Chief Financial Officer

Mumbai: 12<sup>th</sup> May, 2011

**K. Nath**  
Company Secretary



## CASH FLOW STATEMENT

Rs. in Lakhs

	Year Ended 31 <sup>st</sup> March, 2011	Year Ended 31 <sup>st</sup> March, 2010
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Loss) Before Tax and Extra Ordinary Items	30,251.19	38,134.84
Adjustments for:		
Add: Depreciation	462.33	397.86
Interest Received/Paid (Net)	(10,305.31)	(4,507.26)
(Excl. Interest on ITax Refund)		
(Profit) / Loss on Sale of Assets	9.77	72.07
Diminution in Value of Investments	-	455.00
Fixed assets /Sundry Balance Written off	-	166.63
	(9,833.21)	(3,415.70)
Less: Dividend Income	957.68	638.29
	(10,790.89)	(4,053.99)
<b>Operating Profit Before Working Capital Changes</b>	<b>19,460.30</b>	<b>34,080.85</b>
Adjustments for:		
Less: (Increase) / Decrease in Trade and Other Receivables	5,196.20	(5,021.47)
(Increase) / Decrease in Inventories	(4,863.86)	6,979.32
(Increase) / Decrease in Loans and Advances	(11,686.58)	3,541.51
Increase / (Decrease) in Trade Payables	1,044.20	2,097.74
	(10,310.04)	7597.10
Cash Generated from Operations	9,150.26	41,677.95
Less :		
Direct Tax Paid Net of Tax Refund	(5,857.98)	(2,305.64)
<b>Net Cash flow From Operating Activities (A)</b>	<b>3,292.28</b>	<b>39,372.31</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to Fixed Assets	(729.72)	(338.51)
Sale of Fixed Assets	18.35	818.56
Application Money for Debentures	-	(1,893.93)
Refund of Share / Debenture Application Money	959.24	(55.00)
Investment in Debentures	(14,806.31)	-
(purchase) /Sale of Investments in Associates	-	5,516.16
(Purchase) /Sale of Investments in Subsidiaries	(402.76)	9,025.78
( Purchase )/Sale of Other Investments	-	15.79
( Purchase )/Sale of Investments in AOP	(100.00)	-
Sale of Investments in Mutual fund	-	3,100.54
Loans and Advances	(48,957.36)	(16,200.62)
Dividend Income	957.68	638.29
Interest Received	10,811.82	5,900.11
<b>Net Cashflow From Investing Activities (B)</b>	<b>(52,249.06)</b>	<b>6,527.17</b>



## CASH FLOW STATEMENT

	Year Ended 31 <sup>st</sup> March, 2010	Year Ended 31 <sup>st</sup> March, 2009
Dividend Paid	(4,146.12)	(2,488.67)
Dividend Tax Paid	(695.57)	(427.05)
Interest paid	(7,754.27)	(5,945.50)
Repayment of Debentures	-	(12,500.00)
Proceeds from Borrowings	79,800.00	40,189.00
Repayment of Borrowings	(32,039.83)	(15,352.12)
<b>Net Cashflow from Financing Activities (C)</b>	<b>35,164.21</b>	<b>3,475.66</b>
<b>Net Increase in Cash and Cash Equivalents (A)+(B)+(C)</b>	<b>(13,792.57)</b>	<b>49,375.14</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>64,041.98</b>	<b>14,666.84</b>
Cash on Hand	5.35	4.63
With Scheduled banks - in Current accounts	8,505.63	3,685.10
- in deposit accounts	41,620.29	60,276.01
- unclaimed dividend accounts	118.14	76.24
<b>Cash and Cash Equivalents at the end of the year</b>	<b>50,249.41</b>	<b>64,041.98</b>

This is the Cash Flow Statement referred to in our attached report of even date.

For and on behalf of Board of Directors

**For Haribhakti & Co.**  
Chartered Accountants

**Urvi A. Piramal**  
Chairperson

**Rajeev A. Piramal**  
Executive Vice Chairman

**Mahesh S. Gupta**  
Group Managing Director

**Bhavna Doshi**  
Director

**C. M. Hattangdi**  
Director

**Amitabha Ghosh**  
Director

**Chetan Desai**  
Partner

**Sudhinder Khanna**  
Director

**Deepak Summanwar**  
Director

**Bharat Sanghavi**  
Chief Financial Officer

Mumbai: 12<sup>th</sup> May, 2011

**K. Nath**  
Company Secretary

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details	05	State Code	11
Balance Sheet Date	31 03 2011		
	Date Month Year		
II Capital Raised during the year (Amount in Rs. Thousands)			
Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)			
Total Liabilities (Including Current Liabilities and Provisions)	11211207	Total Assets	26112203
Sources of Funds			
Paid up Capital	558412	Reserves and Surplus	14342030
Secured Loans	9441291	Unsecured Loans	NIL
Deferred Tax Liability (Net)	77810		
Application of Funds			
Net Fixed Assets	439503	Investments	2198901
Net Current Assets	21781693	Miscellaneous Expenditure	NIL
Accumulated Losses	NIL		
IV. Performance of Company (Amount in Rs. Thousands)			
Turnover (Including other Income)	5917548	Total Expenditure	2892429
+ - Profit/Loss Before Tax	+ 3025119	+ - Profit/Loss After Tax	+ 2457833
		Net Income Tax	567286
Earning per share in Rs. (Weighted)	8.80	Dividend Rate %	85
V. Generic Names of Three Principal Products/ Services of Company (as per monetary terms)			
Item Code No	NOT APPLICABLE		
Product Description	REAL ESTATE DEVELOPMENT		
	LEASING		
	PMCFES		

Schedules referred to above and Notes attached thereto form an integral part of the Balance Sheet

For and on behalf of Board of Directors

**Urvi A. Piramal**  
Chairperson

**Rajeev A. Piramal**  
Executive Vice Chairman

**Mahesh S. Gupta**  
Group Managing Director

**Bhavna Doshi**  
Director

**C. M. Hattangdi**  
Director

**Amitabha Ghosh**  
Director

**Sudhinder Khanna**  
Director

**Deepak Summanwar**  
Director

**Bharat Sanghavi**  
Chief Financial Officer

**K. Nath**  
Company Secretary

Mumbai: 12<sup>th</sup> May, 2011

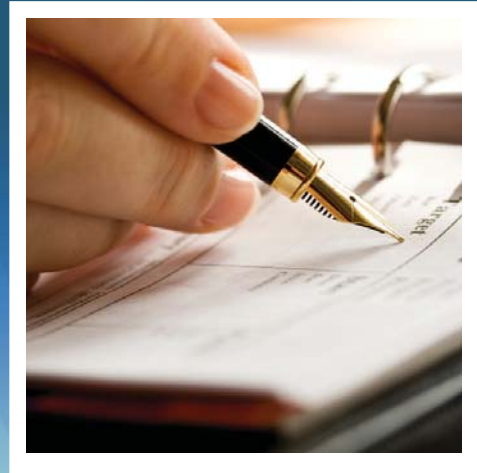
TO THE BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2011

Statement Pursuant to Approval under Section 212(8) of the Companies Act, 1956

Particulars	Rs. in lakhs																						
	Renato Finance Investments Private Limited	Planetview Company Private Limited	Peninsula Trustee Limited	Peninsula Mega Properties Private Limited	Peninsula Pharma Research Centre Private Limited	Peninsula Investment Management Company Limited	Peninsula Facility Management Services Limited	Inox Mercantile Company Private Limited	City Parks Private Limited	Peninsula Mega City Development Private Limited	RR Real Estate Development Private Limited	Peninsula Mega Property Developers Private Limited	RR Mega Property Developers Private Limited	Peninsula Holdings and Investments Private Limited	Peninsula Takenow Property Developers Private Limited	Peninsula Real Estate Management Private Limited	Peninsula Integrated Land Development Private Limited	Goodtime Real Estate Development Private Limited	# Land and T Cross Roads Private Limited	Westgate Real Estate Developers LLP	Peninsula GSG/MHP Project		
Financials as on	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	
Capital/Contribution	100.00	1.00	10.00	1.00	1.00	1,000.00	10.00	1.00	233.40	1.00	7.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1,800.00	2,826.95	200.00	200.00	
Reserves and Surplus*	17.73	(3.33)	0.52	(1.33)	(0.83)	35.93	(1,179.68)	(3.33)	150.19	(1.31)	(384.34)	(3.42)	309.11	(16.16)	(0.79)	(1.71)	(0.38)	529.19	(0.40)	(0.40)	0.08	0.08	
Total Assets	797.04	3,015.41	2.11	1.67	3,367.70	948.98	114.59	87.33	9,874.75	1.69	2,558.94	14,946.11	4,097.78	(9.10)	910.21	103.29	0.62	1,738.31	2826.55	200.08	200.08	200.08	
Total Liabilities	679.30	3,017.73		2.00	3,367.53		1,621.19	8,735.78	9,491.16	2.00	2,955.78	13,822.16	32,330.33	6.06	910.00	104.00	-	77.07					
Investments	-	-	8.41	-	-	86.95	336.92	-	-	-	-	-	28,542.65	-	-	-	-	667.94	-	-	-	-	-
Turnover	104.91	-	4.46	-	-	392.73	2,067.79	-	-	-	0.21	-	3,168.61	-	-	-	-	539.15	-	-	-	0.35	-
Profit/(Loss) Before Taxation	20.55	(0.83)	2.38	(0.19)	(0.83)	123.82	11.37	(0.83)	(16.26)	(0.30)	(291.94)	(57.75)	395.63	(4.88)	(0.52)	(1.47)	(0.19)	363.72	(0.40)	(0.40)	0.08	0.08	
Provision for Tax	6.67	-	0.15	-	-	15.92	(4.36)	-	-	-	-	-	79.26	-	-	-	-	(1.57)	-	-	-	-	-
Profit/(Loss) After Taxation	13.88	-	2.23	(0.19)	(0.83)	107.90	15.73	(0.83)	(16.26)	(0.30)	(291.94)	(57.75)	314.37	(4.88)	(0.52)	(1.47)	(0.19)	365.29	(0.40)	(0.40)	0.08	0.08	
Proposed / Interim Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\*Reserves and Surplus includes debit balance of Profit &amp; Loss Account

# W.e.f. March 2011 company become subsidiary prior to that company was associate of Peninsula Land Limited



# **CONSOLIDATED AUDITOR'S REPORT**



## CONSOLIDATED AUDITOR'S REPORT

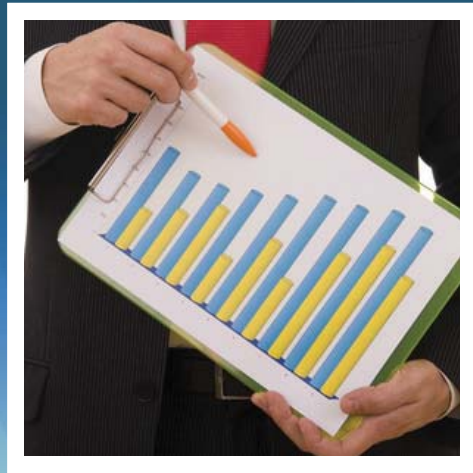
To the Board of Directors of  
PENINSULA LAND LIMITED

1. We have audited the attached Consolidated Balance Sheet of Peninsula Land Limited (the 'Company'), its subsidiaries and associates as at 31st March, 2011 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Recognition of income and expenses for ongoing projects are based upon expected sales value and estimated costs, as per the judgment of management and certificates of Architects, which have been relied upon by us, these being technical matters.
4. We have audited the financial statements of one subsidiary and four step-down subsidiaries for the year ended 31st March, 2011 which has been considered for the purpose of consolidation. We did not audit the financial statements of four subsidiaries and twelve step-down subsidiaries for the year ended 31st March, 2011, whose financial statements reflect total assets of Rs.33,950.46 Lakhs and Rs.23,522.72 Lakhs, total revenue of Rs.3,273.87 Lakhs and Rs. 397.19 Lakhs and net cash flows of Rs.43.36 Lakhs and Rs.175.78 Lakhs respectively for the year ended on that date. We also did not audit the financial statements of three associate companies in whose financial statements the Group's share of profit is Rs.219.61 Lakhs for the year ended 31st March, 2011. *In case of two of the associate companies the financial statements are unaudited, where the Group's share of profit is Rs.219.74 Lakhs for the year ended 31st March, 2011. These unaudited financial statements have been compiled by the management of the Company and have been relied upon by us.*
5. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 on 'Consolidated Financial Statements', and Accounting Standard 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements', issued by the Institute of Chartered Accountants of India and on the basis of separate financial statements and other information referred to in paragraph 3 above. As regards disclosure required in AS-15 (Revised) "Employee Benefit" attention is invited to Note No. 16 of Schedule -14 to Accounts.
6. Based on our audit and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
  - ii. in the case of the Consolidated Profit & Loss Account, of the profits for the year ended on that date; and
  - iii. in the case of Consolidated Cash Flow Statements, of the cash flows for the year ended on that date.

For Haribhakti & Co.,  
Chartered Accountants  
Firm's Registration No.103523W

Chetan Desai  
Partner  
Membership No. 17000

Place: Mumbai  
Date: 12th May, 2011



# CONSOLIDATED FINANCIALS



# CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

Rs. In Lakhs

	Schedule	As at 31 <sup>st</sup> March, 2011	As at 31 <sup>st</sup> March, 2010
<b>SOURCES OF FUNDS</b>			
<b>Shareholders Funds</b>			
Share Capital	1	5,589.66	5,589.66
Reserves and Surplus	2	133,843.52	119,930.03
		<b>139,433.18</b>	125,519.69
Capital Reserve on Consolidation		353.13	-
<b>Loan Funds</b>			
Secured Loans	3	94,412.91	46,652.74
Unsecured Loans		4.08	57.21
		<b>94,416.99</b>	46,709.95
<b>Deferred Tax Liability</b>			
Deferred Tax Liability		1,066.91	1,024.66
Less: Deferred Tax Asset		171.19	193.38
		<b>895.72</b>	831.28
Minority Interest		445.11	317.48
		<b>235,544.13</b>	<b>173,378.40</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	4	17,080.91	15,758.25
Less: Accumulated Depreciation / Impairment / Amortisation		1,738.60	1,487.94
Net Block		15,342.31	14,270.31
Capital Work -in-Progress		273.35	4.95
		<b>15,615.66</b>	14,275.26
<b>Investments</b>			
	5	39,301.89	7,048.39
<b>Current Assets, Loans and Advances</b>			
Inventories	6	73,356.90	55,712.49
Sundry Debtors		19,839.24	24,601.16
Cash and Bank Balances		52,072.28	65,024.41
Other Current Assets		6,913.26	5,315.74
Loans and Advances		51,153.68	17,667.68
		<b>203,335.36</b>	168,321.48
<b>Less: Current Liabilities and Provisions</b>			
Current Liabilities	7	16,789.89	10,998.46
Provisions		5,918.89	5,268.27
		<b>180,626.58</b>	152,054.75
<b>Net Current Assets</b>		<b>235,544.13</b>	<b>173,378.40</b>
<b>Significant Accounting Policies</b>	13		
<b>Notes To The Financial Statements</b>	14		

As per our attached report of even date.

	For and on behalf of Board of Directors		
<b>For Haribhakti &amp; Co.</b>	<b>Urvi A. Piramal</b>	<b>Rajeev A. Piramal</b>	<b>Mahesh S. Gupta</b>
Chartered Accountants	Chairperson	Executive Vice Chairman	Group Managing Director
	<b>Bhavna Doshi</b>	<b>C. M. Hattangdi</b>	<b>Amitabha Ghosh</b>
	Director	Director	Director
<b>Chetan Desai</b>	<b>Sudhinder Khanna</b>	<b>Deepak Summanwar</b>	<b>Bharat Sanghavi</b>
Partner	Director	Director	Chief Financial Officer
Mumbai: 12 <sup>th</sup> May, 2011	<b>K. Nath</b>		
	Company Secretary		



## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

Rs. In Lakhs

	Schedule	2010-2011	2009-2010
<b>INCOME</b>			
Income from Operations		50,094.75	77,861.68
Interest Income ( Net)	8	4,450.57	359.69
Other Income	9	1,480.02	825.10
<b>Total Income</b>		<b>56,025.34</b>	<b>79,046.47</b>
<b>EXPENDITURE</b>			
Cost of Realty Sales		20,039.13	34,335.18
Operating Expenses	10	4,943.03	4,667.84
Staff Cost	11	5,684.78	5,271.90
Impairment of Goodwill		-	455.00
Depreciation / Amortisation ( Including Depreciation on Investment Property)		487.03	436.96
<b>Total Expenditure</b>		<b>31,153.97</b>	<b>45,166.88</b>
<b>Profit Before Tax And Extraordinary Items</b>		<b>24,871.37</b>	<b>33,879.59</b>
Income Tax		5,957.24	6,232.04
MAT Credit Entitlement		(174.01)	-
Deferred Tax		(12.74)	(1,092.61)
		<b>5,770.49</b>	<b>5,139.43</b>
<b>Profit For The Year After Tax Before Extraordinary Items</b>		<b>19,100.88</b>	<b>28,740.16</b>
<b>Share of Associates Profit/(Loss)</b>		<b>402.25</b>	<b>170.95</b>
<b>Net Profit Before Minority Interest</b>		<b>19,503.13</b>	<b>28,911.11</b>
<b>Less: Share of Minority Interest</b>		<b>(27.62)</b>	<b>(20.75)</b>
<b>Net Profit After Tax Before Extraordinary Items</b>		<b>19,475.51</b>	<b>28,890.36</b>
Extra-Ordinary And Prior Period Items	12	(45.15)	(4,575.69)
Reversal of Excess / (Short) Tax Provision of Earlier Year's		(0.46)	638.69
<b>Net Profit After Tax</b>		<b>19,429.90</b>	<b>24,953.36</b>
Profit Brought Forward from Previous Year		36,399.50	21,330.25
<b>Net Profit Available For Appropriation</b>		<b>55,829.40</b>	<b>46,283.61</b>
Transfer to General Reserves		5,000.00	5,000.00
Transfer to Reserve Fund in terms of 45IC (1)		2.78	0.52
Proposed Dividend on Preference Shares		0.01	0.01
Distribution Tax thereon (Rs 82 /- P.Y. Rs 83/-)		0.00	0.00
Proposed Dividend on Equity Shares		4,746.42	4,188.01
Distribution Tax Thereon		769.98	695.57
		<b>10,519.19</b>	<b>9,884.11</b>
<b>Balance Carried To Balance Sheet</b>		<b>45,310.21</b>	<b>36,399.50</b>
Earning per Share of Rs. 2/- each - Basic (before extraordinary items)		6.96	10.52
Earnings per Share of Rs. 2/- each - Basic (After extraordinary items)		6.96	8.88
Earning per Share of Rs. 2/- each - Diluted (before extraordinary items)		6.96	10.51
Earnings per Share of Rs. 2/- each - Diluted (After extraordinary items) (Refer Sr. No.20 of Schedule 14)		6.96	8.88
<b>Significant Accounting Policies</b>	13		
<b>Notes To The Financial Statements</b>	14		

As per our attached report of even date.

	For and on behalf of Board of Directors		
<b>For Haribhakti &amp; Co.</b>	<b>Urvi A. Piramal</b>	<b>Rajeev A. Piramal</b>	<b>Mahesh S. Gupta</b>
Chartered Accountants	Chairperson	Executive Vice Chairman	Group Managing Director
	<b>Bhavna Doshi</b>	<b>C. M. Hattangdi</b>	<b>Amitabha Ghosh</b>
	Director	Director	Director
<b>Chetan Desai</b>	<b>Sudhinder Khanna</b>	<b>Deepak Summanwar</b>	<b>Bharat Sanghavi</b>
Partner	Director	Director	Chief Financial Officer
	<b>K. Nath</b>		
Mumbai: 12 <sup>th</sup> May, 2011	Company Secretary		



Rs. In Lakhs

	As at 31 <sup>st</sup> March, 2011	As at 31 <sup>st</sup> March, 2010
<b>3. LOAN FUNDS</b>		
<b>Secured Loan</b>		
From Financial Institutions (Term Loan )	42,500.00	35,000.00
From Bank (Term Loan )	51,912.91	11,650.88
Vehicle Loan	-	1.86
	<b>94,412.91</b>	<b>46,652.74</b>
<b>Unsecured Loans</b>		
Others ( Repayable within one Year)	4.08	57.21
	<b>4.08</b>	<b>57.21</b>

## NOTE :

Rs. In Lakhs

	31 <sup>st</sup> March, 2011	March 31, 2010
<b>1) The Term loans from Financial Institutions are secured by :</b>		
Mortgage of the company's immovable property comprising land and present and future construction thereon at its project Peninsula Business Park at Lower Parel, Mumbai and a charge on the Receivables from the said Project.	42,500.00	35,000.00
<b>2) The term loans from Banks are secured as under :</b>		
a) By way of mortgage on the company's immovable property located at Parel, Mumbai and charge on the rent receivable therefrom	3,662.91	4,258.35
b) By way of mortgage of unsold area of its Project Ashok Towers at Parel, Mumbai and a charge on the receivables from the said project	-	2,430.00
c) Exclusive Charge on the receivables of (i) the residential project named as "Ashok Gardens" being developed at Sewri, Mumbai and (ii) project named as " Peninsula Technopark" being developed at Kurla, Mumbai and (iii) charge on Peninsula Business Park at Lower Parel, Mumbai project and a charge on the Receivables from the said Project.	48,250.00	4,962.53
<b>3) Hypothecation of Vehicle</b>	-	1.86



## SCHEDULES TO CONSOLIDATED BALANCE SHEET

### 4 FIXED ASSETS (AT COST)

Rs. in Lakhs

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As on 01.04.2010	Additions during the year	Deductions during the year Subsidiary	As on 31.03.2011	Upto 01.04.2010	Additions during the year Subsidiary	Additions during the year	Deductions during the year	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
<b>Intangible Assets</b>											
Goodwill	50.24	-	-	50.24	20.00	-	10.00	-	30.00	20.24	30.24
Goodwill on Consolidation	8,235.15	3.11	515.04	7,723.22	-	-	-	-	-	7,723.22	7,780.15
Computer Software	23.83	7.61	-	31.44	20.23	-	4.88	-	25.11	6.33	3.60
<b>Tangible Assets</b>											
Leasehold Land	13.37	-	-	13.37	-	-	13.27	-	13.27	0.10	13.37
Freehold Land	24.07	-	-	24.07	-	-	-	-	-	24.07	24.07
Building	6,114.44	1.26	1,143.58	7,252.28	536.08	244.77	149.08	4.54	925.39	6,326.89	5,578.35
Construction Equipments	-	650.00	-	650.00	-	-	130.00	-	130.00	520.00	-
Office Equipments and Computers	893.05	70.62	20.30	941.43	334.28	8.48	115.53	11.96	446.33	495.10	558.75
Furniture and Fixtures	321.67	11.90	15.26	316.92	69.84	1.85	41.99	0.89	112.79	204.13	251.85
Motor Vehicles	82.42	0.60	-	77.94	52.50	-	7.63	4.43	55.70	22.23	29.93
<b>TOTAL (A)</b>	<b>15,758.24</b>	<b>745.10</b>	<b>550.60</b>	<b>17,080.91</b>	<b>1,032.94</b>	<b>255.10</b>	<b>472.37</b>	<b>21.82</b>	<b>1,738.59</b>	<b>15,342.31</b>	<b>14,270.31</b>
Previous Year	16,076.02	1,061.43	-	15,758.25	927.06	-	891.96	331.08	1,487.94	14,270.31	15,148.96
Capital Work-in- progress	4.95	273.35	-	273.35	-	-	-	-	-	-	-
Capital Work-in- progress Previous year	721.79	43.39	-	4.95	-	-	-	-	-	-	-

Rs. In Lakhs

	Nos.	Face Value (Rs.)	31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2010
<b>5. INVESTMENTS (AT COST)</b>				
<b>LONG TERM INVESTMENTS :</b>				
<b>SHARES / DEBENTURES OF COMPANIES (UNQUOTED) (Fully paid up unless stated otherwise)</b>				
<b>I) Associate Companies</b>				
L and T Crossroads Private Limited (Till Previous Year Associate Company) *	- (9000000)	- (10)	-	1,365.91
JM Realty Management Private Limited	5000 (5000)	10 (10)	0.12	0.25
Sew Engineering (India) Private Limited (Formerly known as - SEW Electricals Private Limited)	989300 (989300)	10 (10)	1,007.08	816.13
RA Realty Ventures Private Limited	399960 -	10 -	39.11	-
<b>II) Others ( Non-Trade)</b>				
Aero Ports and Infrastructure Projects Private Limited	43750 (43750)	10 (10)	4.38	4.38
Goodhome Realty Limited (Formerly - Goodhome Realty Private Limited)- Equity Shares	14,000 -	10 -	1.40	-
Goodhome Realty Limited (Formerly -Goodhome Realty Private Limited)-2% Non Cumulative Participating Preference Shares	35,270 -	100 -	35.27	-
Goodhome Realty Limited (Formerly Known as Goodhome Realty Private Limited)-18% Unsecured Redeemable Optionally Fully Convertible Debentures	5958330 -	100 -	5,958.33	-
Goodhome Realty Limited (Formerly Known as Goodhome Realty Private Limited)-18% Unsecured Redeemable Optionally Fully Convertible Debentures Partly paid up (Rs 50 per Debenture )	6722000 -	100 -	3,361.00	-
Hem Infrastructure and Property Developers Private Limited-Equity Shares	63653 -	10 -	6.37	-
Hem Infrastructure and Property Developers Private Limited- Redeemable Optionally Convertible Preference Shares	237078 -	10 -	4,993.62	-



## SCHEDULES TO CONSOLIDATED BALANCE SHEET

	Rs. In Lakhs			
	Nos.	Face Value (Rs.)	31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2010
JM Township and Real Estate Private Limited-Equity Shares	175000 (175000)	10 (10)	17.50	17.50
JM Township and Real Estate Private Limited -0% Unsecured Redeemable Optionally Fully Convertible Debentures	9,896,855 -	10 -	989.68	-
RockFirst Real Estate Limited(formerly known as RockFirst Real Estate Private Limited)- 18%Unsecured Redeemable Optionally Convertible Debentures	3488450 (3488450)	100 (100)	3488.45	3,488.45
Rockfirst Real Estate Limited (Formerly Known as Rockfirst Real Estate Private Limited)-Equity Shares	14000 (14000)	10 (10)	1.40	1.40
Rockfirst Real Estate Limited (Formerly Known as Rockfirst Real Estate Private Limited)-2% Redeemable Non Cumulative Preference Shares	10150 (10150)	100 (100)	10.15	10.15
RR Mega City Builders Limited (Formerly known as RR Mega City Builders Private Limited)-Equity Shares	14,000 -	10 -	1.40	-
RR Mega City Builders Limited(Formerly known as - RR Mega City Builders Private Limited) - 2% Non Cumulative Participating Preference Shares	11,619 -	100.00 -	11.62	-
RR Mega City Builders Limited-(Formerly Known as -RR Mega City Builders Private Limited)-15% Unsecured Redeemable Optionally Fully Convertible Debentures	5486981 -	100.00 -	5,486.98	-
Rishiraj Enterprises Limited (Formerly Known as Rishiraj Enterprises Private Limited)	- (100200)	- (100)	-	1,002.50
Topvalue Real Estate Development Limited (Formerly Known as - Topvalue Real Estate Development Private Limited) - Equity Shares	14,000 (1,400)	10 (10)	1.40	0.14
Topvalue Real Estate Limited (Formerly Known as - Topvalue Real Estate Private Limited ) - 18% Unsecured Redeemable Optionally Convertible Debentures	11,669,510 -	100 -	11,669.51	-
Topvalue Real Estate Limited (Formerly-Topvalue Real Estate Private Limited) -2% Non cumulative participating preference shares	29090 -	100 -	29.09	-
Truewin Realty Limited (Formerly - Truewin Realty Private Limited) - Equity Shares	14,000 (1,400)	10 (10)	1.40	0.14
Truewin Realty Limited (Formerly- Truewin Realty Private Limited) -2% Non cumulative participating preference shares	1465 -	100 -	1.47	-

Rs. In Lakhs

	Nos.	Face Value (Rs.)	31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2010
Truewin Realty Limited (Formerly Truewin Realty Private Limited )-18% Unsecured Redeemable Optionally Convertible Debentures	897135	100	897.14	-
The Shamrao Vithal Co operative Bank Limited	25 (25)	25 (25)	0.01	0.01
Sukh Sagar Premises Co-operative Hsg. soc. Limited (Rs 250/-P.Y. Rs 250/-)	5 (5)	50 (50)	0.00	0.00
Zoroastrian Bank Shares	- (1125)	- (10)	-	0.01
<b>IMMOVABLE PROPERTIES</b>			<b>415.09</b>	<b>202.49</b>
<b>Less : Accumulated Depreciation on Immovable Properties</b>			<b>(32.94)</b>	<b>-</b>
<b>SHORT TERM INVESTMENTS :</b>				
<b>Investments in units of Mutual Funds</b>				
Investments in LIC MF Daily Dividend Scheme	145800.000 (721274.625)	10.000 (10.871)	14.58	78.41
Investments in LIC MF Daily Dividend Scheme	1278065.405 -	10.980 -	140.33	-
Investments in ICICI Prudential Flexible Income Plan Premium	318641.452 (47779.613)	105.735 (105.735)	336.92	50.52
Investments in ICICI Floating rate Plan-Daily Dividend	70761.142 -	100.023 -	70.78	-
Reliance Medium Term Fund -Daily Div.	1294363.868 -	17.096 -	221.28	-
Reliance Money Manager Fund-Daily Dividend	11186.423 -	1001.122 -	111.98	-
Peninsula Realty Fund Scheme Pref Indigo	100000 (100000)	10.00 (10.00)	10.00	10.00
			<b>39,301.89</b>	<b>7,048.39</b>
Repurchase value of Investments in Units of Mutual Fund			<b>895.88</b>	<b>128.93</b>

**Notes:**

Rs In Lakhs

Aggregate of Investments	As at	As at	As at	As at
	31-Mar-11	31-Mar-11	31-Mar-10	31-Mar-10
	Cost	Market Value	Cost	Market Value
1. Quoted Investments	-	-	-	-
2. Unquoted Investments	38,919.74	-	6,845.90	-
3. Immovable Properties (At WDV)	382.15	-	202.49	-
<b>TOTAL</b>	<b>39,301.89</b>	<b>-</b>	<b>7,048.39</b>	<b>-</b>

Note: Aggregate NAV of the Unquoted Mutual Fund Units is Rs 895.88 Lakhs (P.Y. Rs 128.93 Lakhs)

\* Now known as Peninsula Crossroads Private Limited w.e.f. 3<sup>rd</sup> May 2011



## SCHEDULES TO CONSOLIDATED BALANCE SHEET

	Rs. In Lakhs			
	31 <sup>st</sup> March, 2011		31 <sup>st</sup> March, 2010	
<b>6. CURRENT ASSETS, LOANS AND ADVANCES</b>				
<b>A) Inventories</b>				
Finished Stock (Realty Stock)	104.92		1,152.78	
Work In Progress (Realty Stock)	73,251.98	73,356.90	54,559.71	55,712.49
<b>B) Sundry Debtors</b>				
(Unsecured, Considered Good)				
(i) Over Six Months	429.73		241.21	
(ii) Others	19,476.57		24,359.95	
	19,906.30		24,601.16	
Less : Provision for Doubtfull Debts	67.06	19,839.24	-	24,601.16
<b>C) Cash and Bank Balance</b>				
Cash on hand	27.71		24.15	
With Scheduled banks				
- in Current accounts	9,099.07		3,972.70	
- in deposit accounts	42,827.36		60,951.32	
- unclaimed dividend accounts	118.14	52,072.28	76.24	65,024.41
<b>D) Other Current Assets</b>				
Interest Receivable	4,910.26		1,071.01	
Application Money for 0% Optionally Convertible Debentures	-		1,893.93	
Share Application Money	2,000.00		2,335.00	
Receivable for sale of Shares	-		15.80	
Other Claims	3.00	6,913.26	-	5,315.74
<b>E) Loans and Advances</b>				
(Unsecured, Considered Good)				
Advances Recoverable In Cash or Kind or for value to be received	7,838.60		7,104.28	
Advance for Project	25,792.79		2,301.27	
Advance Tax Less Provision	2,112.67		1,353.72	
MAT Credit entitlement	1,651.18		1,433.35	
Deposit with Public Bodies	86.29		52.92	
Loans/Deposit with Others	13,667.49		5,415.64	
Advances To Staff and Others	4.66	51,153.68	6.50	17,667.68
		203,335.36		168,321.48



Rs. In Lakhs

	31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2010
<b>7. CURRENT LIABILITIES AND PROVISIONS</b>		
<b>A) Current Liabilities</b>		
Sundry Creditors		
Micro, Small and Medium Enterprises	0.79	4.08
Others	10,353.48	8,331.30
Other liabilities	3,880.54	1,469.10
Unclaimed Dividend / Deposits		
Unclaimed Dividends	118.14	76.24
Unclaimed Public Deposit (Shall be credited to Investor education protection fund to the extent as and when required)	-	0.56
Interest accrued but not due	452.13	185.85
Trade Deposits and Advances (Net of amount booked as income)	1,984.81	931.33
	<b>16,789.89</b>	<b>10,998.46</b>
<b>B) Provisions</b>		
Proposed Dividend on Preference Shares	0.01	0.01
Proposed Dividend on Equity Shares	4,746.42	4,188.01
Tax Payable on Proposed Dividend	769.98	695.57
Employees Retirement Benefit	402.48	384.68
	<b>5,918.89</b>	<b>5,268.27</b>
	<b>22,708.78</b>	<b>16,266.73</b>



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

	Rs. In Lakhs	
	2010-11	2009-10
<b>8. INTEREST (NET)</b>		
Interest Income	6,879.15	2,502.60
Less: Interest paid :		
On term loans	7,991.91	5,652.19
Others	528.09	223.10
	<u>8,520.00</u>	<u>5,875.29</u>
Less: Interest cost Transferred to Work in progress	6,091.42	2,142.91
Interest Income ( Net)	4,450.57	359.69
<b>9. INCOME - OTHER INCOME</b>		
Miscellaneous Income	35.39	14.05
Profit on sale of Fixed Assets	15.86	28.50
Dividend on Mutual Fund Units	1,137.27	624.49
Dividend on Shares (Non-Trade)	-	0.22
Profit on sale of Long Term Investments	291.50	157.84
	<u>1,480.02</u>	<u>825.10</u>
<b>10. OPERATING EXPENSES</b>		
Power and Fuel	96.96	119.99
Repairs and Maintenance -Buildings	194.96	220.50
Repairs and Maintenance - Others	539.88	304.19
Insurance	4.34	6.18
Rent	157.25	222.43
Rates and Taxes	110.29	160.34
Legal and Professional Fees	855.39	513.07
Advertisement and Sales Promotions	686.32	499.03
Brokerage and Commission	24.77	565.06
Donations (Refer note 9 in Schedule 14)	229.42	29.86
Miscellaneous Expenses	816.74	983.88
Loss on Sale of Fixed Assets	0.55	266.31
Preliminary Expenses Written Off	-	0.55
Non -Executive Directors' Commission	72.00	72.00
Common Area Maintenance Expenses	485.52	241.09
Directors' Sitting Fees	8.70	9.50
House Keeping, Security and Car Park Services	642.28	453.86
Loss on sale of Investments	17.66	-
	<u>4,943.03</u>	<u>4,667.84</u>
<b>11. STAFF COST (Including Managerial Remuneration)</b>		
Salaries, Wages and Bonus	3,807.51	3157.79
Contributions to ESIS, Provident Fund, Super Annuation fund Etc.	382.72	357.60
Staff and Labour Welfare	283.55	256.51
Executive Directors' Commission	1,211.00	1,500.00
	<u>5,684.78</u>	<u>5,271.90</u>
<b>12. EXTRA ORDINARY AND PRIOR PERIOD ITEMS</b>		
<b>a) Extraordinary Items</b>		
(i) Deferred Revenue Expenses Written off	-	(4,568.23)
(ii) Prior Period Expenses	(45.15)	(7.46)
	<u>(45.15)</u>	<u>(4,575.69)</u>

### 13. SIGNIFICANT ACCOUNTING POLICIES

#### I Basis of Accounting

The Financial statements have been prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the mandatory accounting standards ("AS") as notified by the Companies Accounting Standard (Rules), 2006 to the extent applicable and with the relevant provisions of the Companies Act, 1956.

#### II Use of Estimates

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenue and expenses for the year. Actual results could differ from these estimates. Difference between the actual result and estimates are recognized in the year in which results are known /materialized. Any revision to an accounting estimate is recognized prospectively in the year of revision.

#### III Revenue Recognition

- (a) The Company is in the business of Property Development. Revenue from sale of properties under construction is recognised on the basis of actual bookings done (provided the significant risks and rewards have been transferred to the buyer and there is reasonable certainty of realisation of the monies) proportionate to the percentage of physical completion of construction/ development work as certified by the Architect.
- (b) Revenue from sale of completed properties (Finished Realty Stock) is recognised upon transfer of significant risks and rewards to the buyer.
- (c) Revenue on Development Rights is recognised on the basis of our revenue share receivable, from the related projects as per agreed terms and conditions.
- (d) Income from Operations include Realty Sale, Lease Rentals, Service Fees, Signages, Car park and PMC/ Marketing Fees.
- (e) Interest income is recognised on time basis determined by the amount outstanding and the rate applicable.
- (f) Dividend income is recognised when the right to receive the payment is established.

#### IV Inventories

- (a) Inventories comprise of: (i) Finished Realty Stock representing unsold premises in closed projects and (ii) Realty Work in Progress representing properties under construction / development.
- (b) Inventories are valued at lower of cost and net realisable value.
- (c) Cost of Realty construction / development is charged to the Profit & Loss Account in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Realty Work- in- Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries/receipts) upto the date of receipt of occupancy certificate from the relevant authorities.



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

### V Fixed Asset

#### (a) Tangible Assets

- (i) Tangible assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to acquisition or construction of fixed assets which takes substantial period of time to get ready for their intended use is capitalized.
- (ii) Expenses incurred for acquisition of capital assets along with advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet date are disclosed under Capital Work in Progress

#### (b) Intangible Assets

Intangible Assets are recorded at the consideration paid for the acquisition

### VI Leases

- (a) Assets acquired on lease where a significant portion of risks and rewards of ownership are retained by the Lessor are classified as Operating Leases. Lease Rentals are charged to Profit and Loss Account on accrual basis.
- (b) Assets leased out under Operating Leases are capitalised. Rental Income is recognised on accrual basis over the Lease term.

### VII Depreciation / Amortization

#### (a) Depreciation

- (i) Depreciation has been charged on SLM basis for the assets acquired from erstwhile Piramal Holdings Limited (PHL) and Piramyd Retail and Merchandising Private Limited (PRMPL).
- (ii) For all other assets depreciation is provided on WDV basis.
- (iii) Depreciation is provided at the rates and in the manner specified under Schedule XIV of the Companies Act, 1956.
- (iv) Depreciation is calculated on a pro-rata basis from the date of installation / acquisition till the date the assets are sold or disposed.
- (v) Individual assets costing less than Rs 5000/- are depreciated fully in the year of acquisition.
- (vi) Depreciation on Post Investment Tracker software ('PIT') is provided on straight line basis over a period of 36 months commencing from the month of acquisition.

#### (b) Amortization

- (i) Leasehold assets are amortized over the period of lease.
- (ii) Intangible assets are amortized over their estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use.

### VIII Investments

Long term investments are carried at cost less any permanent diminution in value. Current investments are carried at the lower of cost and fair value.

Carrying amount of the individual investment is determined on the basis of the average carrying amount of the total holding of the investments.

As regards investments in AOP, Company's share of Profit / Loss from AOP are accounted in respect of the year ended as on the Balance Sheet date, on the basis of their audited financial statements.

#### **IX Foreign Currency Transactions**

- (a) Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transaction or at the contracted rates as applicable. Exchange difference arising on foreign exchange transactions settled during the year, if any is recognized in the Profit and Loss account.
- (b) Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognised in the Profit and Loss account.
- (c) Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

#### **X Employee Benefits**

##### **(a) Short Term Employee Benefits**

Short term employee benefits are recognized as an expense at the undiscounted amount in Profit and Loss account of the year in which the related service is rendered

##### **(b) Post Employment Benefits**

Contribution to Provident Fund and Superannuation Scheme are charged against revenue. Provision for Gratuity is recorded on the basis of actuarial valuation certificate, provided by the actuary.

##### **(c) Other Long Term Employees Benefits**

Company's liability towards earned leave is determined by an independent actuary using Projected Unit Credit Method. Past services are recognized on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognized immediately in the Profit and Loss account as income or expenses. Obligation is measured at the present value of the estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

##### **(d) VRS Payments**

Payments made under Voluntary Retirement Scheme are charged off in the year in which it is incurred.

#### **XI Segment Reporting**

##### **(a) Segment Revenue and Expense**

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "Unallocable".

##### **(b) Segment Assets and Liabilities**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

### (c) Intersegment Transfers

Segment revenue, segment Expenses and segment results include transfer between business segments, such transfers are eliminated in consolidation.

### (d) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments

## XII Taxation

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of Profit and Loss for the year.

### (a) Current Tax

The current charge for Income Tax is calculated in accordance with the relevant tax regulations applicable to the Company

### (b) Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future, however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date.

### (c) Minimum Alternate Tax (MAT)

In case the company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

## XIII Borrowing Cost

Borrowing cost attributable to the individual Projects have been treated as Project Cost and added to Stock in Trade. Other borrowing costs are charged to Profit and Loss account in the year in which they are incurred.

## XIV Employee Stock Option

Employee Compensation Cost, if any, arising on account of option granted to employees is recognized in the financial statements. It is the difference between the intrinsic value and the exercise price of options.

## XV Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

## XVI Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and reliable estimates can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed.

## 14. NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### 1 Principles of Consolidation

- a The Consolidated Financial statements are based on the Audited financial statements of the subsidiaries / associates for the period / year ended 31<sup>st</sup> March, 2011. No significant transactions have occurred after the Balance Sheet date of subsidiaries.
  - b The Financial statements of the company and its subsidiaries have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. All intra group balances have been eliminated on consolidation as per Accounting Standard AS 21 "Consolidated Financial Statements".
  - c The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's financial statements.
  - d Minority interest in the net income and net assets of the consolidated financial statements are computed and shown separately.
  - e In case of Associate Company, the Audited financial statements as on 31<sup>st</sup> March, 2011 have been consolidated as per Accounting Standard - AS 23 "Accounting For Investments in Associates in Consolidated Financial Statements".
- 2 In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business. The provisions for all known liabilities are adequate.

Rs.In Lakhs

	As At 31.03.2011	As At 31.03.2010
<b>3 Commitments and Contingent Liabilities</b>		
a. Claims against the Company not acknowledged as debts in respect of		
i Income Tax	643.03	90.67
b. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net off Advances)	338.83	376.09
<b>4 Recognition of Income and Expenses for ongoing projects are based upon expected / achieved sales value and estimated costs and work completion status as certified by architects, which being a technical matter, has been relied upon by the auditors.</b>		



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

	Rs. In Lakhs	
	Year Ended 31.03.2011	Year Ended 31.03.2010
<b>5 Income From Operations</b>		
a Realty Sales	42,634.72	73,796.05
b Realty Income	4,459.84	1,612.74
b Other Operating Income	3,000.18	2,452.89
	<b>50,094.75</b>	<b>77,861.68</b>
		Rs. In Lakhs
	Year Ended 31.03.2011	Year Ended 31.03.2010
<b>6 Prior Period</b>		
Sale of earlier years included in Realty Sales	-	384.74
Corresponding Cost of above Realty Sales	-	359.71
Net Realty Income pertaining to earlier years	-	25.03

7 The Company has entered in partnership as an AOP named Peninsula GSG MHP Project with a party named GSG Builders and Infrastructure Private Limited with a total investment of Rs 100 Lakhs constituting 50% of the total capital of the AOP. The Profit & Loss from such AOP are shared in the ratio of 50:50. Profit of current year of Rs 0.04 Lakh from the AOP is recognised, which is to the extent of our share in the said AOP.

### 8 Foreign Currency Exposure

The year end foreign currency exposures that have not been hedged by derivative or otherwise are given below

	As At 31.03.2011		As At 31.03.2010	
	Amt in USD	Amt in Rs.	Amt in USD	Amt in Rs.
Loans	357.70	17,500.00	375.70	17,500.00

9 Donation includes Rs 7.26 Lakhs (Previous Year Rs. 1.85 Lakhs) paid to political parties. The details of the same are as under:

	Rs. In Lakhs	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Shivsena	1.63	0.25
Maharashtra Navnirman Sena	4.71	1.30
Maharashtra Navnirman Vahtuk Sena	0.27	0.10
Maharashtra Navnirman Kamgar Sena	0.15	-
Worli Taluka Rashtravadi Congress	-	0.05
Mumbai South Central District Youth Congress	-	0.15
Republican Party of India	0.10	-
Rashtravadi Congress Party	0.05	-
Bharatiya Janata Party	0.35	-
<b>Total</b>	<b>7.26</b>	<b>1.85</b>



## 10 Details of Purchase and Sale of Investments made during the year are as under

### a Current Year

Fig. in Lakhs

Mutual Funds Units	Type of scheme	Opening Balance		Purchase		Sale		Closing Balance	
		Units	Rs.	Units	Rs.	Units	Rs.	Units	Rs.
Birla Sun Life Cash Plus - Institutional Premium	Daily Dividend	-	-	4,668.47	46,775.74	4,668.47	46,775.74	-	-
Birla Sun Life Savings Fund - Institutional	Daily Dividend	-	-	601.12	6,015.25	601.12	6,015.25	-	-
Birla Sun Life Dynamic Bond Fund - Retail Plan	Monthly Dividend	-	-	488.41	5,110.55	488.41	5,110.55	-	-
HDFC Cash Management Savings Plan	Daily Dividend Reinvestment	-	-	229.89	2,445.23	229.89	2,445.23	-	-
HDFC Cash Management Fund Treasury Advantage Plan - Wholesale	Daily Dividend	-	-	926.22	9,291.33	926.22	9,291.33	-	-
ICICI Prudential Liquid Super Institutional Plan	Daily Dividend	-	-	573.08	57,320.66	573.08	57,320.66	-	-
ICICI Prudential Floating Rate Plan D	Daily Dividend	-	-	143.29	14,332.31	142.58	14,261.64	0.71	70.78
ICICI Prudential Flexible Income Plan Premium	Daily Dividend	0.05	50.52	117.51	12,424.68	114.80	12,138.28	3.19	336.92
ICICI Prudential Ultra Short Term Plan Super Premium	Daily Dividend	-	-	251.11	2,516.32	251.11	2,516.37	-	-
ICICI Prudential Interval fund II Quarterly Interval Plan A	Institutional Dividend	-	-	10.16	101.55	10.16	101.55	-	-
Reliance Medium Term Fund	Daily Dividend	12.28	209.98	0.66	11.30	-	-	12.94	221.28
Reliance Money Manager Fund - INS Option	Daily Dividend	-	-	94.79	94,915.65	94.67	94,803.66	0.11	111.99
Reliance Money Interval Fund - Series I - Institutional	Monthly Dividend	-	-	100.96	1,009.94	100.96	1,009.94	-	-
Reliance Liquidity Fund	Daily Dividend	-	-	7,118.42	71,220.54	7,118.42	71,220.54	-	-
Religare Liquid Super Institutional	Daily Dividend	-	-	1,466.68	16,621.32	1,466.68	16,621.32	-	-
Religare Credit Opportunities Fund - Institutional	Monthly Dividend	-	-	102.12	1,022.81	102.12	1,025.25	-	-
Religare Overnight Fund	Daily Dividend	-	-	290.35	2,903.54	290.35	2,903.54	-	-
Religare Ultra Short Term Fund Institutional	Daily Dividend	-	-	1,148.10	14,000.70	1,148.10	14,000.70	-	-
Reliance Liquid Fund - Cash Plan	Daily Dividend	-	-	1,394.81	15,540.22	1,394.81	15,540.22	-	-
Reliance Liquid Fund - Treasury Plan - Institutional Option	Daily Dividend	-	-	1,333.05	20,378.91	1,333.05	20,378.91	-	-
DWS Treasury Fund Cash - Institutional Plan	Daily Dividend	-	-	393.75	3,957.05	393.75	3,957.05	-	-
JPLDI - JPMorgan India Liquid Fund - Super Institutional	Daily Dividend	-	-	251.29	2,514.91	251.29	2,514.91	-	-
LIC MF Liquid Fund	Daily Dividend	16.78	184.26	21.01	230.68	24.45	268.45	13.34	146.49
LIC Income Plus Fund	Daily Dividend	0.8	8.01	29.16	291.20	29.12	291.20	0.84	8.01



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

### b Previous Year

Fig. in Lakhs

Mutual Funds Units Particulars	Type of scheme	Opening Balance		Purchase		Sale		Closing Balance	
		Units	Rs.	Units	Rs.	Units	Rs.	Units	Rs.
Birla Sun Life Cash Plus	Daily Dividend			2,251.12	22,555.08	2,251.12	22,555.08		
Birla Sun Life Saving Fund	Daily Dividend			1,753.63	17,548.23	1,753.63	17,548.23	-	-
HDFC Cash Management Fund-Saving Plan	Daily Dividend			3,204.61	34,085.51	3,204.61	34,085.51	-	-
HDFC Cash Management Fund- Treasury Advantage Plan	Daily Dividend			3,919.52	39,318.71	3,919.52	39,318.71	-	-
HDFC Floating Rate Income Fund-Short term Plan- Wholesale Option	Daily Dividend			249.17	2,511.88	249.17	2,511.88	-	-
ICICI Prudential Flexible Income Plan (FV Rs 10)	Daily Dividend			1,199.75	12,685.56	1,199.75	12,685.56	-	-
ICICI Prudential Flexible Income Plan (FV Rs 100)	Daily Dividend			333.87	35,301.47	333.87	35,301.47	-	-
ICICI Prudential Institutional Liquid Plan-Super Institutional (FV Rs 10)	Daily Dividend			1,546.14	15,464.80	1,546.14	15,464.80	-	-
ICICI Prudential Institutional Liquid Plan-Super Institutional (FV Rs 100)	Daily Dividend			457.18	45,728.49	457.18	45,728.49	-	-
LICMF Liquid Fund	Daily Dividend	182.18	2,000.37	463.58	5,090.11	639.35	7,020.08	6.41	70.40
LIC MF Income Plus Fund	Daily Dividend			67.83	678.35	67.03	670.33	0.80	8.01
Reliance Liquidity Fund	Daily Dividend			3,832.65	38,338.36	3,832.65	38,338.36	-	-
Reliance Medium Term Fund	Daily Dividend	64.35	1,100.17	199.60	3,412.34	263.96	4,512.51	-	-
Reliance Money Manager Fund	Daily Dividend			47.12	47,174.43	47.12	47,174.43	-	-
Religare Liquid Fund	Daily Dividend			200.19	2,003.18	200.19	2,003.18	-	-
Religare Ultra Short Term Fund-Institutional Daily Dividend	Daily Dividend			100.13	1,002.91	100.13	1,002.91	-	-

**11 Employee Stock Option Scheme (ESOS)**

- a During the year, the Company has granted 75,000 (Previous Year - NIL) Employee Stock Options to some employees of the Company.
- b The company has granted stock options to employees under the Employees Stock Option Scheme at grant price of Rs. 70/- (face value Rs. 2/-)

The details of options granted, lapsed and in force at the end of the year are as under

	Rs.In Lakhs	
	Current year	Previous year
Option in force at the beginning of the year (face value Rs. 2/-)	877,502	1,072,714
Add : Granted during the year	75,000	-
Less : Lapsed during the year	63,339	195,212
Option vested during the year	229,275	199,538
Option in force at the end of the year	889,163	877,502

- c As the options are granted using the fair value, no compensation cost will arise.

**12 Miscellaneous Expenses include Auditors' remuneration in respect of:**

	Rs.In Lakhs	
	Year Ended 31.03.2011	Year Ended 31.03.2010
Statutory Auditors		
a) Audit fees (including limited review and consolidation fees)	27.96	24.23
b) Tax Audit Fees	7.08	6.53
c) Certification Work	5.81	5.17
d) Reimbursement of Expenses	0.49	0.35
e) Service Tax on Fees and Reimbursement	4.22	3.69
	45.56	39.97

**13 Loans and Advances to Companies under the same Management**

		Rs.In Lakhs		
Outstanding Balances	As At	As At	Max O/s during the year	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
<b>Companies under the same Management</b>				
(i) Ashok Piramal Management Corporation Limited	7.52	3.02	7.52	3.02
(ii) Morarjee Textiles Limited	3.22	87.16	81.19	328.38
(iii) Onestar Mercantile Company Private Limited	-	-	0.00	-
(iv) Thundercloud Technologies (India) Private Limited	0.02	0.36	1.22	0.36
(v) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	5,147.76	3.15	10,637.98	3.15



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

		Rs.In Lakhs			
		As At	As At	Max O/s during the year	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
(vi)	Peninsula S A Realty Private Limited	3.59	3.59	3.59	3.59
(vii)	Peninsula Townships Development Private Limited	2.00	2.39	2.42	2.40
(viii)	Delta Corp Limited	-	101.28	-	101.28
(ix)	Rockfirst Real Estate Limited	28.87	426.44	535.79	426.44
(x)	Ashok Piramal Mega City Development Private Limited.	0.20	0.10	0.29	0.10
(xi)	Ashok Piramal Mega Properties Private Limited	0.20	0.08	0.20	0.08
(xii)	Ashok Piramal Township Development Private Limited	0.20	0.10	0.20	0.10
(xiii)	Jammin Recreation Private Limited	0.01	0.01	0.01	0.01
(xiv)	Pune Football Club Limited	-	1.12	82.64	63.80
(xv)	Topvalue Brokers Private Limited	-	-	0.02	2.94
(xvi)	Truewin Realty Private Limited	-	-	19.41	0.10
(xvii)	Topvalue Real Estate Development Private Limited	-	-	25.57	1.60
(xviii)	CAMS Learning Private Limited	-	-	0.12	-
(xix)	Edustar Learning Private Limited	-	-	0.10	0.09
(xx)	Bridgepoint Learning Private Limited	-	0.10	-	0.10
<b>Total</b>		<b>5,193.59</b>	<b>628.60</b>		

**14** The net worth of the subsidiary Peninsula Facility Management Services Limited (PFMSL) is presently negative in view of past losses which are largely attributable to interest servicing cost on these advances from the parent Company, despite reasonable operating margins. Moreover, the operations of this subsidiary confer significant strategic advantages and value addition to the core real estate business of the Company. The Management is also pursuing viable business development plans and immediate financial restructuring measures to achieve a turnaround and strengthen the equity base of PFMSL. In view of this, no provision for impairment is made in the accounts in respect of Goodwill arising on account of the pre-acquisition accumulated losses, which amount to Rs. 696 Lakhs.

### 15 Borrowing Cost

		Rs.In Lakhs	
		Year Ended	Year Ended
		31.03.2011	31.03.2010
Borrowing Cost treated as project cost during the year		6,091.42	3,732.38

## 16 Employee Benefit Plans

The Company has classified various benefit plans as under:

### a Defined Contribution Plan

The Company has recognised the following amounts in Profit and Loss Account which are included under Contributions to Funds

	Rs.In Lakhs	
	Current Year	Previous Year
Employer's contribution to Provident Fund	212.35	179.38
Employer's contribution to Superannuation Fund	124.10	127.23
Employer's contribution to Employees State Insurance	3.05	1.47

### b Defined Benefit Plan:

- i. Gratuity (Funded)
- ii Leave Encashment (Non funded)

In terms of the Guidance on implementing the revised AS 15, issued by the Accounting Standards Board of the Institute of Chartered Accountants of India, the Gratuity Trust set up by the Company is treated as defined benefit plan since the Company has to meet the shortfall, if any. However at the year end, no shortfall remains unprovided for.

Leave encashment is payable to eligible employees who have earned leaves, during the employment and / or separation as per the Company's policy.

Valuations in respect of Gratuity and Leave Encashment, as at the Balance Sheet date, based on the following assumptions.

- i The disclosures of Gratuity are as under:

The Company has funded its gratuity obligation under Group Gratuity Policy managed by LIC. The disclosures stated below have been obtained from independent actuary, as the figures from LIC were not available. In view of this, certain disclosures could not be provided. The other disclosures in accordance with AS -15 (revised) pertaining to Defined Benefit Plans are given below:

	Rs.In Lakhs	
	As at 31.03.2011	As at 31.03.2010
<b>Assumptions</b>		
Discount rate	9%	8%
Salary escalation	6%	6%
Employee Turnover Ratio	5% at younger ages 1% at older Ages	3% at younger ages 1% at older Ages
Expected Rate of Return on Planned Assets		9%
Retirement Age	58 years	58 years



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

	Rs.In Lakhs	
	As at 31.03.2011	As at 31.03.2010
<b>Changes in Present Value of Obligations</b>		
Present value of obligations as at beginning of the year	281.10	231.68
Interest cost	22.56	18.60
Current service cost	64.90	57.53
Benefits paid	(10.79)	(2.69)
Actuarial (gain)/ loss on obligations	5.15	(24.01)
Present value of obligations as at end of the year	362.93	281.10
<b>Actuarial Gain / Loss recognised</b>		
Actuarial gain/(loss) for the year –Obligations	(5.15)	24.01
Actuarial gain/(loss) for the year –plan assets	(4.86)	-
Total gain/(loss) for the year	(10.01)	24.01
Actuarial gain/(loss) recognized in the year	(10.00)	24.01
<b>The amounts to be recognized in the Balance Sheet and Statement of Profit &amp; Loss</b>		
Present value of obligations as at the end of year	362.93	262.11
Fair value of plan assets as at the end of the year	157.09	27.63
Funded status	157.09	27.63
Net assets (liability) recognized in balance sheet	(205.84)	(234.48)
<b>Expenses recognised in statement of Profit &amp; Loss</b>		
Current service cost	64.90	57.53
Interest cost	22.56	18.60
Expected return on plan assets	(7.98)	-
Net actuarial (gain)/loss recognized in the year	10.01	(24.01)
Expenses recognized in statement of profit and loss	89.49	52.11
<b>Pattern of Investment</b>		
Central and state Govt. Securities	0%	56%
Bonds/Debentures	0%	36%
Equity Shares	0%	6%
Money Market Instrument	0%	2%
Policy of Insurance	100%	0%

**ii Leave Encashment (Unfunded)**

Value of liability for leave encashment has been carried out by an independent actuary, as at the Balance Sheet based on the following

	Rs.In Lakhs	
	As at 31.03.2011	As at 31.03.2010
<b>Assumptions</b>		
Discount rate (per annum)	9%	8%
Rate of increase in compensation levels	6%	6%
Rate of return on plan assets	-	-
Retirement Age	58 years	58 years
<b>Changes in present value of obligation</b>		
Present value of obligation as at 1 <sup>st</sup> April 2010	149.78	68.64
Interest Cost	11.60	5.55
Current Service Cost	30.05	32.74
Contributions by plan participants	-	-
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Benefits Paid	(13.23)	(8.54)
Actuarial (Gains) / Loss	18.45	51.38
Present value of obligation as at 31 <sup>st</sup> March 2011	196.64	149.78
<b>Amounts recognized in Balance Sheet</b>		
Present value of obligation as at 31 <sup>st</sup> March 2011	196.64	149.78
Fair value of plan assets as at 31 <sup>st</sup> March 2011	-	-
(Asset) / Liability recognized in the Balance Sheet	196.64	149.78
<b>Expenses recognised in Statement of Profit &amp; Loss</b>		
Current service cost	30.05	32.74
Past service cost	-	-
Interest Cost	11.60	5.55
Expected return on plan assets	-	-
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (Gain) / Loss	18.45	51.38
Employee's Contribution	-	-
Total expenses recognised in Profit & Loss account	60.09	89.67

Note: As the Company does not have plan assets for leave encashment policy, disclosures pertaining to plan assets are not shown.



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

### 17 List of Related Parties and Transactions during the year.

#### I Controlling Companies

- (i) Topstar Mercantile Private Limited

#### II Associate Companies with whom the Company had transactions during the year

- (i) Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)
- (ii) JM Realty Management Private Limited
- (iii) SEW Engineering (India) Private Limited (formerly known as SEW Electricals Private Limited)
- (iv) Topzone Mercantile Company Private Limited
- (v) RA Realty Ventures Private Limited

#### III Companies where Key Management Personnel /their relatives exercise significant influence

- (i) Ashok Piramal Management Corporation Limited
- (ii) Freedom Registry Limited (formerly known as Amtrac Management Services Limited)
- (iii) Morarjee Textiles Limited
- (iv) Onestar Mercantile Company Private Limited
- (v) Thundercloud Technologies (India) Private Limited
- (vi) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)
- (vii) Peninsula Mega City Development Private Limited
- (viii) Peninsula SA Realty Private Limited
- (ix) Peninsula Townships Development Private Limited
- (x) Delta Corp Limited
- (xi) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)
- (xii) Ashok Piramal Mega City Development Private Limited
- (xiii) Ashok Piramal Mega Properties Private Limited
- (xiv) Ashok Piramal Township Development Private Limited
- (xv) Goldlife Mercantile Company Private Limited
- (xvi) Jammin Recreation Private Limited
- (xvii) Pune Football Club Limited
- (xviii) Topvalue Brokers Private Limited
- (xix) Integra, a division of Morarjee Textile Limited (formerly known as Itegra Apperals and Textiles Limited)
- (xx) Truewin Realty Limited (formerly known as Truewin Realty Private Limited)
- (xxi) Topvalue Real Estate Development Limited (formerly known as Topvalue Real Estate Development Private Limited)
- (xxii) CAMS Learning Private Limited
- (xxiii) EDUSTAR Learning Private Limited
- (xxiv) Bridgepoint Learning Private Limited



**IV Enterprises where Key Management Personnel /their relatives exercise significant influence**

- (i) Ashok G. Piramal Trust
- (ii) Peninsula Land Limited ESOP Trust

**V Enterprise over which Company exercise significant control**

- (i) Peninsula GSG MHP Project - AOP (50% share)

**VI Key Management Personnel**

- (i) Ms. Urvi A. Piramal - Executive Chairperson
- (ii) Mr. Rajeev A. Piramal- Executive Vice Chairman
- (iii) Mr. Mahesh S. Gupta - Group Managing Director
- (iv) Mr. Rajesh Jaggi - Managing Director

**VI Relatives of Key Management Personnel**

- (i) Mr. Harshvardhan A. Piramal - Son of Executive Chairperson
- (ii) Mr. Nandan A. Piramal -Son of Executive Chairperson
- (iii) Mr. Jaydev Mody - Brother of Executive Chairperson
- (iv) Ms. Sunita Gupta - Spouse of Group Managing Director
- (v) Ms. Kalpana Singhania - Sister of Executive Chairperson

Details of Transactions are as follows :

		Rs.In Lakhs	
		2010-11	2009-10
<b>I</b>	<b>Purchase of Investments</b>		
<b>a</b>	<b>Companies where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	5,486.98	-
<b>II</b>	<b>Advance given for Purchase of Land</b>		
<b>a</b>	<b>Controlling Companies</b>		
	(i) Topstar Mercantile Private Limited	5.50	-
<b>III</b>	<b>Rent received from</b>		
<b>a</b>	<b>Companies where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) Morarjee Textiles Limited	123.17	123.17
<b>IV</b>	<b>Receipt of Services from</b>		
<b>a</b>	<b>Companies where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) Freedom Registry Limited	4.13	6.73
	(ii) Delta Corp Limited		
	- PMC Fees	-	1,371.41
	- Brokerage Fees	-	450.50



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

		Rs.In Lakhs	
		2010-11	2009-10
	(iii) Pune Football Club Limited - Advertisement	350.00	335.00
<b>V</b>	<b>Purchase from</b>		
	<b>a Associate Companies</b>		
	(i) SEW Engineering (India) Private Limited	3,264.57	1,773.04
	<b>b Companies where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) Integra, a division of Morarjee Textile Limited (formerly known as Itegra Apperals and Textiles Limited)	37.80	14.53
<b>VI</b>	<b>Reimbursement made to</b>		
	<b>a Companies where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) Ashok Piramal Management Corporation Limited	1.10	1.05
<b>VII</b>	<b>Donation paid to</b>		
	<b>a Companies/Enterprises where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) Ashok G. Piramal Trust	207.11	19.47
<b>VIII</b>	<b>Loan given to</b>		
	<b>a Associate Companies</b>		
	(i) Topzone Mercantile Company Private Limited	-	75.30
	(ii) RA Realty Ventures Private Limited	26,122.20	-
	<b>b Companies where Key Management Personnel /their relatives exercise significant influence</b>		
	(i) Onestar Mercantile Company Private Limited	-	-
	(ii) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	12,004.82	-
	(iii) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	111.29	420.00
	(iv) Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	300.00	-
<b>IX</b>	<b>Loan repaid by</b>		
	<b>a Associate Companies</b>		
	(i) Delta Hospitality Private Limited	-	4,033.25
	(ii) Topzone Mercantile Company Private Limited	-	75.68
	(iii) RA Realty Ventures Private Limited	21,015.44	

Rs.In Lakhs

	2010-11	2009-10
<b>b Companies where Key Management Personnel /their relatives exercise significant influence</b>		
(i) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	540.94	0.72
(ii) Delta Corp Limited	-	349.00
(iii) Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	300.00	-
(iv) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	6,857.05	-
<b>X Expenses incurred on behalf of</b>		
<b>a Companies where Key Management Personnel /their relatives exercise significant influence</b>		
(i) Thundercloud Technologies (India) Private Limited	0.87	0.21
(ii) Peninsula Townships Development Private Limited	0.03	0.02
(iii) Ashok Piramal Mega City Development Private Limited	0.10	0.08
(iv) Ashok Piramal Mega Properties Private Limited	0.11	0.06
(v) Ashok Piramal Township Development Private Limited	0.10	0.08
(vi) Topvalue Brokers Private Limited	0.02	3.09
(vii) CAMS Learning Private Limited	0.12	-
(viii) Edustar Learning Private Limited	0.10	-
(ix) Bridgepoint Learning Private Limited	0.00	-
(x) Morarjee Textiles Limited	6.65	4.50
(xi) Ashok Piramal Management Corporation Limited	4.50	4.50
(xii) Pune Football Club Limited	5.01	4.37
(xiii) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	0.10	0.08
(xiv) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	9.93	163.44
(xv) Topvalue Real Estate Development Limited (formerly known as Topvalue Real Estate Development Private Limited)	28.00	1.50
(xvi) Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	27.32	-
(xvii) Delta Corp Ltd	-	5.65
(xviii) Goldlife Mercantile Company Private Limited	-	0.13
(xix) Peninsula SA Realty Private Limited	0.34	0.05
<b>a Enterprise over which Company exercise significant control</b>		
(i) Peninsula GSG MHP Project - AOP (50% share)	11.13	-



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

		Rs.In Lakhs	
		2010-11	2009-10
<b>XI</b>	<b>Expenses incurred on behalf reimbursed by</b>		
<b>a</b>	<b>Associate Companies</b>		
(i)	Topzone Mercantile Company Private Limited	-	0.02
<b>b</b>	<b>Companies where Key Management Personnel /their relatives exercise significant influence</b>		
(i)	Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	9.93	164.16
(ii)	Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	27.32	0.10
(iii)	Topvalue Real Estate Development Limited (formerly known as Topvalue Real Estate Development Private Limited)	28.00	1.60
(iv)	RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	0.01	-
(v)	Peninsula Land Limited ESOP Trust	-	30.70
(vi)	Goldlife Mercantile Company Private Limited	0.70	0.08
(vii)	Topvalue Brokers Private Limited	0.02	3.09
(viii)	Thundercloud Technologies (India) Private Limited	1.21	-
(ix)	Peninsula Townships Development Private Limited	0.42	-
(x)	CAMS Learning Private Limited	0.12	-
(xi)	Edustar Learning Private Limited	0.10	-
(xii)	Morarjee Textiles Limited	4.74	1.50
(xiii)	Ashok Piramal Management Corporation Limited	-	1.50
(xiv)	Delta Corp Limited	-	6.19
(xv)	Pune Football Club Limited	6.13	10.08
<b>c</b>	<b>Enterprise over which Company exercise significant control</b>		
(i)	Peninsula GSG MHP Project - AOP (50% share)	11.13	-
<b>XII</b>	<b>Interest income from</b>		
<b>a</b>	<b>Associate Companies</b>		
(i)	Delta Hospitality Private Limited	-	131.85
(ii)	RA Realty Venture Private Limited	850.76	-
<b>b</b>	<b>Companies where Key Management Personnel /their relatives exercise significant influence</b>		
(i)	Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	32.08	7.16

Rs.In Lakhs

	2010-11	2009-10
<b>XIII Investments/Equity Share application</b>		
<b>a Associate Companies</b>		
(i) Delta Hospitality Private Limited	-	(26.00)
(ii) Topzone Mercantile Company Private Limited	-	-
<b>XIV Remuneration to Key Management Personnel (Includes Commission)</b>		
(i) Ms. Urvi A. Piramal	854.49	831.84
(ii) Mr. Rajeev A. Piramal	516.31	520.54
(iii) Mr. Mahesh S. Gupta	548.01	566.69
(iv) Mr. Rajesh Jaggi	341.40	450.40
<b>XV Dividend Paid to</b>		
<b>a Key Management Personnel</b>		
(i) Ms. Urvi A. Piramal	394.71	227.83
(ii) Mr. Rajeev A. Piramal	35.12	21.07
(iii) Mr. Mahesh S. Gupta	-	-
(iv) Mr. Rajesh Jaggi	0.98	0.59
<b>XVI Sale to Company where Key Management Personnel /their relatives exercise significant influence</b>		
(i) Delta Corp Limited	285.77	384.74
<b>XVII Outstanding balances as at 31<sup>st</sup> March, 2011</b>		
<b>1 Payable by Company to</b>		
<b>A For Services received</b>		
<b>a Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i) Freedom Registry Limited	0.14	1.14
<b>2 Receivable by Company</b>		
<b>A Loans</b>		
<b>a Associate Companies</b>		
(i) JM Realty Management Private Limited	778.79	778.79
(ii) RA Realty Ventures Private Limited	5,887.89	-
<b>b Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	28.87	426.44
(ii) RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	5,147.76	-



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

		Rs.In Lakhs	
		2010-11	2009-10
<b>B</b>	<b>For Reimbursement of Expenses</b>		
<b>a</b>	<b>Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i)	Ashok Piramal Management Corporation Limited	7.52	3.02
(ii)	Morarjee Textiles Limited	3.22	3.00
(iii)	RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	3.24	3.15
(iv)	Onestar Mercantile Company Private Limited	-	-
(v)	Thundercloud Technologies (India) Private Limited	0.02	0.36
(vi)	Peninsula SA Realty Private Limited	3.94	3.59
(vii)	Peninsula Townships Development Private Limited	2.00	2.39
(viii)	Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	-	-
(ix)	Delta Corp Limited	0.45	0.45
(x)	Ashok Piramal Mega City Development Private Limited	0.20	0.10
(xi)	Ashok Piramal Mega Properties Private Limited	0.20	0.08
(xii)	Ashok Piramal Township Development Private Limited	0.20	0.10
(xiii)	Jammin Recreation Private Limited	0.01	0.01
(xiv)	Pune Football Club Limited	-	1.12
(xv)	Goldlife Mercantile Company Private Limited	5.21	5.90
<b>C</b>	<b>Towards Sales/Services</b>		
<b>a</b>	<b>Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i)	Morarjee Textiles Limited	1.38	46.18
(ii)	Delta Corp Limited	21.24	100.83
<b>D</b>	<b>Towards Advance against services/supplies</b>		
<b>a</b>	<b>Associate Companies</b>		
(i)	SEW Engineering(India) Private Limited	59.89	106.13
<b>XVIII</b>	<b>Resources/Premises sharing with related parties</b>		
Transactions involving resource/premise sharing with undermentioned related parties which are for non monetary consideration			
<b>a</b>	<b>Controlling Companies</b>		
(i)	Topstar Mercantile Private Limited	-	-
<b>b</b>	<b>Companies where Key Management Personnel/their relatives exercise significant influence</b>		
(i)	Ashok Piramal Management Corporation Limited	-	-
(ii)	Onestar Mercantile Company Private Limited	-	-
(iii)	Thundercloud Technologies (India) Private Limited	-	-
(iv)	RR Mega City Builders Limited (formerly known as RR Mega City Builders Private Limited)	-	-

Rs.In Lakhs

	2010-11	2009-10
(v) Peninsula SA Realty Private Limited	-	-
(vi) Peninsula Townships Development Private Limited	-	-
(vii) Rockfirst Real Estate Limited (formerly known as Rockfirst Real Estate Private Limited)	-	-
(viii) Ashok Piramal Mega City Development Private Limited	-	-
(ix) Ashok Piramal Mega Properties Private Limited	-	-
(x) Ashok Piramal Township Development Private Limited	-	-
(xi) Goldlife Mercantile Company Private Limited	-	-
(xii) Jammin Recreation Private Limited	-	-
(xiii) Pune Football Club Limited	-	-
(xiv) Topvalue Brokers Private Limited	-	-
(xv) Truewin Realty Limited (formerly known as Truewin Realty Private Limited)	-	-
(xvi) Topvalue Real Estate Development Limited (formerly known as Topvalue Real Estate Development Private Limited)	-	-

**18 Leases****a Assets taken on Operating Lease**

Future minimum lease payments under non - cancellable operating lease are as under:

Rs.In Lakhs

	As At 31.03.2011	As At 31.03.2010
Not later than One Year	105.43	96.88
Later than One Year and not later than five years	192.69	126.52
Later than five years	-	-
<b>Total</b>	<b>298.12</b>	<b>223.40</b>

Total lease rental cost recognized in the financial statement is Rs. 118.63 Lakhs [Previous Year Rs.219.76 Lakhs]. This rental cost is inclusive of service tax.

**b Assets given on Operating Lease**

Future minimum lease income under operating lease are as under:

Rs.In Lakhs

	As At 31.03.2011	As At 31.03.2010
Not later than One Year	2,221.45	1,496.29
Later than One Year and not later than five years	65.40	267.77
Later than five years	-	-
<b>Total</b>	<b>2,286.85</b>	<b>1,764.06</b>

Total lease rental income recognized in the financial statement is Rs. 4,459.84 Lakhs [Previous Year Rs.1,612.74 Lakhs].



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

### 19 Major components of deferred tax assets and liabilities are:

	Rs.In Lakhs	
	As At 31.03.2011	As At 31.03.2010
Opening Deferred Tax liability	831.28	1,923.89
Add: Difference between book WDV and WDV as per Income Tax Act, 1961	38.78	11.69
Add: Short Term and Long Term Capital Loss Set Off	-	-
Less: VRS unamortised	(1.47)	1,114.70
Less: Deferred tax asset as per Section 43B	27.74	33.36
Add: Business Loss	51.94	43.76
Closing Deferred tax liability	895.72	831.28

### 20 Earnings Per Share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra - ordinary / exceptional items. The number of shares in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair price (i.e. the average market value of outstanding shares). Statement showing the computation of EPS is as under:

	Rs.In Lakhs	
	2010-11	2009-10
a Profit after tax before extraordinary items	19,385.57	29,521.58
Less: Preference Share Dividend and Dividend Distribution tax thereon	0.01	0.01
	<u>19,385.56</u>	<u>29,521.57</u>
b Profit after tax after extraordinary items	19,429.90	24,953.35
Less: Preference Share Dividend and Dividend Distribution tax thereon	0.01	0.01
	<u>19,429.89</u>	<u>24,953.34</u>
c Weighted Average Number of Shares		
Basic	279,201,220	279,201,220
Diluted	279,201,220	279,310,334
d. Basic EPS (Rs.) (After Extraordinary and Prior Period Items)	6.96	8.88
e Basic EPS (Rs.) (Before Extraordinary and Prior Period Items)	6.96	10.52
f Diluted EPS (Rs.) (After Extraordinary and Prior Period Items)	6.96	8.88
g Diluted EPS (Rs.) (Before Extraordinary and Prior Period Items)	6.96	10.51
h Face value of share in Rs	2	2



**21 The details of cost of Realty Sales and Work in Progress (Realty Stock) are as under:**

Rs.In Lakhs

	As At 31.03.2011	As At 31.03.2010
Opening Work in Progress	55,712.49	58,731.18
Add:Expenses during the year		
Land Acquisition	4,432.55	-
Material Costs	4,788.74	10,643.63
Other Development Expenses	19,795.24	12,321.92
Interest Expense	6,091.42	3,732.38
Statutory Fees	1,220.20	1,813.89
Allocated Expenses	1,404.59	2,804.68
Expenses Transferred to Profit & Loss	(48.56)	-
Total Project Expense for the year	37,684.17	31,316.50
	93,396.66	90,047.68
Less: Transferred to Closing Stock	(73,357.52)	(55,712.49)
Cost of Realty Sales (Revenue Recognised)	20,039.14	34,335.20

**22 Details of Subsidiary, Associates and Other Entities**

	Country of Incorporation	% of Voting power as on 31.03.2011	% of Voting power as on 31.03.2010
<b>a Subsidiaries</b>			
Peninsula Holdings and Investments Private Limited	India	100%	100%
Renato Finance and Investments Private Limited	India	100%	100%
Peninsula Mega Properties Private Limited	India	100%	74%
Champs Elysee Enterprises Private Limited	India	-	100%
Other Entities			
Peninsula GSG MHP Project (AOP)	India	50%	-
<b>b Step Down Subsidiaries</b>			
City Parks Private Limited	India	100%	100%
Inox Mercantile Company Private Limited	India	100%	100%
Peninsula Facility Management Services Limited	India	100%	100%
Peninsula Investment Management Company Limited	India	75%	75%
Peninsula Mega Township Developers Private Limited	India	100%	100%
Peninsula Pharma Research Centre Private Limited	India	100%	100%
Peninsula Trustee Limited	India	70%	70%
Planetview Mercantile Company Private Limited	India	100%	100%
RR Mega Property Developers Private Limited	India	100%	100%



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

	Country of Incorporation	% of Voting power as on 31.03.2011	% of Voting power as on 31.03.2010
RR Real Estate Development Private Limited	India	100%	100%
Takenow Property Developers Private Limited	India	100%	100%
Rishiraj Enterprises Limited	India	-	100%
Goodtime Real Estate Development Private Limited	India	100%	-
Peninsula Integrated Developers Private Limited	India	100%	-
Peninsula Mega City Development Private Limited	India	100%	-
Peninsula Real Estate Management Private Limited	India	100%	-
Other Entities			
Westgate Real Estate Developers LLP	India	84.99%	-
<b>c Associates</b>			
JM Realty Management Private Limited	India	50%	50%
SEW Engineering (India) Private Limited	India	26%	26%
Peninsula Crossroads Private Limited* (formerly known as L and T Crossroads Private Limited)	India	100%	50%
RA Realty Ventures Private Limited	India	40%	-

### 23 Schedule of Investment in Associates

Rs.In Lakhs

Name of Associate	Original Cost of Investment	Goodwill/ (Capital Reserve) included in the original cost of Investments	Dividend	Investors Share in accumulated Profits/ Losses	Carrying Value
JM Realty Management Private Limited (Principal Activity - Real Estate.) Ownership Interest and Voting power - 50%	0.25	0.02	-	-0.13	0.10
SEW Engineering (India) Private Limited (Principal Activity - Electrical Contracts) Ownership Interest and Voting power - 26%	653.57	453.20	47.02	853.72	1,007.07
Peninsula Crossroads Private Limited* (formerly known as L and T Crossroads Private Limited) (Principal Activity - Real Estate Ownership Interest)	1,200.00	390.70	-	739.25	1,548.55
RA Realty Ventures Private Limited (Acquired during the year) (Principal Activity - Real Estate Ownership Interest and Voting Power 40%)	39.99	-	-	-0.89	39.10
	<b>1,893.81</b>	<b>843.92</b>	<b>47.02</b>	<b>1,591.95</b>	<b>2,594.82</b>

\* The Company acquired a further 50% equity in L and T Crossroads Private Limited at the end of the Financial year and hence the Balance Sheet of this Company has been consolidated as a subsidiary. However,

the profits upto 31/03/2011 have been considered as share of Associates.

Investments in associates include goodwill of Rs. 843.92 Lakhs (Previous Year Rs. 843.92 Lakhs) in respect of associate companies.

## 29 Segment Information

In accordance with AS-17, Segment Revenue, Segment results and other information are as under:

Rs. in Lakhs

	REALTY		OTHER INCOME		UNALLOCABLE		ELIMINATIONS		TOTAL	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
<b>Segment Revenue</b>										
External Turnover	47,889.97	76,231.25	2,204.78	1,630.43	-	-	-	-	50,094.75	77,861.68
Inter Segment Turnover	-	-	141.37	100.64	-	-	(141.37)	(100.64)	-	-
Gross Turnover	47,889.97	76,231.25	2,346.14	1,731.08	-	-	(141.37)	(100.64)	50,094.75	77,861.68
<b>Net Turnover</b>	47,889.97	76,231.25	2,346.14	1,731.08	-	-	(141.37)	(100.64)	50,094.75	77,861.68
Segment Result Before Interest and Taxes	20,048.51	34,379.91	57.43	77.34	(1,165.17)	(1,762.47)			18,940.77	32,694.78
<b>Interest and Taxes</b>										
Interest Expense	-	-	-	-	2,428.58	6,274.85	-	-	2,428.58	6,274.85
Interest Income	-	-	-	-	6,879.15	6,634.54	-	-	6,879.15	6,634.54
Dividend Income	-	-	-	-	1,166.96	639.00	(29.68)	(15.00)	1,137.28	624.00
Other Income	-	-	-	-	342.75	203.41	-	(2.30)	342.75	201.11
<b>Profit before tax</b>	20,048.51	34,379.91	57.43	77.34	4,795.10	(560.37)	(29.68)	(17.30)	24,871.37	33,879.58
Current tax	-	-	-	-	5,957.24	6,232.04	-	-	5,957.24	6,232.04
Deferred tax	-	-	-	-	(12.74)	(1,092.61)	-	-	(12.74)	(1,092.61)
MAT Credit Entitlement	-	-	-	-	(174.01)	-	-	-	(174.01)	-
Profit after tax before extraordinary items	20,048.51	34,379.91	57.43	77.34	(975.40)	(5,699.80)	(29.68)	(17.30)	19,100.88	28,740.15
Add: Share of Associates	-	-	-	-	402.25	170.95	-	-	402.25	170.95
Less: Minority Interest	-	-	-	-	(27.62)	(20.75)	-	-	(27.62)	(20.75)
Net Profit after tax before extraordinary items and prior period items	20,048.51	34,379.91	57.43	77.34	(600.77)	(5,508.10)	(29.68)	(17.30)	19,475.51	28,931.85
Extraordinary Expenses	-	-	-	-	-	(4,575.69)	-	-	-	(4,575.69)
Prior Period Expense	-	-	-	-	45.15	-	-	-	45.15	-
Reversal of Excess Tax Provision of Earlier's Year's	-	-	-	-	(0.46)	638.69	-	-	(0.46)	638.69
Profit after tax after extraordinary items	20,048.51	68,759.82	57.43	154.68	(646.39)	(14,994.70)	(29.68)	(34.60)	19,429.90	53,885.20



## SCHEDULES TO CONSOLIDATED PROFIT & LOSS ACCOUNT

Rs. in Lakhs

	REALTY		OTHER INCOME		UNALLOCABLE		ELIMINATIONS		TOTAL	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
<b>Other Information</b>										
<b>Segment Assets</b>	234,410.50	163,821.45	1,870.41	821.97	21,972.00	25,301.71	-	-	258,252.91	189,945.13
<b>Segment Liabilities</b>										
Borrowings	94,412.91	46,705.87	4.08	4.08	-	-	-	-	94,416.99	46,709.95
Trade Liabilities	12,250.78	15,393.33	522.41	582.62	11,276.41	1,439.54	-	-	24,049.60	17,415.49
Capital Expenditure	1,794.84	689.84	-	-	110.50	371.89	-	-	1,905.34	1,061.73
Depreciation/ amortization	473.80	397.86	13.23	18.27	-	0.84	-	-	487.03	416.97
Non cash expenses other than Depreciation	-	-	-	-	-	-	-	-	67.06	4,575.69

25 The Company has received the approval from the Hon'ble High Court of Judicature at Bombay sanctioning the Scheme of Amalgamation and Arrangement of Topstar with the Company and its Shareholders and Creditors. The Appointed Date of the said Scheme being 27<sup>th</sup> October, 2010. Since the filing of the sanctioned scheme with the Ministry of Corporate Affairs is pending, the same has not become effective. Hence the effect of the amalgamation has not been given in the accounts of the Company for the year. There will be no adverse impact of the scheme on the financial position or operating results of the Company.

26 Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

Signatures to Schedules 1 to 14

For and on behalf of Board of Directors

**Urvi A. Piramal**  
Chairperson

**Rajeev A. Piramal**  
Executive Vice Chairman

**Mahesh S. Gupta**  
Group Managing Director

**Bhavna Doshi**  
Director

**C. M. Hattangdi**  
Director

**Amitabha Ghosh**  
Director

**Sudhinder Khanna**  
Director

**Deepak Summanwar**  
Director

**Bharat Sanghavi**  
Chief Financial Officer

**K. Nath**  
Company Secretary

Mumbai: 12<sup>th</sup> May, 2011

## CONSOLIDATED CASH FLOW STATEMENT

Rs. in Lakhs

	For the year ended 31 <sup>st</sup> March, 2011	For the year ended 31 <sup>st</sup> March, 2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extra Ordinary Items	24,871.37	33,879.59
Adjustments for:		
Add: Depreciation	487.03	436.96
Interest Received/Paid (Net) (Excl. Interest on ITax Refund)	(4,450.57)	(85.11)
Loss/(Profit) on Sale of Fixed Assets	(15.31)	79.97
Profit on sale of Long Term Investments	(291.50)	-
Impairment of Goodwill	-	455.00
Loss on sale of Investments	17.66	-
Fixed assets/Sundry Balance Written off	-	166.63
Preliminary Expenses	-	0.55
	(4,252.69)	1,054.00
Less: Dividend Income	1,137.27	624.71
Prior Period Expenses	45.15	(7.46)
	(5,435.11)	421.83
<b>Operating Profit Before Working Capital Changes</b>	<b>19,436.26</b>	<b>34,301.42</b>
Less: (Increase) / Decrease in Trade and Other Receivables	4,894.99	(5,085.12)
(Increase) / Decrease in Inventories	(17,644.41)	4,224.57
(Increase) / Decrease in Loans and Advances	(2,997.28)	11,243.17
Increase / (Decrease) in Trade Payables	3,554.65	1,956.86
	(12,192.05)	12,339.48
Cash Generated from Operations	7244.21	46,640.90
Less : Direct Tax Paid	(6,211.92)	(2,365.02)
	(6,211.92)	(2,365.02)
<b>Net Cash flow From Operating Activities (A)</b>	<b>1,032.29</b>	<b>44,275.88</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to Fixed Assets	(1,013.51)	(344.59)
Sale of Fixed Assets	36.28	821.26
Purchase of Associates	(39.99)	(0.53)
Sale of Investments in Subsidiary	1,319.00	-
Purchase of additional stake in Subsidiary (Net of Cash Accruals)	20.71	-
Sale of Investments in Associates	-	5,513.85
Sale of Other Investments	-	15.79
Application Money for 0% Optionally Convertible Debentures	-	(1,893.93)
Refund of Share/ Application Money	904.25	-
Share Application Money	(2,000.00)	(2,335.00)
Investments in Debentures	(25,037.96)	-
Investments in Preference Shares	(5,071.07)	-



# CONSOLIDATED CASH FLOW STATEMENT

Rs. in Lakhs

	For the year ended 31 <sup>st</sup> March, 2011	For the year ended 31 <sup>st</sup> March, 2010
Investments in Equity Shares	(11.69)	-
Purchase of Investments in Mutual Fund	(422.28)	(128.93)
Sale of Investments in Mutual Fund	128.93	3,100.55
Purchase of Investments -Others	-	(1,002.50)
Loans and Advances	(27,860.28)	(3,466.10)
Dividend Income	1,166.95	624.71
Interest Received	3,039.90	5,668.35
<b>Net Cashflow From Investing Activities (B)</b>	<b>(54,840.74)</b>	<b>6,572.93</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(4,146.12)	(2,488.67)
Contribution of Minority in Firm/ Association of Person	100.15	-
Dividend Tax Paid	(695.57)	(427.05)
Interest paid	(2,162.30)	(10,077.46)
Proceeds from Borrowings	79,804.08	40,242.13
Repayment of Borrowings	(32,043.92)	(27,852.11)
<b>Net Cashflow from Financing Activities (C)</b>	<b>40,856.32</b>	<b>(603.16)</b>
Net Increase in Cash and Cash Equivalents (A)+(B)+(C.)	(12,952.13)	50,245.65
Cash and Cash Equivalents at the beginning of the year	65,024.41	14,778.76
Cash On Hand	27.71	24.15
With Scheduled banks		
- in Current accounts	9,099.07	3,972.70
- in deposit accounts	42,827.36	60,951.32
- unclaimed dividend accounts	118.14	76.24
Cash and Cash Equivalents at the end of the year	<b>52,072.28</b>	<b>65,024.41</b>

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of Board of Directors

**For Haribhakti & Co.**  
Chartered Accountants

**Urvi A. Piramal**  
Chairperson

**Rajeev A. Piramal**  
Executive Vice Chairman

**Mahesh S. Gupta**  
Group Managing Director

**Bhavna Doshi**  
Director

**C. M. Hattangdi**  
Director

**Amitabha Ghosh**  
Director

**Chetan Desai**  
Partner

**Sudhindar Khanna**  
Director

**Deepak Summanwar**  
Director

**Bharat Sanghavi**  
Chief Financial Officer

Mumbai: 12<sup>th</sup> May, 2011

**K. Nath**  
Company Secretary

# PENINSULA LAND LIMITED

## Regd. Office :

Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

## Share Transfer Agent :

Freedom Registry Limited, Plot No. 101/102, 19<sup>th</sup> Street, MIDC Area, Satpur, Nashik - 422 007.

## ATTENDANCE SLIP

I/We hereby record my/our presence at the 139<sup>th</sup> Annual General Meeting of the Company held at Walchand Hirachand Hall, Indian Merchant's Chamber Building, Churchgate, Mumbai 400 020, on **Thursday, 11<sup>th</sup> August, 2011 at 11.00 a.m.**

Name and Address of the Shareholder(s)		
If Shareholder(s), please sign here	If Proxy, please mention name and sign here	
	Name of Proxy	Signature

### Notes :

1. Shareholder/Proxyholder, as the case may be, is requested to sign and hand over this slip at the entrance of the meeting venue.
2. Members holding physical shares are requested to advise the change of their address, if any, to Freedom Registry Limited at the above address.



# PENINSULA LAND LIMITED

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DP. ID No. :	L.F. No. :
Client ID No. :	No. of Share held :

## FORM OF PROXY

I/We \_\_\_\_\_ of \_\_\_\_\_

being a member/members of PENINSULA LAND LIMITED hereby appoint \_\_\_\_\_

of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote for me/us on my/our behalf at the 139<sup>th</sup> Annual General Meeting of the Company to be held on **Thursday, 11<sup>th</sup> August, 2011 at 11.00 a.m.** and at any adjournment thereof.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2011

Signature \_\_\_\_\_

Please  
affix 15 p.  
revenue  
stamp

### Notes:

1. If you intend to appoint a proxy to attend the meeting insted of yourself, the proxy form must be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
2. A Proxy need not be a memembr of the Company



Peninsula Spenta, Mathuradas Mills Compound,  
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013  
Tel.: 66229300      [www.peninsula.co.in](http://www.peninsula.co.in)