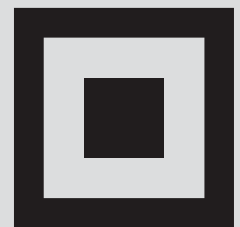


PENINSULA LAND LIMITED
136th Annual Report 2007-08





A part of the Ashok Piramal Group, Peninsula Land Limited has been formed with the merger of Piramal Holdings Limited with Morarjee Realities Limited in 2005. Peninsula Land Limited (herewith referred to as the Company / Peninsula Land) ranks amongst the first few real estate companies to be listed on the Indian stock exchange (BSE: 503031). Buoyed by its unique presence across various realty segments, the Company's position is further boosted by its synergistic business extensions. These include a domestic real estate fund and facility management services to manage developed real estate.

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NOTICE

Notice is hereby given that the 136th 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 Wednesday, the 13th day of August, 2008 at 3.00 p.m. to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 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. C. M. Hattangdi, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Ms. Bhavna Doshi, who retires by rotation and is eligible for re-appointment.
5. 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 :

6. To consider and, if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution :
"RESOLVED THAT Mr. Sudhindar Khanna, who was appointed as an Additional Director of the Company on 31st January, 2008 under Section 260 of the Companies Act, 1956 and as per the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting be and is hereby appointed as a Director of the Company."
7. To consider and, if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution :
"RESOLVED THAT Lt. Gen. Deepak Summanwar (Retired), who was appointed as an Additional Director of the Company on 6th June, 2008 under Section 260 of the Companies Act, 1956 and as per the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting be and is hereby appointed as a Director of the Company."
8. To consider and, if thought fit to pass, with or without modification(s), the following resolution as

an Ordinary Resolution :

"RESOLVED THAT in modification of the Resolution No. 8 passed by the members of the Company at the 134th Annual General Meeting held on 29th December, 2006 and pursuant to the provisions of Section 198, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 ('the Act') (including any statutory modifications or re-enactment thereof for the time being in force), the members of the Company do and hereby approve, with effect from 1st April, 2008 till the balance tenure of Mr. Rajesh Jaggi, who was appointed as the Managing Director of the Company for a period of 5(five) years with effect from 26th October, 2005, the following Salary, Perquisites and Allowances :

a) Salary

Basic Salary of Rs. 5,00,000/- per month

b) Perquisites and Allowances

- House Rent Allowance subject to a maximum of 50% of the Basic Salary – Rs. 2,50,000/-;
- Special Allowance – Rs. 7,38,750/- per month;
- Reimbursement of Leave Travel Expenses once in a year for self and family subject to a limit of Rs. 5,00,000/- per annum;
- Reimbursement of Medical Expenses subject to a limit of Rs. 15,000/- per annum. Insurance Premium for medical and hospitalization policy for self and family as per the Company's rules;
- Personal Accident Insurance cover as per the Company's rules;
- Car for use on Company's business and Telephone at residence and Mobile phone for official use only;
- Contribution to Provident Fund and Superannuation Fund as per the rules of the Company;
- Gratuity as per rules of the Company;
- Encashment of Leave at the end of the tenure in accordance with the rules of the Company.

RESOLVED FURTHER THAT apart from Salary and Perquisites mentioned above, Mr. Rajesh Jaggi shall also be entitled to Commission @ 0.75% of the Net Profit of the Company for each financial year w.e.f.

1st April, 2008;

RESOLVED FURTHER THAT the total remuneration (Salary, Perquisites and Commission) in any one financial year shall not exceed the limits prescribed under Sections 198, 309 and other applicable provisions, read with Schedule XIII of the Act as may for the time being in force;

RESOLVED FURTHER THAT wherein any financial year, during the tenure of Mr. Rajesh Jaggi as the Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Rajesh Jaggi, the above remuneration by way of salary and other allowances as a minimum remuneration subject to the limits specified under Section II of Part II of Schedule XIII of the Act or such other limits as may be prescribed by the Government from time to time as minimum remuneration;

RESOLVED FURTHER THAT the terms and conditions of Mr. Rajesh Jaggi's appointment as Managing Director may be varied, altered, increased, enhanced or widened from time to time by the Board as it may in its discretion deem fit, within the maximum amounts payable in accordance with the provisions of the Act or any amendments made hereinafter in this regard;

RESOLVED FURTHER THAT for the purpose of giving effect to revision of remuneration resolved hereinbefore, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may in its discretion deem necessary or desirable for such purpose."

9. 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 interpretations be substituted by the following new interpretations in Article 2 :

"Person"	"Person" shall include individuals, companies, body corporates, corporations, organizations, partnerships, firms, joint ventures, joint families, incorporated or unincorporated associations or bodies of persons, societies, trusts,
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public financial institutions, banks and juristic persons.

"Register of Members"

"Register of Members" means the Register of Members to be kept pursuant to the Act and also includes records of the Depository maintained in any media as may be permitted by law including electronic media.

"Ordinary Resolution" and "Special Resolution"

"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 189 of the Act.

- ii) That the following interpretations be included at the respective places in Article 2:

"ADR and GDR"

"ADR" shall mean American Depository Receipt and "GDR" shall mean Global Depository Receipt.

"Secretary"

"Secretary" shall mean the Company Secretary appointed in accordance with the provisions of the Act.

- iii) That the new Article 5(A) be inserted after the existing Article 5 :

5(A) ADR / GDR issue

The Company shall, subject to the provisions of the Act, compliance with all applicable laws, rules and regulations, have power to issue ADRs or GDRs or such other securities on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include, at the discretion of the Board, limitations on voting by holders of ADRs or GDRs or such other securities, including without limitation, exercise of voting rights in accordance with the directions of the Board or otherwise.

- iv) That the existing Article 6(A) be substituted by the following new Article :

6(A) Buyback of shares

Notwithstanding anything contained in these articles, the Board of Directors may, when and if thought fit, buyback such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and in accordance with the provisions

of Sections 77A, 77AA and 77B of the Act or any statutory modification thereto and such other regulations and guidelines as may be issued in this regard.

- v) That the existing Article 20 be substituted by the following new Article 20 :

20 Certificates

The certificates of title to shares shall be issued under the seal of the Company and signed by two Directors and countersigned by the Secretary or some other person as shall from time to time be authorized by the Directors for the purpose. The Company shall have three months time for complying with the requirements of Section 113 of the Act, for the issue of the certificate if the conditions of the issue of any shares so provide.

- vi) That the existing Article 48 be substituted by the following new Article 48 :

Form of transfer

48 The instrument of transfer shall be in writing and all provisions of Section 108 of the Act and statutory modification thereof for the time being shall be duly compiled with in respect of all transfer of shares and registration thereof. Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

- vii) That the existing Article 53 be deleted and new Article be inserted as Article 53:

53 Fee on transfer

No fee shall be charged for registration of transfer, transmission, etc.

- viii) That the new Articles 66A – 66D be inserted after the existing Article 66 :

Share Warrants

Power to issue share warrants	66A. The Company may issue share warrants subject to, and in accordance with the provision of Sections 114 and 115, and accordingly, the Board may in its discretion, with respect to any share which is fully paid, upon application in writing signed by the person registered as holder
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of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

Deposit of share warrant

66B

- (1) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name was inserted in the Register of Members as the holder of the share included in the deposited warrant.
- (2) Not more than one person shall be recognised as depositor of the share warrant.
- (3) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

Privileges and disabilities of the holders of share warrant

66C

- (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

- (2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant and he shall be a member of the Company.

Issue of new share warrant or coupon 66D. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

- ix) That the existing Article 117 be substituted by the following new Article 117 :

117 Form of instrument of proxy

An instrument appointing a proxy shall be in either of the forms in Schedule IX of the Act or a form as near thereto as circumstances admit.

- x) That the existing Article 132 be substituted by the following new Article 132:

132 When office of Director to be vacated

Subject to Sections 283(2) and 314 of the Act the office of a Director shall be vacated if :

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to be adjudicated an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
- (e) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board of Directors; or
- (f) he becomes disqualified by an Order of Court under Section 203 of the Act; or

- (g) he is removed in pursuance of Section 284 of the Act; or

- (h) he or any firm in which he is a partner or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or

- (i) he acts in contravention of Section 299 of the Act; or

- (j) he is convicted by a Court of an offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or

- (k) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or

- (l) he resigns his office by a notice in writing addressed to the Company.

- xi) That the words "Managing Agent" appearing in Article 139 be deleted alongwith the words "or Agent" appearing in the marginal note to the said Article.

- xii) That the existing Article 146 be deleted and the Article 146 be worded as under :

"Article 146 " deleted

- xiii) That the existing Article 163 be substituted by the following new Article 163:

163 Registers, Books and Documents to be maintained by the Company

The Company shall maintain the following Registers, Books and Documents, namely :

- (a) Register of Investments not kept in Company's names, according to Section 49 of the Act.
- (b) Register of Mortgages and Charges, according to Section 143 of the Act.
- (c) Register of Members according to Section 150 of the Act.
- (d) Register or Index of Debenture-holders, according to Section 152 of the Act.
- (e) Register of Contracts, Companies and Firms in which Directors are interested, according to Section 301 of the Act.
- (f) Register of Director's and Managers according to Section 303 of the Act.

- (g) Register of Directors' shareholding according to Section 307 of the Act.
- (h) Register of Inter-corporate Loans and Investments according to Section 372A of the Act.
- (i) Books recording minutes of all proceedings of General Meetings, and of all proceedings of the meeting of its Board of Directors or of Committees of the Board, in accordance with the provisions of Section 193 of the Act.
- (j) Books of Account in accordance with the provisions of Section 209 of the Act.
- (k) Copy of Instrument creating any charge requiring registration, according to Section 136 of the Act.
- (l) Index of Members, according to Section 151 of the Act.
- (m) Copies of Annual Returns prepared under Sections 159 and 160 of the Act together with the copies of certificates and documents required to be annexed thereto under Sections 160 and 161.

xiv) That the word "372A" be inserted after the word "373" but before the words "372" in Article 166(10).

xv) That the new Article 172A be inserted after the existing Article 172 :

172A Whole Time Director

The provisions of the Articles 167 to 172 shall mutatis mutandis apply to the Whole Time Directors of the Company.

xvi) That the existing Articles 173 to 181 pertaining to Managing Agents be deleted and the Articles 173 to 181 be worded as under :

"Articles 173 to 181" deleted

xvii) That the existing Article 183 be deleted and the Article 183 be worded as under :

"Article 183 " deleted

xviii) That the existing Article 199 be substituted by the following new Article 199:

199 Unclaimed dividend

Unclaimed Dividend will be dealt with in accordance with the provisions of Sections 205A, 205B and 205C and other provisions, if any, of the Act as may be applicable from time to time in

respect of transfer / payment of Unpaid Dividend Account and transfer to Investor Education & Protection Fund. Subject to the provisions of Sections 205 to 208 of the Act, no unpaid dividend shall bear interest as against the Company.

xix) That the new Article 231 be inserted after the existing Article 230 :

231 General Authority

Wherever, in the Act, it has been provided that a Company shall have any right, privilege or authority or that a Company could carry out a transaction only if a Company is so authorized by its Articles, then and in that case this Article hereby authorizes and empowers the Company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act without there being any specific Article in that behalf herein provided.

RESOLVED FURTHER THAT any one of the Directors 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 IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE 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 meeting.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 are annexed herewith.
3. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 6th August, 2008 to Wednesday, 13th August, 2008 (both days inclusive).
4. Payment of Dividend as recommended by the Board of Directors, if approved at the meeting, will be made on or after 13th August, 2008 to those members whose name appear on the Company's Register of Members on 13th August, 2008 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 13th August, 2008.

After dispatch of dividend warrants, any request for change in the bank account will not be entertained by the Company or its Share Transfer Agents.

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 Agents 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 Agents 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 Agents for incorporating the same on the dividend warrants.
8. Facility of electronic credit of dividend directly to the respective bank accounts of our shareholders through Electronic Clearing Service (ECS) is available. This facility is currently available at the locations specified in the Mandate Form separately enclosed in this Annual Report. This is in addition to the Bank Mandate Facility that already exists whereby bank account details are printed on the dividend warrants. Shareholders who would like to avail of the ECS Mandate Facility or the Bank Mandate Facility (if not done earlier) are requested to complete and submit the Mandate Form that is separately enclosed with this Annual Report, so as to reach the Company's Share Transfer Agent latest by 6th August, 2008. Kindly note that shareholders holding shares in dematerialized form would receive their dividend directly to the bank account nominated by them to their Depository Participant, as per SEBI directives.
9. Members holding shares in physical form are requested to immediately intimate to the Company / Share Transfer Agents, 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.

10. In respect of the sub-division of shares, members who have not surrendered the physical share certificates of face value of Rs. 10/- each for exchange of the physical share certificates of Rs. 2/- each are requested to surrender the old share certificates with the Share Transfer Agents. On surrender of the old share certificates, the new share certificates will be dispatched to the concerned member.
11. 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 shareholders to hold and trade the securities in dematerialized / electronic form. In view of the numerous advantages offered by the Depository System, members holding shares in the Company in physical form are requested to avail of the facility of dematerialization.
12. Brief resume of the Directors seeking appointment / re-appointment and other details as stipulated under Clause 49 of the Listing Agreement, are provided in the Annexure to the Notice.

By Order of the Board

Kausik Nath
Company Secretary

Registered Office :
Peninsula Spenta
Mathuradas Mills Compound
Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Mumbai : 6th June, 2008

Explanatory Statement

Explanatory Statement under Section 173(2) of the Companies Act, 1956 ("the Act").

Item No. 6

Mr. Sudhindar Khanna was appointed as an Additional Director of the Company with effect from 31st January, 2008 under Section 260 of the Companies Act, 1956 and as per the Articles of Association of the Company and he holds office up to the date of this Annual General Meeting.

The Company has received notice alongwith deposit under Section 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. Sudhindar

Khanna as Director of the Company.

Brief Resume of Mr. Sudhindar Khanna and his experience and other Directorships held by him are given as an Annexure to the Notice.

The Directors, therefore, recommend the resolution appearing under the Item No. 6 of the accompanying Notice for your approval.

Except Mr. Sudhindar Khanna, no other Director is deemed to be concerned or interested in the above mentioned resolution.

Item No. 7

Lt. Gen. Deepak Summanwar (Retired) was appointed as an Additional Director of the Company with effect from 6th June, 2008 under Section 260 of the Companies Act, 1956 and as per the Articles of Association of the Company and he holds office up to the date of this Annual General Meeting.

The Company has received notice alongwith deposit under Section 257 of the Companies Act, 1956 from a member proposing the candidature of Lt. Gen. Deepak Summanwar as Director of the Company.

Brief Resume of Lt. Gen. Deepak Summanwar and his experience and other Directorships held by him are given as an Annexure to the Notice.

The Directors, therefore, recommend the resolution appearing under the Item No. 7 of the accompanying Notice for your approval.

Except Lt. Gen. Deepak Summanwar, no other Director is deemed to be concerned or interested in the above mentioned resolution.

Item No. 8

Mr. Rajesh Jaggi was appointed as the Managing Director of the Company for a period of 5 (five) years with effect from 26th October, 2005. The terms and conditions of the appointment including the salary was recommended by the Remuneration Committee at its meeting held on 26th October, 2005 and was considered by the Board at its meeting held on 26th October, 2005. The appointment was approved by the shareholders of the Company at the 134th Annual General Meeting held on 29th December, 2006.

The Remuneration presently being drawn by Mr. Rajesh Jaggi is not commensurate with his experience and responsibilities allocated to him. It is felt that his contribution should be recognised with a contemporary and competent remuneration structure.

Keeping the above in mind, the Board of Directors at its meeting held on 6th June, 2008, upon recommendation of the Remuneration Committee at its meeting held on 6th June, 2008, had proposed to revise the remuneration of

Mr. Rajesh Jaggi, with effect from 1st April, 2008 for the balance period of his tenure as the Managing Director of the Company. Apart from Salary and Perquisites, Mr. Rajesh Jaggi shall also be entitled to Commission @ 0.75% of the Net Profits of the Company for each financial year w.e.f. 1st April, 2008.

The aggregate Salary, Perquisites and Commission shall always be within the limits prescribed under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 ("the Act") read with Schedule XIII of the Act as may for the time being in force.

Pursuant to the provisions of Act, the aforesaid revision in remuneration is subject to the approval of the members of the Company. The Board therefore, recommends the resolution at Item No. 8 of the accompanying Notice for the approval of the members.

The contents of this Notice and Explanatory Statement may be treated as an abstract of the terms of variation in his remuneration together with the memorandum of interest under Section 302 of the Act.

Except Mr. Rajesh Jaggi, no other Director is deemed to be concerned or interested in the above mentioned resolution.

Item No. 9

The Company's Articles of Association have not been substantially altered and many of the provisions contained in the Articles are not in conformity with the current provisions of the Companies Act, 1956 ("Act") and your Directors consider it desirable to alter the Articles of Association in conformity with the provisions of the Act and the various applicable Rules and Regulations.

Your Directors therefore recommend the resolution at Item No. 9 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

Kausik Nath
Company Secretary

Registered Office :
Peninsula Spenta
Mathuradas Mills Compound
Senapati Bapat Marg
Lower Parel, Mumbai 400 013

Mumbai : 6th June, 2008

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

Re-appointment



Mr. C. M. Hattangdi

Date of Birth
20th July, 1930

Date of Appointment
26th February, 1993

Qualification

Mr. C. M. Hattangdi is a graduate from Mumbai University with Chemistry and Physics as his majors.

Profile and Expertise

Mr. Hattangdi started his career with Pfizer India Limited and rose to position of Marketing Director of pharmaceuticals and agricultural business in India and Vice President – Agricultural business in Philippines.

He joined Parke Davis as Chairman and Managing Director

in 1977 and was with Parke Davis till 1988. He joined Nicholas Laboratories India Limited (now known as Piramal Healthcare Limited) in 1988, as Managing Director and continued as the Managing Director till June 1998. He was inducted on the Board of this Company in February, 1993.

Shareholding in the Company

Mr. C. M. Hattangdi holds 500 equity shares of the Company.

Directorship and committee memberships (excluding Peninsula Land Limited)

Directorships

- The Swastik Safe Deposit & Investment Limited

Chairman of Board Committees

None

Member of Board Committees

None



Ms. Bhavna Doshi

Date of Birth
26th June, 1953

Date of Appointment
17th 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. She was ranked 2nd, 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.

Profile and Expertise

Ms. Bhavna Doshi is currently a Senior Advisor to KPMG. She is also an elected member of the Council of the Institute of Chartered Accountants of India and serves on its various committees including Accounting Standards Board, Expert Advisory Committee and Taxation Committees. She is also a member of the Managing Committee of the Indian Merchants' Chamber and Chairperson of its Indirect Tax Committee. Ms. Doshi is the Past President of the Indian Merchants' Chamber Ladies Wing.

During her professional career of over 25 years,

Ms. Doshi has advised national and international companies on varied matters relating to taxation, restructuring, valuation of shares and businesses, family partitions, arbitration, accounting matters and joint ventures. Ms. Doshi is a member of the Compliance Advisory Panel of International Federation of Accountants and also serves on the Government Accounting Standards Advisory Board constituted by the Comptroller and Auditor General of India.

Shareholding in the Company

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

Directorship and committee memberships (excluding Peninsula Land Limited)

Directorships

- 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

Appointment



Mr. Sudhindar Khanna

Date of Birth

19th January, 1953

Date of Appointment

31st January, 2008

Qualification

Mr. Sudhindar Khanna is a qualified Chartered Accountant. He obtained 3rd rank in the UK in the Intermediate Examination of the Institute of Chartered Accountants of England & Wales and stood 1st in the Finals with the prize of the best paper in Law.

Profile and Expertise

Mr. Khanna joined Accenture, London as a Senior Consultant in the year 1977 and was promoted as a Partner of Accenture in 1986.

Mr. Khanna possesses wide experience in advising clients in strategy, reengineering and technology across a range of industries at the Chairman /CEO level in approximately 20 countries. Mr. Khanna recently retired from Accenture after 30 years of service. His last position in Accenture

was that of Global Managing Partner Outsourcing based in London.

Mr. Khanna speaks at a variety of global conferences and interacts with the media globally.

Mr. Khanna is a Charter Member of TIE which is a Global Technology Networking/ Mentoring Organization. He is also on the Board of IBPN (Indo British Partnership) and on the Board of the India Advisory Group, which advise the UK and Indian Government on strengthening India - British economic ties.

Shareholding in the Company

Mr. Sudhindar Khanna does not hold any shares of the Company.

Directorship and committee memberships (excluding Peninsula Land Limited)

Directorships

- United Spirits Limited

Chairman of Board Committees

None

Member of Board Committees

None



Lt. Gen. Deepak Summanwar (Retired)

Date of Birth

14th March, 1947

Date of Appointment

6th June, 2008

Qualification

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. In addition, he has graduated from the Defence Services Staff Colleges Wellington and holds a Masters degree in Defence and Strategic studies from the Madras University. He has successfully completed the Higher Command course from the Army War College, Mhow, this course is equated with M Phil in Strategy and Management by the Ahillia Devi University, Indore.

Profile and Expertise

Lt. Gen. Deepak Summanwar has recently retired from the Army after forty years of service. 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.

He is currently on the Board of The Waterbase Limited, the largest Aquaculture Company in India, an advisor to an Investment Bank and Pension Fund Company and engaged in various other advisory services. He is also an associate of Burrill Green and Co. of UK.

Shareholding in the Company

Lt. Gen. Deepak Summanwar does not hold any shares of the Company.

Directorship and committee memberships (excluding Peninsula Land Limited)

Directorships

- The Waterbase Limited

Chairman of Board Committees

None

Member of Board Committees

None

DIRECTORS' REPORT

Dear Shareholders

1. The Directors have pleasure in presenting their 136th Annual Report and the Audited Accounts for the year ended 31st March, 2008 together with the Auditor's Report thereon.

2. Financial Results

Particulars	Rs. in lacs	
	For the year ended 31 st March, 2008	For the period ended 31 st March, 2007 (9 Months)
Total Income	35,559.60	32,091.44
Profit Before Extraordinary & Prior Period Items	16,505.64	16,472.40
Extraordinary & Prior Period Items	1,711.00	(2,519.61)
Profit before tax	14,794.65	13,952.79
Less : Tax	1,815.74	748.99
Profit after Tax	12,978.90	13,203.80
Profit Brought Forward from Previous Year	19,513.42	9,107.32
Adjustment of Loss & Transaction with Dawn Mills	(11,299.67)	--
Net Profit available for appropriation	21,192.64	22,311.11
Appropriation :		
Transfer to General Reserve	1,300.00	1,320.39
Transfer to Debenture Redemption Reserve	3,447.00	--
Proposed Dividend on Preference Shares	0.01	0.01
Proposed Dividend on Equity Shares	2,233.61	1,262.70
Distribution Tax Thereon	379.60	214.60
Dividend to Shareholders of Dawn Mills	150.00	--
Distribution Tax Thereon	25.49	--
Profit carried to the Balance Sheet	13,656.94	19,513.42

3. Authorized Share Capital

At the Extra Ordinary General Meeting held on 22nd October, 2007, the Authorised Share Capital of the Company was increased from Rs. 52,00,00,000/- (Rupees Fifty Two Crores only) to Rs. 65,00,00,000/- (Rupees Sixty Five Crores only).

4. Sub-division of Shares

The paid-up Equity Share Capital of the Company of face-value of Rs.10/- per share was sub-divided into Rs. 2/- per share effective from 23rd October, 2007.

5. Qualified Institutional Placement

During the year under review, the Company had raised Rs. 52,500 lacs by issue of 4,37,50,000 equity shares of face value of Rs. 2/- each at a premium of Rs. 118/- per share through Qualified Institutional Placement (QIP) to Qualified Institutional Buyers (QIB) on a private placement basis.

This had resulted in the paid-up share capital of the Company increasing from Rs. 4,209.02 lacs to Rs. 5,584.02 lacs consisting of 27,92,01,220 equity shares of Rs. 2/- each (which includes Rs. 500 lacs for shares allotted to the shareholders of erstwhile The Dawn Mills Company Limited) and 1,000 Redeemable Preference Shares of Rs. 10/- each.

The new shares have been listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited on 3rd January, 2008.

6. Dividend

Preference Shares

The Board of Directors have recommended dividend @ 5% p.a. on Preference Shares of Rs. 10/- each for the year ended 31st March, 2008.

Equity Shares

The Board of Directors have recommended dividend @ 40% (Rs.0.80) per equity share of Rs. 2/- each for the year ended 31st March, 2008.

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. 2,613.21 lacs.

7. Operations of the Company

During the year, the Company had earned a revenue of Rs. 35,560 lacs for the year as compared to Rs. 32,091 lacs for the previous period of nine months ended 31st March, 2007.

Profit before tax was Rs. 16,506 lacs as against Rs. 16,472 lacs in the corresponding period of last year.

The above results have been achieved inspite of the operations in the current year being adversely affected on account of Stop Work Notices issued by the Municipal Corporation of Greater Mumbai which resulted in stoppage of work for six months of the year in respect of all the four projects under development in the city of Mumbai. The Stop Work Notices have been withdrawn with effect from 2nd April, 2008 and work has commenced on all the four projects.

8. Expansion Plans

The Company, as a part of its geographical expansion beyond Mumbai, has now acquired land in the cities of Pune, Goa, Nagpur, Nashik and Hyderabad. Work on all these sites are expected to commence shortly and the projects will be completed in a phased manner in a span of 3 – 5 years.

9. Joint Venture

The Company has entered into a 50 : 50 Joint Venture with Arrow Webtex Limited for building business hotels across the country.

10. Management Discussion and Analysis

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

11. Corporate Governance

As required by Clause 49 of the Listing Agreement, a Report on Corporate Governance is appended together with the Certificate on Corporate Governance from the Statutory Auditors.

As a part of good Corporate Governance, we have obtained a Secretarial Compliance Certificate from a Practising Company Secretary, M/s. V. Sundaram & Co., in respect of compliance of all rules, regulations under the various applicable provisions of the Companies Act, 1956 and the applicable regulations under the Listing Agreement entered with the Stock

Exchanges. A copy of the said certificate is appended to this report.

12. Directorate

The Board of Directors at its meeting held on 31st January, 2008 appointed Mr. Sudhindar Khanna as an Additional Director of the Company and at its meeting held on 6th June, 2008 appointed Lt. Gen. Deepak Summanwar as an Additional Director of the Company and both of them will hold office upto the date of the ensuing Annual General Meeting. The Company has received notices in writing from the members proposing the candidatures of Mr. Sudhindar Khanna and Lt. Gen. Deepak Summanwar for the office of Directors, liable to retire by rotation.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. C. M. Hattangdi and Ms. Bhavna Doshi, Directors of the Company retire by rotation at this Annual General Meeting and are eligible for re-appointment, which the Board recommends.

13. 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.

14. 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 shareholder 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.

15. Subsidiary Companies / Consolidated Accounts

The Central Government has granted exemption under Section 212(8) of the Companies Act, 1956, from attaching to the Balance Sheet of the Company, the Accounts and the other documents of its subsidiary companies. However, the Consolidated Financial Statements of the Company, which include the results of the said subsidiaries, are included in this Annual Report. Further, a statement containing the

particulars prescribed under the terms of the said exemption for each of the Company's subsidiaries are also enclosed. Copies of the audited annual accounts of all the subsidiary companies can also be sought by any investor of the Company or its subsidiaries on making a written request to the Company Secretary at the Registered Office of the Company in this regard. The Annual Accounts of the subsidiary companies are also available for inspection at the Company's and / or the concerned subsidiaries' registered office.

Details of the various Subsidiary Companies are as under :

Renato Finance & Investments Private Limited ("Renato")

During the year ended 31st March, 2008, Renato's total revenue from financial and investment activities was of Rs. 86.47 lacs as against the previous years revenue of Rs. 425.15 lacs. Corresponding Profit after tax was Rs. 3.57 lacs and Rs. 0.77 lacs respectively. Renato is a registered Non Banking Finance Company.

Planetview Mercantile Company Private Limited ("Planetview")

Planetview is in the business of Real Estate development project in Goa. The Company had incurred a loss of Rs. 2.50 lacs. The project expenses are transferred to work in progress.

Peninsula Trustee Limited ("PTL")

PTL is in the business of managing various Real Estate Funds. During the year ended 31st March, 2008, PTL had earned total revenue of Rs. 0.72 lacs and incurred loss of Rs. 2.45 lacs. The corresponding figures of total revenue for the previous year 2006-07 was Rs. Nil and incurred loss of Rs. 4.10 lacs.

Peninsula Pharma Research Centre Private Limited ("Peninsula Pharma")

Peninsula Pharma is in the business of Real Estate Development Project (SEZ) in Goa. The project is notified under SEZ by Government of India. The project expenses are transferred to work in progress.

Peninsula Investment Management Company Limited ("PIMCL")

PIMCL is rendering mainly investment advisory services. During the year ended 31st March, 2008, PIMCL earned total revenue of Rs. 128.72 lacs and

incurred loss of Rs. 130.90 lacs. The corresponding figure of total revenue for the previous year 2006-07 was Rs. 8.64 lacs and the loss of Rs. 60.69 lacs.

Peninsula Facility Management Services Private Limited ("Peninsula Facility")

Peninsula Facility is mainly rendering maintenance and housekeeping services to various properties. During the year ended 31st March, 2008, Peninsula Facility earned total revenue of Rs. 767.66 lacs and incurred loss of Rs. 135.33 lacs as against the total revenue of Rs. 573.64 lacs and loss of Rs. 37.34 lacs in the previous year.

Peninsula Mega Properties Private Limited ("Peninsula Mega Properties")

During the year ended 31st March, 2008, Peninsula Mega Properties had incurred a loss of Rs. 0.11 lacs. The corresponding figure of previous year loss was Rs. 0.18 lacs.

Inox Mercantile Company Private Limited ("Inox")

Inox is in the business of Real Estate Development project in Goa. The Company had incurred a loss of Rs. 2.50 lacs. The project expenses are transferred to work in progress.

City Parks Private Limited ("City Parks")

City Parks is in the business of development of Real Estate in Pune. During the year ended 31st March, 2008, City Parks had earned a total revenue of Rs. 346.26 lacs and a profit after tax of Rs. 189.83 lacs. The corresponding figure of total revenue for the previous year 2006-07 was Rs. 2.17 lacs and the loss of Rs. 12.07 lacs.

Champs Elysee Enterprises Private Limited ("Champs Elysee")

During the year ended 31st March, 2008, Champs Elysee had incurred a loss of Rs. 7.35 lacs as against Rs. 0.15 lacs during the previous year.

Peninsula Mega Township Developers Private Limited ("PMTDPL")

PMTDPL had been incorporated on 17th January, 2007 and became the subsidiary of the Company on 10th August, 2007. PMTDPL is undertaking Real Estate Development project in Nashik. During the year ended 31st March, 2008, PMTDPL had incurred a loss of Rs. 0.83 lacs.

RR Mega Property Developers Private Limited ("RR Mega Property")

RR Mega Property had been incorporated on 2nd June, 2007 and became the subsidiary of the Company on 10th August, 2007. RR Mega Property is undertaking the Real Estate Development project in Hyderabad. The project expenses are transferred to work in progress.

RR Real Estate Development Private Limited ("RR Real Estate")

RR Real Estate had been incorporated on 2nd June, 2007 and became the subsidiary of the Company on 16th January, 2008. During the year ended 31st March, 2008, RR Real Estate had incurred a loss of Rs. 0.06 lacs.

16. Fixed Deposits

46 Deposits amounting to Rs. 3.05 lacs matured on or before 31st March, 2008 and were unclaimed due to lack of instructions from the depositors.

17. Directors' Responsibility Statement

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

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- b) 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 31st March, 2008 and its profit for the year ended on that date;
- c) 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;
- d) your Directors have prepared the Annual Accounts for the year ended 31st March, 2008 on a going concern basis.

18. Employee Stock Option Scheme

During the year, the Company had granted 1,17,500 stock options of face value of Rs. 2/- each. 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.

19. Group for Inter se Transfer of Shares

As required under Clause 3(1)(e) 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 given in Annexure B attached herewith and said Annexure B forms part of this Annual Report.

20. 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.

21. Foreign Exchange earnings and outgo

Disclosure of information relating to Foreign Exchange outgo as required under Rule 2(c) is already given in Schedule 14 forming part of the Audited Annual Accounts.

22. 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 and shareholders for their continued support and encouragement.

By Order of the Board

Urvi A. Piramal
Chairperson

Mumbai : 6th June, 2008

ANNEXURE - "A"

DISCLOSURES REGARDING STOCK OPTIONS

Pursuant to the applicable requirements of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the SEBI Guidelines"), the following disclosures are made in connection with the "Peninsula Land Limited – Employee Stock Option Scheme 2006" which is presently in force, for options granted for the financial year ended 31st March, 2008. Since the equity shares of the Company were split from face value of Rs. 10/- to face value of Rs. 2/-, the number of options mentioned below have been given with reference to the face value of Rs. 2/-.

	Grant 3rd October, 2006	Grant 25th October, 2007
Options granted	11,25,000	1,17,500
The pricing formula	The options were granted at a consideration of Rs. 70/- per option	
Options vested	1,10,152	NIL
Options exercised and the total number of shares arising as a result of exercise of options	NIL	NIL
Options Lapsed	5,88,375	1,07,500
Variation of terms of options	NIL	NIL
Money realized by exercise of options	NIL	NIL
Total number of options in force	5,36,625	10,000
Details of options granted to (i) Senior managerial personnel;	All Stock Options as aforesaid, have been granted to Senior Management Personnel of the Company.	
(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;	The following employees have received a grant amounting to 5% or more of options granted during the period 2006 – 2007 1. Mr. Rajesh Jaggi – Managing Director 2. Mr. Giridhar Rajagopalan – Vice President – Projects 3. Mr. Sanjay Mhapankar – Chief Executive Officer	Only Mr. Anil Pandit, Chief Operating Officer has received a grant amounting to 5% or more of options granted during the period 2007 – 2008.
(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
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. 5.34	

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 stock option, employee compensation expense would have been higher by Rs. 101.99 lacs. Consequently, profit after tax would have been lower by Rs. 101.99 lacs and the basic EPS would be Rs. 5.31 and diluted EPS would have been Rs. 5.29 per share.	
	The assumptions used to estimate fair value options include the following:	
	Risk free interest rate -7.1%, expected life - 3 years, Volatility -121%, Dividend yield - 0.61%, Market price of share at the time of grant of options - Rs. 61.28 (Adjusted for face value of Rs. 2/-)	Risk free interest rate -7.7%, expected life - 3 years, Volatility - 36.2%, Dividend yield - 0.71%, Market price of share at the time of grant of options - Rs. 131.30
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.	Weighted average exercise price of options is Rs. 70/-. Weighted average fair value of options is Rs. 43.50.	

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 said Regulations'), as provided in Clause 3(1)(e)(i) of the said Regulations :

Ms. Urvi A. Piramal	Topflag Trading Company Private Limited
Mr. Harshvardhan A. Piramal	Newone Trading Company Private Limited
Mr. Rajeev A. Piramal	Highzone Mercantile Company Private Limited
Mr. Nandan A. Piramal	Supersoft Mercantile Company Private Limited
Alltime Mercantile Company Private Limited	Surewin Trading Company Private Limited
Newzone Mercantile Company Private Limited	Omega Multitrade Private Limited
Superplaza Mercantile Company Private Limited	Ashok Piramal Group Real Estate Trust
Bigdeal Mercantile Private Limited	Ashok Piramal Group Textiles Trust
Goldflag Mercantile Company Private Limited	

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY OVERVIEW

India's economic and purchasing power has recorded impressive growth in recent years. In terms of purchasing power parity, India is today the world's third largest economy. India's economy continues to grow at a healthy pace of 8.5%. The strength of the country's economic growth has unleashed unprecedented opportunities across various sectors, the most notable of them being real estate. The growth in this sector is being driven by a strong economy, favourable demographics, positive fiscal initiatives and a liberalised Foreign Direct Investment (FDI) regime.

Residential sector

Of the total real estate segment turnover, the residential sector alone accounts for 75-80%. Rising disposable income, growing number of double income and nuclear families, coupled with a low interest rate regime, easy availability of home loans, and positive fiscal benefits, have all combined to boost the housing demand.

The increasing preference to "buy first and pay later", rather than "save first and buy later", has been an important growth driver in the residential sector. This is evident from the fact that the average age of a new homeowner has come down to 32 years from 45 years a decade ago. It is also indicated by the increase in the total number of mortgages signed with home loan companies.

Rising aspirations have also transformed the desire for traditional 'secure' and 'value for money' houses to modern residential asset classes, such as large, premium apartments and hi-rise buildings, equipped with clubhouses, contemporary amenities, spacious and green surroundings. "Branded" mid-segment houses are also very much in demand today by the new burgeoning middle class who have a strong propensity to spend.

Further, the demand for quality lifestyle and the popularity of the 'walk-to-work' concept is fuelling the growth of integrated townships. This is true especially in close vicinity of commercial or retail and leisure facilities, as witnessed in Tier II and Tier III cities, satellite towns and suburban areas of Tier I cities.

Outlook: According to the National Housing Bank, the country currently faces a shortage of 20 million units and expects an incremental demand of 8-10 million units per annum, resulting in a supply-demand gap of 45 million

units by 2012. Reputed research firm CRIS INFAC projects that only 4.6 million housing units are expected to be added annually till 2012.

The huge shortage in supply presents a tremendous opportunity in this sector. What makes the outlook even more attractive is that the residential sector has proven its resilience to short term fluctuations. Prices in the real estate sector continue to hold ground firmly due to the strong underlying fundamentals.

Commercial sector

A large part of the boom in the commercial segment can be safely attributed to the fast paced growth of India's services sector. Nearly 70% of the demand in the commercial sector is from the IT/ITeS sector. Some of the other key sectors fuelling the demand include BFSI (banking, financial services and insurance), FMCG (fast moving consumer goods) and Telecom. The demand for fully integrated office complexes and IT Parks, with robust infrastructure and futuristic amenities, along with the development of exclusive cyber cities, has transformed the traditional commercial sector.

Traditionally, maximum growth in office space has been witnessed in and around the six metros of Bangalore, Chennai, Mumbai, Hyderabad, Kolkata and New Delhi. Owing to the booming Indian economy and growing services sector, the demand for office space in these cities continues to be sustained.

However, with limited land availability and inflexible laws which restrict vertical growth, the existing business districts in Indian metros have a limited supply of good quality development. This in turn is leading to high lease rates and rental. With Tier II & III cities providing improved infrastructure, easier access to qualified manpower, lower real estate costs and availability of quality commercial developments, the opportunities in these cities are largely untapped and they will continue to experience high growth. The demand is further boosted by the need for IT/ITeS companies to be cost competitive, making these cities attractive real estate investment areas.

Outlook: According to CB Richard Ellis, a global consultancy firm, India's overall commercial office stock increased by approximately 53 million sq. ft. in 2007, taking the total Grade A (leased) stock to 190 million sq. ft., showing a growth of around 40%. As per industry estimates, the

investment in commercial construction is expected to increase threefold over the next five years.

A survey by NASSCOM released in February 2008 reveals that the IT and BPO industry in India is poised to grow 15 to 20% in the next five years. The sector is projected to directly employ up to eight million people. The survey has revealed that prospects of the industry growing in 50 cities in the country are bright if the State Governments concentrate on developing infrastructure in these cities. Leading market research firms Forrester and IDC India have also forecast similar double digit growth up to 2012 for the IT/ITeS sector.

Thus, the IT/ITeS sector will generate strong demand as it continues to expand operations into Tier II and Tier III cities and new micro markets in order to remain sharply cost-competitive. Also, the booming economy and the availability of highly qualified technical manpower in India will see a continued growth in the services industry, boosting the demand for quality commercial space.

Retail

The Indian retail market is the fifth largest retail destination globally. According to industry estimates, the retail sector will grow at a sustained CAGR of over 10% per annum to reach USD 440 billion by 2010.

The real estate sector has responded well to this retail growth. In 2002, organised retail had occupied 1 million sq. ft. of space, which shot up to nearly 40 million sq. ft. by 2007.

Outlook: By the end of 2008, space occupation in the organised retail sector is likely to be 60 million sq. ft, with leading business houses and retailers, including Reliance, Tatas and Birlas, among others, driving the demand due to decreasing real estate prices, providing retail with a further boost. Organised retail is expected to grow rapidly due to improving demographics, increasing urbanisation and cultural shift in demand for more branded merchandise.

Special Economic Zones (SEZs)

The Indian Government announced the Special Economic Zones (SEZs) Policy in April 2000 with an aim to eliminate the existing bureaucratic shortcomings and develop world-class infrastructure. More importantly, the Policy sought to attract larger foreign investments into India.

SEZs are being developed as an engine for economic growth, and will be supported by quality infrastructure development and attractive fiscal packages. As of March 2008, the total private investment made in SEZs stood at Rs. 77,210 crores. Since the SEZ Rules came into effect in February 2006, formal approval has been granted to 462 SEZ proposals, of which 222 SEZs have been notified.

Outlook: According to Government of India's Ministry of Commerce indications, close to Rs. 1 lakh crores worth of investment over the next five years is expected to fructify in these approved SEZs. Moreover, the continued growth of this sector is expected to be driven by the many advantages derived from SEZs, apart from the multiplier effect of the investments and additional economic activity in these SEZs. Stability in fiscal concession will also be essential to sustain growth. Additionally, sunrise sectors like biotechnology are also expected to trigger additional demand for space in order to meet the growing processing, non-processing and residential needs.

OUTLOOK FOR THE SECTOR

India's real estate to clock 30% growth: The realty sector is projected to grow at a rate of 30% annually over the next decade. Currently valued at USD 7 billion, it is forecast to touch USD 102 billion in the next 10 years.

Strong Government measures: The Indian government has announced plans to support the development of 43 new cities across the country. The twin objective of this proactive measure is to decongest existing metros, whose infrastructure is nearly strangulated due to unprecedented growth in the past decade, and also to promote the growth of sectors generating employment opportunities.

The Government aims to create self-contained satellite townships with adequate commercial space, and a commensurate increase in residential accommodation, retail, education, healthcare and recreation facilities. This proposal has also been supported by the Planning Commission. Under this proposal, the Government plans to shift 40% of the business to the upcoming 43 cities by 2018.

Promoting FDI inflows: Foreign Direct Investment in the Indian realty sector may jump around six-fold to USD 30 billion over the next 10 years. Real estate has been instrumental in India's emergence as the top destination in Asia (after Japan) in attracting

private equity investments in the past year. Real estate accounted for nearly 26% of total value of private equity investments at approximately USD 2.6 billion. According to industry projections, another USD 10-20 billion would pour into the sector in the next three years. During the first five months of 2008, reports indicate that Private Equity commitments into the Indian real estate companies surpassed USD 3 billion, which incidentally was the total Private Equity investment into the Indian real estate companies for the whole of 2007.

Foreign developers: At present, foreign developers can undertake construction activities on a minimum space of 500,000 sq. ft. The ceiling of 500,000 sq. ft. is likely to be lowered to 200,000 sq. ft. in next 10 years to promote more increased inflows of FDI.

Real estate regulator: The real estate sector is largely fragmented. There are no pre-qualifications to enter this sector. The Confederation of Real Estate Developer Association of India (CREDAI) has recommended development of a regulatory body in order to promote

transparency, increase credibility and discourage unscrupulous players from entering the sector.

Entry of REITs and REMFs

The Government of India has opened up the financial sector and availability of funds to the real estate sector by allowing Real Estate Investment Trusts and Mutual Funds. The creation of REMFs and investment in REITs will improve transparency and liquidity in the real estate capital market and will provide an outlet to the retail investor to participate in the sector.

(Source: Various newspaper reports and industry research reports)

Current projects

As part of its real estate development strategy for Mumbai, the Company currently has five large ongoing projects in the city. The status of these projects are as follows:

Project	Features	Status
Ashok Towers, Parel	<ul style="list-style-type: none"> ○ Residential complex offering luxury apartments with world-class amenities. ○ Spread over 18 acres with an estimated development potential of approx. 1 million sq. ft. ○ Comprises 4 towers, of which three are of 30 storeys, one is of 50 storeys. ○ Offers a range of fully furnished studio apartments, 2, 3, 4, 5 BHK apartments, garden duplex homes & penthouses. 	<ul style="list-style-type: none"> ○ Development of more than 55% complete. ○ 94% of the project has been booked by prospective home-owners. ○ Expected to be completed by August 2009.
Ashok Gardens, Upper Parel	<ul style="list-style-type: none"> ○ Residential complex of 6 towers of 22 and 23 storey buildings with three wings each. ○ Extends across 12 acres of land with estimated development potential of approx.7 lakh sq.ft. ○ Offers 2, 3, 4 and 5 BHK apartments, each with open, panoramic and a relaxing sea view. 	<ul style="list-style-type: none"> ○ 80% of this residential project already acquired by individual home-owners. ○ Project likely to be completed by October 2009.
Peninsula Technopark, Kurla (off Bandra-Kurla Complex)	<ul style="list-style-type: none"> ○ IT Park with developmental potential of approx. 9 lakh sq. ft. (***) 	<ul style="list-style-type: none"> ○ Already partially acquired by Essar - this was one of the largest single commercial transactions of its time. ○ Scheduled to be completed by October 2010.

Peninsula Business Park, Lower Parel	<ul style="list-style-type: none"> ○ Planned development of approx. 1.2 million sq. ft., comprising 2 towers of 21 storeys each. ○ Equipped with landscaped gardens and water bodies. 	<ul style="list-style-type: none"> ○ Approx. 50% acquired by Alok Industries Ltd. in line with an exclusive agreement. ○ Remaining 50% available to other corporate investors, customers & clients. ○ Construction estimated to be completed by September 2010.
Centre Point, Lower Parel	<ul style="list-style-type: none"> ○ Commercial project with a development potential of 1 Lakh sq. ft. ○ Offers international quality finishing, attractive frontage with showroom space & provision for basement car parking. 	<ul style="list-style-type: none"> ○ Scheduled to be completed by September 2008.

***The land for this project was acquired by the Company from Swan Mills Ltd, with whom the Company has entered into a development agreement in March 2004 for constructing a four building complex known as "Peninsula Technopark". In line with this Agreement, the entire development, execution and marketing of the project is being undertaken by the Company, for which the Company is entitled to 22% revenue share.

In September, 2007, Swan Mills entered into:

An agreement for sale of two buildings for an aggregate consideration of Rs. 1,065 Crores to Essar Technology Park BKC Pvt. Ltd. (Essar). Swan Mills received a sum of Rs. 120 Crores out of the aggregate consideration and based on the development agreement.

Another agreement was signed with Essar Information Technology Ltd. on Leave & License basis for another building of approx. 1,57,300 sq. ft. in the complex for a period of 60 months.

Challenges addressed

The Municipal Corporation of Greater Mumbai (MCGM) had issued 'stop work notices' at four of the Company's projects. The Company held detailed discussions at the highest levels with the Municipal Commissioner and State Cabinet Secretary, seeking legal clarifications, counsel and advice. Maintaining the required protocol and respecting the views and status of all concerned, the Company has resolved the issue amicably, enabling the authorities to withdraw the notices. The Company has also realigned the project plans. Consequently, the economics of the projects

in terms of saleable area remain unchanged. Work has resumed at all project sites.

Future Projects

Going ahead, the Company has some big ticket projects in the offing, all of which are an asset mix of SEZs, integrated townships, residential and commercial projects. These projects are likely to be completed in a planned manner within a span of 3-5 years.

Peninsula Life Centre, Sancoale, Goa

Spread over approx. 50 acres with an estimated development potential of approx. 30 Lakh sq. ft., the Peninsula Life Science Centre is an SEZ in a Tier II city. The Centre will provide global companies with the perfect platform for the development of life sciences by harnessing and utilising the natural, scientific, human, intellectual and other resources in the state. The Peninsula Life Science Centre SEZ is a notified project and there is no legal framework permitting any de-notification.

Peninsula Tech City, Pune

Spread over an accumulated area of approx. 100 acres, and located in close proximity to the Mumbai-Pune Expressway, Peninsula Tech City is a twin-unit planned development with provision for ITes at Mamurdi and Gahunje. With a development potential of approx. 30 Lakh sq. ft., the project's LEEDS certified green buildings are planned to be constructed over two phases each. It will eventually add to the development of the integrated township and will also enable the development of

the Maharashtra State Government's Hinjewadi SEZ nearby.

Peninsula Technology Park, Hyderabad

Spread over 31 acres with an estimated development potential of approx. 60 Lakh sq. ft., this IT Park would be a combination of processing zones & non processing zones. It shall be serviced by a host of infrastructural development, including multiple retail outlets, multi-cuisine food courts, housing options and recreational facilities, amongst others. Development work is scheduled to commence soon on this recently acquired land from Rallis India Limited.

Integrated townships

Ashok Royale, Nashik

This township would be a combination of row houses, villas and apartments spread over 18 acres, with development potential of approx. 6.5 Lakh sq. ft. Ideally located at Goverdhan on the popular Gangapur Road on the outskirts of the temple town, it would offer fully furnished home options to accommodate people who are used to well-planned developments and the mobile business executives from Nashik, Pune and Mumbai, among others.

Ashok Acres, Nashik

Spread over 94 acres and in close proximity to Ashok Royale, this integrated township would have a development potential of approx. 20 Lakh sq. ft.. The township, with fully furnished home options, would have a mix of residential space, education centers and retail malls, health care centers, recreational facilities and multi-cuisine food courts.

Commercial

Leela Pinnacle, Nagpur

This seven storey commercial project would be a first for Peninsula Land in Nagpur. To be developed in partnership with Leela Ventures of Nagpur, the single structure edifice would have a double glazed glass and aluminum panel

façade. Located near Zero-Mile on the busy Kingsway Road near Sitabuldi, it would be spread across 0.5 acres with a development potential of an estimated 1 Lakh sq. ft. The building offering commercial office space would be well-supported with an attractive frontage, complete with showroom space and basement parking, changing the skyline of Nagpur.

The completion of Peninsula Land's ongoing projects would firmly strengthen its reputation, brand image and credibility as a versatile and innovative real estate player.

Financial review and analysis

(Rs. Lakhs)

Particulars	Year ended 31 st March, 2008	9 months ended 31 st March, 2007
Income		
Sales and other Operating income	34,528	31,942
Other Income	1,032	149
Expenditure		
Cost of construction	15,045	10,111
Staff costs	1,929	1,004
Finance expenses	(778)	656
Administrative expenses	2,608	3,721
Depreciation	250	127
Profit before tax and Extra ordinary items	16,506	16,472
Extra ordinary items	(1,711)	(2,519)
Profit before tax	14,795	13,953
Taxation and provision for tax	1,816	(749)
Profit after tax	12,979	13,204

Performance review for the year ended 31st March 2008

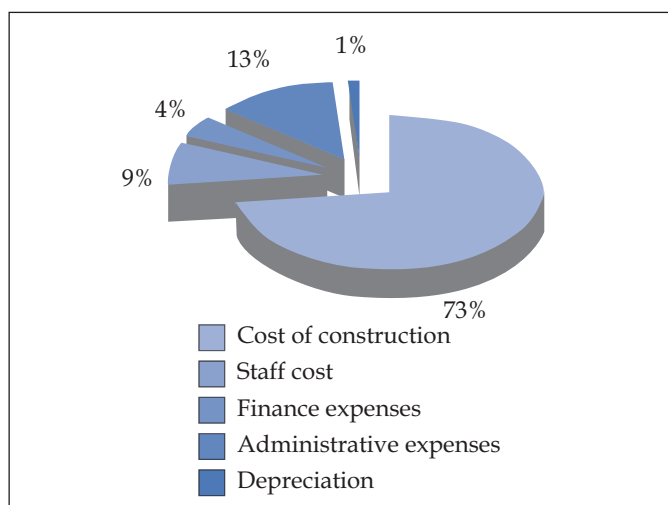
(Rs. Lakhs)

Income Composition	Year ended 31 st March, 2008	9 months ended 31 st March, 2007
Residential sales	14,688.40	11,443.00
Commercial sales/ Commercial development fees	14,972.98	9,059.08
Rental income	1,566.01	8,305.18
Others	3,300.61	3,134.74
Total	34,528.00	31,942.00

Other income

The Company's other income for the year ended 31st March 2008 was Rs.1,032 Lakhs, which can be majorly attributed to dividend on mutual funds (amounting to Rs.609.32 Lakhs) and interest on income tax refund Rs.230.83 Lakhs.

Expenditure



Cost of construction

The cost of real estate construction recognised during the 12 months ended 31 March, 2008 stood at Rs.15,045.05 Lakhs. This construction cost was on the basis of progress

made in the projects.

Staff costs

Staff costs for the year ended 31st March 2008 amounted to Rs.1,929 Lakhs. This marked an increase on pro rata basis and the increase was mainly on account of revision in salaries and increase in headcount.

Finance expenses

Finance expenses (net) for the year ended 31st March, 2008 were Rs. 778 Lakhs - an income (net off expenses) - after allocating project-related interest costs to respective projects.

Administrative expenses

Administrative expenses in the 12 months ended 31st March 08 were Rs. 2,607.59 Lakhs. Of these, professional fees accounted for Rs.397.74 Lakhs and advertisement and sales promotion was Rs.51.00 Lakhs.

The balance of operating expenses (Rs.2,158.85 Lakhs) largely pertains to recurring operating expenses of the Company (other than salaries).

Depreciation

Depreciation for the year ended 31st March 2008 stood at Rs.250 Lakhs.

Profit before tax

The Company's Profit Before Tax for the year ended 31st March 2008 was Rs.16,506 Lakhs, as against Rs.16,472 Lakhs for the nine months ended 31st March 2007.

Taxation and provision for deferred tax

During the year ended 31st March 2008, tax provision was made to the tune of Rs.1,816 Lakhs.

Profit after tax

The Company's Profit After Tax for the year ended 31st March 2008 amounted to Rs.12,979 Lakhs, as against Rs.13,204 Lakhs for the nine months ended 31st March 2007.

Extra ordinary items

Extra ordinary items accounted for an expense of Rs.1,711 Lakhs, mainly on account of amortisation of VRS Costs.

Share capital

The share capital increased to Rs. 5,584 Lakhs on account of the issue of 50,00,000 equity shares of Rs.10/- each to the erstwhile shareholders of The Dawn Mills Company Limited (DMCL), in the ratio of 20 equity shares of Rs.10/- each for every 1 equity share of Rs.50/- on merger of DMCL with the Company. The share capital also increased on account of issuing 4,37,50,000 equity shares of Rs. 2/- each at a price of Rs. 120/- per share, including Share Premium of Rs. 118/- per share to Qualified Institutional Buyers by way of private placement. When put together, this resulted in an increase of share capital by Rs.1,375 Lakhs. The Company had also sub-divided the face value of its equity shares from Rs.10/- to Rs.2/- each in September, 2007

Reserves and surplus

Reserves and surplus of the Company increased to Rs. 88,143.73 Lakhs on account of the QIP issue after netting the issue expenses of Rs. 2,323.61 Lakhs.

Loans

The loans from institutions and banks stood at Rs. 27,088 Lakhs, which shows a reduction of Rs.10,085 Lakhs from last year.

Investments

The total investment, as of 31st March, 08 was Rs. 34,421 Lakh, of which Rs. 20,840 Lakhs was surplus fund investment in Mutual Fund (Liquid Fund) and balance was invested in SPVs and associate companies formed for the business of Realty development at various locations.

Current assets

Inventories

The inventories for the year under review stood at Rs. 27,975.48 Lakhs, representing the work in progress of projects in hand.

Sundry debtors

The debtors representing receivables reduced by Rs. 18,707.70 Lakhs and as on 31st March 2008, they stood at Rs. 3,865.96 Lakhs.

Miscellaneous expenditure

Miscellaneous expenditure accounting for unamortised portion of VRS costs incurred by the Company stood at Rs. 6,169 Lakhs.

OPPORTUNITIES AND THREATS

The real estate sector, by virtue of its size and growth potential, offers significant growth opportunities. With a successful track record of executing premium projects, the Company is poised to take advantage of the prevailing opportunities.

RISK MANAGEMENT

Peninsula Land has identified several key risks and challenges that it needs to constantly address to keep its strategic growth and development plans on track. Some of the major risks and challenges that the Company anticipates relate to:

Execution of projects: Timely execution of projects is one of biggest challenges faced by most players in this business. Strategic planning is the key to Peninsula Land's response to this challenge. Right from a detailed scientific research of the local market trends and demands, to conceptualisation of the right asset class, the Company has a complete value chain in place to ensure timely completion of projects. The Company engages the services of reputed town planners, architects, designers and contractors to take its projects forward, offering attractive incentives to all its vendors to ensure timely completion of projects. Its in-house Project Management ensures that detailed planning is undertaken on macro level as well as on finer micro details. The Company also offers the best property management services for its projects.

Rupee appreciation, US slowdown affecting the IT/ITeS in the near term: A majority of the commercial office space demand in India comes from the IT/ITeS sectors and, as a multiplier effect, it also increases demand for residential homes from mid- to high-income group families. Any

adverse impact on these sectors could have a negative impact on the Company's growth plans in the near term. However, research clearly indicates that robust demand exists, with IT/ITeS expected to continue to grow at 20% per annum and fuelling growth in Tier II, Tier III and micro markets.

Interest rates: Rising interest rates have impacted the real estate business, particularly in the residential segment. Currently, home loan interest rates vary from 10.5% to 12% on floating rate loans, affecting demand, especially among middle class households.

A minor moderation may occur in the short term in some of the over-priced markets. On the positive side, however, the immediate impact of the rising interest rate in the home loan sector has led to the exit of speculative investors. In fact, slight moderation, combined with the presence of strong and genuine end-user demand, will further propel demand in the residential segment.

In any case, Peninsula Land does not have large unsold stock in hand and its diversified product portfolio comprises SEZs, IT Parks, integrated townships, residential and commercial properties and retail outlets. Thus, the Company's revenues are not dependant on any particular segment. Further, the Company has strategically expanded its presence in cities where a demand-supply mismatch continues to prevail.

Declining property rates: The slowdown in the real estate market has resulted in declining real estate prices which is a key concern. However, since the Company believes in an asset light model (which does not involve accumulation of a cost-heavy land bank), and as it offers a wide spectrum across the realty space, it is largely insulated from any major business risks. Going ahead, the Company has, in order to further de-risk its business, identified new business sectors, such as the booming hospitality sector, for development of quality services of wholesome food and clean rooms on time-sharing basis for the growing corporate houses who need to depute their business executives to the growing cities of the country for short to medium time lines.

Managing costs: Apart from increase in land prices, input costs (steel and cement) have also been constantly rising. This is likely to squeeze margins if end-product prices do

not go up correspondingly. However, increase in end-product prices, coupled with tight liquidity, may impact demand. Constant effort is made at Peninsula Land to manage these costs to its benefit.

It has been Peninsula Land's studied policy to review the business risks on a regular basis and to suitably address the same by adopting various measures to insulate the Company from these risks. The Company has put in place a policy of continuously monitoring the various business risks, and of taking timely corrective measures with the help of market research and proactive decision-making, in order to contain the fallout of the threats and risks associated with the industry and the business.

OUTLOOK

Expanding geographic presence: In the past, the Company's projects have been Mumbai-focused, though diversified across different segments like residential, commercial and retail. The Company is currently developing close to 4 million sq. ft. in Mumbai and has a total of 33.4 million sq. ft. under development. However, as a step towards expanding geographically, the Company has now forayed into Pune, Nashik, Nagpur, Goa and Hyderabad, and further plans to expand its presence by venturing into the cities of Ahmedabad, Chennai, Mysore, Bangalore and Coimbatore.

Diversification: As a further step to diversify and de-risk its business and scale newer horizons the Company has forayed into the hospitality segment through a joint venture with Mumbai-based textile and real estate development firm, Arrow Webtex Limited. The two companies have entered a joint venture (50:50) to build Business Hotels across the country and further develop the hotel industry in India.

The Company's decision to foray into this sector has been guided by the opportunities galore that prevail in this segment, as can be gauged from the following:

The booming tourism industry has had a cascading effect on the hospitality sector, leading to an increase in the occupancy ratios and average room rates. It is estimated that the hospitality sector is likely to touch USD 11.41 billion in the next 2 years.

The estimated number of required hotel rooms in the country is around 240,000, while the current availability is just 90,000 rooms, leaving a shortfall of 150,000 rooms.

HUMAN RESOURCES

Fully recognising that employees will perform their best when provided with a clear understanding of the Company's Vision, Mission, Peninsula Land has defined roles and job objectives, while providing them a work environment that fosters excellence.

Appreciating the need to involve employees in its immediate and long-term growth and success, the Company's "Employee Stock Option Plan" (ESOP) not only enables it to attract and motivate its employees by rewarding performance while retaining the best talent, but also enables the employees to develop a sense of ownership with the organisation.

At Peninsula Land, learning is a continuous process. The Company's HR department offers training programs which blend skill development with behavioral and other core modules, providing the necessary stimulus for growth and career development.

INTERNAL CONTROL SYSTEMS

The Company strictly adheres to the internal control systems established over the years. The internal audit team carries out extensive audit on all operations periodically, in line with the Company's policy of maintaining effective internal control systems and strict implementation of policies and procedures so as to safeguard the assets and interests of the Company. The internal control systems ensure that any vulnerability in the achievement of the Company's objectives caused by risk factors, whether internal or external, existing or emerging, is detected and reported in a timely manner, thus enabling the Company to carry out appropriate corrective action.

CAUTIONARY STATEMENT

Certain statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities, laws and regulations. Although the 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

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 12 Directors out of which 7 are Independent Directors. The Board is headed by Ms. Urvi A. Piramal as the Executive Chairperson and consists of personalities with 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 the Directors	Designation	No. of shares held as on 31 st March, 2008
Promoter Directors	Ms. Urvi A. Piramal Mr. Rajeev A. Piramal	Executive Chairperson Executive Vice Chairman	2,59,68,900 23,41,135
Executive Directors	Mr. Mahesh S. Gupta Mr. Rajesh Jaggi	Group Managing Director Managing Director	300 1,25,000
Non-Executive Non-Independent Director	Mr. Jaydev Mody	Director	27,280
Independent Directors	Mr. Amitabha Ghosh Ms. Bhavna Doshi Mr. C M Hattangdi Mr. D M Popat Lt. Gen. Deepak Summanwar Mr. H M Kothari Mr. Sudhindar Khanna	Director Director Director Director Director Director Director Director	NIL 500 500 5,535 NIL 31,770 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 (DIN 00044954)

Ms. Urvi A. Piramal, Executive Chairperson of the Company is 55 years of age. She plays a leading role in envisioning and formulating the strategies of the Ashok Piramal Group. She has over 23 years of experience in managing diversified group businesses across a number of sectors like Real Estate, Textiles, Entertainment and Engineering. She is a science graduate and has attended the Advanced Management Program at Harvard Business School. She has been a member of Technology and Quality Improvement Committee of Indian Merchants' Chamber since its inception in 1994 and also the Chairperson of Supply Chain & Retail business (Internal Trade) Committee in 2004-05. She is a recipient of the following prestigious awards and accolades: Qimpro Gold Standard Award 1996 for excellence in Managing Quality Improvement Programmes; Outstanding Woman Industrialist Award for the year 1994 by the Marinelines Junior Chamber; Cheminor Award from the Indian Institute of Materials Management and the Yami Woman Award for her outstanding contribution to business by the ITC Grand Central.



Mr. Rajeev A. Piramal (DIN 00044983)

Mr. Rajeev A. Piramal, Executive Vice Chairman of the Company is 32 years of age and holds a Bachelors Degree in Business Administration from Baldwin Wallace College, Cleveland, U.S.A. Mr. Piramal began his career as a Management Trainee at Nicholas Piramal India Limited (now known as Piramal Healthcare Limited) before joining Crossroads where he was responsible for the entire mall operations. Mr. Piramal has significant expertise of over six years in the real estate sector and is currently involved in project planning and execution and has been instrumental in formulating the strategies for the Real Estate Business of the Company. His name has featured in the top 50 Young Achievers selected by India's largest circulated newsweekly magazine (India Today, 2006).



Mr. Mahesh S. Gupta (DIN 00046810)

Mr. Mahesh S. Gupta, Group Managing Director of the Company is 51 years of age. Mr. Gupta holds an Honours Degree in B.Com; L.L.B (Gen.) and is a Fellow Member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India. He has an outstanding academic record and is a rank holder and a silver medalist in the Company Secretaries Final Examination. As Group Managing Director, he oversees all the businesses of the Ashok Piramal Group which comprises mainly of Real Estate (Peninsula Land Limited), Textiles (Morarjee Textiles Limited, Integra Apparels), Engineering (Miranda Tools, PMP Components Private Limited and Bakony Wiper Systems Limited). 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.

Mr. Gupta was awarded the CFO of the Year Award (2001), Special Commendation for Financial Excellence (Mergers & Acquisitions Category) by IMA (formerly known as EIU), New Delhi. Mr. Gupta is on the Board of several Listed Companies.



Mr. Rajesh Jaggi (DIN 00046853)

Mr. Rajesh Jaggi, Managing Director of the Company is 39 years of age and a Management professional from Babson Graduate School of Business, Boston, U. S. A. He has over twelve years of involvement and expertise in every sector of the real estate business, from sourcing and construction of ventures to management, facility management, marketing and sales of diverse asset classes. He was the Executive Director at Orbit Group of Companies, a prominent Real Estate Group. Mr. Jaggi has been associated with high profile mega projects in the Indian real

estate scenario, ranging from establishing of 'Crossroads' – the first world-class mall in India - as a brand name, to creating various innovative processes of mall management and facility management with Peninsula Facility Management Services Private Limited.



Mr. Jaydev Mody (DIN 00234797)

Mr. Jaydev Mody, Non-Executive Non-Independent Director of the Company is 52 years of age. Mr. Jaydev Mody is a well known businessman and has been in business since more than 32 years. He has more than 22 years of experience in the field of real estate development and has been instrumental in building and developing Crossroads, one of the first shopping malls of international standards in India. He has been instrumental in the development of several large residential complexes, office complexes and retail destinations in and around Mumbai. He is currently involved in the development of Ashok Towers, Ashok Gardens, Peninsula I.T. Park, etc. and other landmark projects with international standard amenities. He is on the Board of "ICSC", a body formed with an intention of safeguarding and directing the growth of shopping malls in India and also a member of Indian Association of Amusement Park and Industries.



Mr. Amitabha Ghosh (DIN 00055962)

Mr. Amitabha Ghosh, Non-Executive Independent Director and Chairman of the Audit Committee of the Company is 77 years of age. Mr. Amitabha Ghosh is a member of The Institute of Chartered Accountants of India with rich experience in Finance, Banking, 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 a member of a number of important committees set up by the Government of India and Reserve Bank of India in the areas of Finance, Banking and Exchange Control Operations, etc. He has contributed a number of articles to the various publications of Government of India and Reserve Bank of India.



Ms. Bhavna Doshi (DIN 00400508)

Ms. Bhavna Doshi, Non-Executive Independent Director of the Company is 54 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 was ranked 2nd, 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 and serves on various Committees including Accounting Standards Board, Expert Advisory Committee and Taxation Committees. She is also a member of the Managing Committee of the Indian Merchants' Chamber and Chairperson of its Indirect Tax Committee. Ms. Doshi is the Past President of the Indian Merchants' Chamber Ladies Wing.

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. Ms. Doshi is a member of the Compliance Advisory Panel of International Federation of Accountants and also serves on the Government Accounting Standards Advisory Board constituted by the Comptroller and Auditor General of India.



Mr. C. M. Hattangdi, (DIN 01578932)

Mr. C. M. Hattangdi, Non-Executive Independent Director of the Company is 77 years of age and 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 Chairman and Managing Director in 1977 and was with Parke Davis till 1988. He joined Nicholas Laboratories India Limited (now known as Piramal Healthcare Limited) in 1988, as the Managing Director and continued as the Managing Director till June 1998. He was inducted on the Board of this Company in February 1993.



Mr. D. M. Popat (DIN 00057345)

Mr. D. M. Popat, Non-Executive Independent Director of the Company is 74 years of age. Since 1969, Mr. D. M. Popat is a Partner in M/s. Mulla & Mulla & Craigie Blunt & Caroe, Solicitors and Advocates Firm and currently, he is one of the Senior Partners 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 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 & 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 (Retired) (DIN 02017830)

Lt. Gen. Deepak Summanwar, Non-Executive Independent Director of the Company is 61 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. In addition, he has graduated from the Defence Services Staff Colleges, Wellington and holds 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 M Phil in Strategy and Management by the Ahillia Devi University, Indore.

Lt. Gen. Deepak Summanwar has recently retired from the Army after forty years of service. 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.

He is currently on the Board of The Waterbase Limited, the largest Aquaculture Company in India, an advisor to an Investment Bank and Pension Fund Company and engaged in various other advisory services. He is also an associate of Burrill Green and Co. of UK.



Mr. H. M. Kothari (DIN 00009873)

Mr. H. M. Kothari, Non-Executive Independent Director of the Company is 61 years of age. Mr. H. M. Kothari is the Chairman of DSP Merrill Lynch Limited and heads one of the leading investment banking firms in India. Mr. Kothari is the Vice Chairman of Merrill Lynch International and is also the Chairman of DSP Merrill Lynch Fund Managers Limited. Mr. Kothari is associated with a number of leading industrial companies as a member of the Board of Directors.

Mr. Kothari is also a member of several leading Chambers of Commerce and currently serves as a member on the National Council of the Confederation of Indian Industry (CII) and Chairs the National Committee on Private Equity and Venture Capital. He also serves as a member of the Board of Governors of the National Institute of Securities Market (NISM), set up by the Securities and Exchange Board of India (SEBI). He has also served as a member on the Corporatisation & Demutualisation of Stock Exchanges Committee, SEBI. He is a member on the Committee of Infrastructure Financing, Department of Economic Affairs (Infrastructure), Ministry of Finance. Mr. Kothari has also served as a member on the Standing Committee on Money Markets, Reserve Bank of India and on the India Hydrocarbon Vision - 2025 committee, set up by the Prime Minister's Office, Government of India.



Mr. Sudhinder Khanna (DIN 01529178)

Mr. Sudhinder Khanna, Non-Executive Independent Director of the Company is 55 years of age and is a qualified Chartered Accountant. He obtained 3rd rank in the UK in the Intermediate Examination of the Institute of Chartered Accountants of England & Wales and stood 1st in the Finals with the prize of the best paper in Law. Mr. Khanna joined Accenture, London as a Senior Consultant in the year 1977 and was promoted as a Partner of Accenture in 1986.

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 recently retired from Accenture after 30 years of service. His last position in Accenture was that of Global Managing Partner Outsourcing based in London.

Mr. Khanna speaks at a variety of global conferences and interacts with the media globally.

Mr. Khanna is a Charter Member of TIE which is a Global Technology Networking/ Mentoring Organization. He is also on the Board of IBPN (Indo British Partnership) and on the Board of the India Advisory Group, which advises the UK and Indian Government on strengthening India - British economic ties.

2.3 The details of directorship of the Company's Directors in other Limited Companies and subsidiaries of Public Limited Companies as on 31st March, 2008 are given below:

Sr. No.	Name of the Directors	Other Directorships held
1	Ms. Urvi A. Piramal	<ul style="list-style-type: none"> • Ashok Piramal Management Corporation Limited • G. P. Electronics Limited • Just Textiles Limited • Morarjee Textiles Limited • Peninsula Trustee Limited
2	Mr. Rajeev A. Piramal	<ul style="list-style-type: none"> • Ashok Piramal Management Corporation Limited • Arrow Webtex Limited • Champs Elysee Enterprises Private Limited • City Parks Private Limited • Delta Hospitality Private Limited • Inox Mercantile Company Private Limited. • Peninsula Pharma Research Centre Private Limited • Peninsula Mega Properties Private Limited • Peninsula Mega Township Developers Private Limited • Peninsula Investment Management Company Limited • Planetview Mercantile Company Private Limited • RR Mega Property Developers Private Limited • RR Real Estate Development Private Limited • Renato Finance & Investments Private Limited
3	Mr. Mahesh S.Gupta	<ul style="list-style-type: none"> • Ashok Piramal Management Corporation Limited • Arrow Webtex Limited • Brabourne Enterprises Limited • Ceat Limited • City Parks Private Limited • Champs Elysee Enterprises Private Limited • Morarjee Textiles Limited • Peninsula Investment Management Company Limited • Peninsula Pharma Research Centre Private Limited • RPG Life Sciences Limited
4	Mr. Rajesh Jaggi	<ul style="list-style-type: none"> • Arrow Webtex Limited • City Parks Private Limited. • Champs Elysee Enterprises Private Limited • Peninsula Investment Management Company Limited • Peninsula Mega Township Developers Private Limited • RR Mega Property Developers Private Limited • RR Real Estate Development Private Limited

5	Mr. Jaydev Mody	<ul style="list-style-type: none"> • Arrow Webtex Limited • Arrow Textiles Limited • AAA Real Land Developers Private Limited • Ashok Piramal Management Corporation Limited • Delta Hospitality Private Limited • G. P. Electronics Limited • Highstreet Cruises & Entertainment Private Limited • Inox Mercantile Company Private Limited • JM Real Estates Private Limited • Jayem Realty Solutions Private Limited • Peninsula Investment Management Company Limited • Peninsula Pharma Research Centre Private Limited • Planetview Mercantile Company Private Limited • Richtime Realty Private Limited
6	Mr. Amitabha Ghosh	<ul style="list-style-type: none"> • Joonktolle Tea & Industries Limited • Kesoram Industries Limited • Mysore Cements Limited • Orient Paper & Industries Limited • Sahara India Financial Corporation Limited • Sahara India Life Insurance Company Limited • Sahara Prime City Limited • Shree Cement Limited • Shreyas Relay System Limited • Shreyas Shipping & Logistics Limited • Xpro India Limited • Zenith Fibers Limited
7	Ms. Bhavna Doshi	<ul style="list-style-type: none"> • Peninsula Investment Management Company Limited • SEAMAC Limited
8	Mr. C. M. Hattangdi	<ul style="list-style-type: none"> • The Swastik Safe Deposit & Investment Limited
9	Mr. D. M. Papat	<ul style="list-style-type: none"> • Hindoostan Spinning & Weaving Mills Limited • Hindustan Construction Company Limited • Ruby Mills Limited
10	Lt. Gen. Deepak Summanwar (appointed w.e.f. 06.06.2008)	<ul style="list-style-type: none"> • The Waterbase Limited
11	Mr. H. M. Kothari	<ul style="list-style-type: none"> • Alkyl Amines Chemicals Limited • DSP Merrill Lynch Fund Managers Limited • DSP Merrill Lynch Limited • EXIDE Industries Limited • Food World Super Markets Limited • Health & Glow Retailing Limited • Kirloskar Oil Engines Limited
12	Mr. Sudhindar Khanna	<ul style="list-style-type: none"> • United Spirits Limited

2.4 Attendance of Directors at Board Meetings and 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	Attendance		No. of Board/ Committees (other than Peninsula Land Limited) as at 31.03.2008		
		Board Meeting	AGM (held on 21.09.2007)	No. of other directorships	Chairperson /Chairman	Member
Ms. Urvi A. Piramal	Executive Chairperson	5	Yes	5	1	-
Mr. Rajeev A. Piramal	Executive Vice Chairman	5	Yes	14	1	-
Mr. Mahesh S. Gupta	Group Managing Director	5	Yes	10	2	5
Mr. Rajesh Jaggi	Managing Director	5	Yes	7	-	-
Mr. Jaydev Mody	Non-Executive Non-Independent Director	4	Yes	14	-	-
Mr. Amitabha Ghosh	Independent Director	5	Yes	12	4	4
Ms. Bhavna Doshi	Independent Director	5	Yes	2	1	2
Mr. C. M. Hattangdi	Independent Director	5	Yes	1	-	-
Mr. D. M. Popat	Independent Director	3	Yes	3	-	-
Lt. Gen. Deepak Summanwar (appointed w.e.f. 06.06.2008)	Independent Director	NA	NA	NA	NA	NA
Mr. H. M. Kothari	Independent Director	1	No	7	-	-
Mr. Sudhindar Khanna (appointed w.e.f. 31.01.2008)	Independent Director	1	NA	1	-	-

None of the Directors is a member in more than 10 committees nor is Chairperson / Chairman of more than 5 committees across all companies in which she / he is a Director. 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

Five Board Meetings were held for the financial year 2007-2008 and the gap between two Board Meetings did not exceed four calendar months.

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

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1	21.06.2007	10	9
2	27.07.2007	10	8
3	21.09.2007	10	9
4	25.10.2007	10	8
5	31.01.2008	11	10

2.6 Board Procedures

The Company Secretary prepares the Agenda in consultation with the Chairperson of the Board of Directors, the 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 appointed / re-appointed

As per the statute, two-thirds of the 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 appointed/eligible for re-appointment alongwith additional information required under Clause 49 of the Listing Agreement is being provided separately by way of an Annexure to the Notice for the Annual General Meeting.
- Mr. C. M. Hattangdi and Ms. Bhavna Doshi, retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.
- Mr. Sudhindar Khanna and Lt. Gen. Deepak Summanwar are being appointed as Directors of the Company.

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 Details of the Composition of the Audit Committee and the attendance of the members are as follows

The Audit Committee of the Company comprises of three 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 Annual General Meeting held on 21st September, 2007. The Executive Vice-Chairman, Managing Director, Group Chief Financial Officer, Chief Financial Officer and the 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 work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

During the financial year 2007-2008, the Audit Committee met 4 (four) times on 21st June, 2007, 27th July, 2007, 25th October, 2007 and 31st January, 2008. The attendance details are given below:-

Name of the Director	Designation	No. of meetings held 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 or 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 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 thereon;
9. reviewing the findings of any internal investigation 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 consider other topics, as defined by the Board;
13. to review the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), 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 five Directors of which four are Independent Directors, namely, Mr. D. M. Popat (Chairman), Mr. H. M. Kothari, Mr. C. M. Hattangdi and Mr. Amitabha Ghosh and one Executive Director, namely Ms. Urvi A. Piramal. During the financial year 2007 – 2008, the Remuneration Committee met 3 (three) times on 21st June, 2007, 27th July, 2007 and 25th October, 2007. The details are given below:-

Name of the Director	Designation	No. of meetings held during the year	
		Held	Attended
Mr. D. M. Popat	Chairman	3	1
Mr. H. M. Kothari	Member	3	1
Mr. C. M. Hattangdi	Member	3	3
Mr. Amitabha Ghosh (appointed w.e.f. 27.07.2007)	Member	3	1
Ms. Urvi A. Piramal	Member	3	3

4.2 Terms of reference

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.

The Committee met thrice during the year for recommending commission to Executive and Non-Executive Independent Directors, revision in salary of Executive Directors and considering the grant of Employee Stock Option and other issues related thereto.

5. Investors' Grievance Committee

5.1 Composition, Meeting and Attendance

The Committee comprises of one Non-Executive Independent Director and one Executive Director i.e. Mr. C. M. Hattangdi, Chairman and Ms. Urvi A. Piramal. The Committee met four times during the year on 21st June, 2007, 27th July, 2007, 25th October, 2007 and 31st January, 2008. The details are given below:

Name of the Director	Designation	No. of meetings held 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 such as 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 10 complaints during the year ended 31st March, 2008 which were replied to the satisfaction of the shareholders. There were no outstanding complaints as on 31st March, 2008.

5.4 Company Secretary and Compliance Officer

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

6. Remuneration of Directors

6.1 Remuneration paid to Non-Executive Directors and Non-Executive Independent Directors of the Company.

The Non-Executive Directors and Non-Executive Independent Directors are paid sitting fees for attending each Meeting of the Board of Directors and the Committees thereof. During the year 2007-2008, commission for the year 2007 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 details of the sitting fees and commission for the year are given below:

Name of the Director	Sitting Fees* (Rs.)	Commission (Rs.)
Mr. Jaydev Mody	40,000/-	--
Mr. Amitabha Ghosh	90,000/-	5,00,000/-
Ms. Bhavna Doshi	90,000/-	5,00,000/-
Mr. C. M. Hattangdi	90,000/-	5,00,000/-
Mr. D. M. Popat	30,000/-	3,00,000/-
Lt. Gen. Deepak Summanwar (appointed w.e.f. 06.06.2008)	NA	NA
Mr. H. M. Kothari	10,000/-	1,00,000/-
Mr. Sudhindar Khanna (appointed w.e.f. 31.01.2008)	10,000/-	1,00,000/-

* This excludes Sitting Fees of Rs. 20,000/- paid to the Directors of the erstwhile The Dawn Mills Company Limited which has since merged with the Company.

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, perquisites and allowances, contribution to provident fund and superannuation fund and commission.

The details are summarized below:

Name of the Director	Designation	Salary, Perquisites and Allowances (Rs.)	Company's contribution to Provident Fund and Superannuation Fund (Rs.)	Commission (Rs.)
Ms. Urvi A. Piramal	Executive Chairperson	1,42,20,000/-	38,39,400/-	1,50,00,000/-
Mr. Rajeev A. Piramal	Executive Vice-Chairman	93,00,000/-	25,11,000/-	1,00,00,000/-
Mr. Mahesh S. Gupta	Group Managing Director	1,33,80,000/-	36,12,600/-	1,00,00,000/-
Mr. Rajesh Jaggi	Managing Director	69,67,000/-	11,55,840/-	57,76,000/-

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 six 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 1,17,500 stock options of face value of Rs. 2/- each to the Senior Employees 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
2004-2005	133 rd AGM	31 st August, 2005	2.30 p.m.	Walchand Hirachand Hall
2005-2006	134 th AGM	29 th December, 2006	11.00 a.m.	Indian Merchants' Chamber
2006-2007	135 th AGM	21 st September, 2007	3.00 p.m.	Building, Churchgate
2006-2007	EGM	22 nd October, 2007	3.00 p.m.	Mumbai 400 020

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

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

Annual General Meeting (AGM)	Special Resolution
133 rd AGM	Resolution No. 6 : Alteration of the Memorandum & Articles of Association of the Company pursuant to the provisions of Sections 16, 31 and 94 of the Companies Act, 1956.
134 th AGM	Resolution No. 13 : Approval of members under Section 81 (1A) of the Companies Act, 1956 to cover the employees of the subsidiary companies under Employees Stock Option Scheme. Resolution No. 14 : Payment of commission to Non-Executive Directors of the Company as per the provisions of Section 309 of the Companies Act, 1956.
Extra-ordinary General Meeting (EGM)	Special Resolution
EGM	Resolution No. 1 : Issue of equity shares to Domestic / Foreign Investors / Institutional Investors / Foreign Institutional Investors / Qualified Institutional Buyers, etc. through a Public Issue / Qualified Institutional Placement and / or any other means as may be permitted by the applicable regulations.

7.3 Postal Ballot

No postal ballot was conducted during the year under review.

8. Disclosures

8.1 Statutory Compliance, Penalties and Strictures

There were no instance of non-compliance nor have any penalties, strictures been imposed by the Stock Exchanges or SEBI 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. 25 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 31st March, 2008. The Code of Conduct has been posted on the Company's website (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

The Company has initiated the Corporate Social Responsibility (CSR) whereby the interests of society is considered by taking responsibility for the impact of its activities on customers, employees, shareholders, communities and the environment in all aspects of their operations. This will improve the quality of life for employees and their families as well as for the local community and society at large. An essential component of CSR is to care for the community. CSR endeavors to make a positive contribution to the underprivileged communities by supporting a wide range of socio-economic, educational and health initiatives, while winning over the affections of the community in which a business group functions.

As a CSR initiative, the Company is providing a safe environment and learning opportunities for children of the labourers at all Company's construction sites through mobile crèches.

9. Means of communication

The quarterly results and annual results are published in Business Standard and Mumbai Lakshadeep and simultaneously posted on the Company's website (www.peninsula.co.in). The Management Discussion and Analysis Report has been included in the Annual Report.

The Company makes presentations to the Institutional Investors and Analysts.

10. General Shareholder Information

10.1. 136th Annual General Meeting

Date	Time	Venue
13 th August, 2008	3.00 p.m.	Walchand Hirachand Hall, Indian Merchants' Chamber Building Churchgate, Mumbai 400 020

10.2. Financial Calendar for the Year 2008 -2009

Financial year	1 st April, 2008 to 31 st March, 2009
Payment of Dividend	The final dividend, if declared by the shareholders at the Annual General Meeting shall be paid / credited on or before 11 th September, 2008 i.e. within 30 days from the date of declaration.
Book Closure Dates	Wednesday, 6 th August, 2008 to Wednesday, 13 th August, 2008 (both days inclusive) to determine the entitlement of shareholders to receive the dividend as may be declared for the year ended 31 st March, 2008.

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

30 th June, 2008	:	By 31 st July, 2008
30 th September, 2008	:	By 31 st October, 2008
31 st December, 2008	:	By 31 st January, 2009
Year ending 31 st March, 2009	:	By 30 th June, 2009
Annual General Meeting for the year ending 31 st March, 2009	:	By September, 2009

10.3. Dividend History

Sr. No.	Financial year	Rate of dividend	Date of Declaration (AGM)	Date of payment (Date of Dividend Warrant)
1	2005 - 2006 (15 Months Period)	25%	29 th December, 2006	2 nd January, 2007
2	2006 - 2007 (9 Months Period)	30%	21 st September, 2007	24 th September, 2007

10.4. 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 & Protection Fund.

10.5. Transfer to Investor Education & 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 & Protection Fund (IEPF) administered by the Central Government. At present there are no dividends due for transfer to IEPF.

10.6. Registered Office

The Registered Office of the Company is situated at :

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

10.7. 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

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 2008 -2009 have also been paid.

10.8 Stock Market Data

Since the equity shares of the Company were split from face value of Rs. 10/- to face value of Rs. 2/- in October, 2007, the data given below represents the price of the Company's shares with face value of Rs. 2/-.

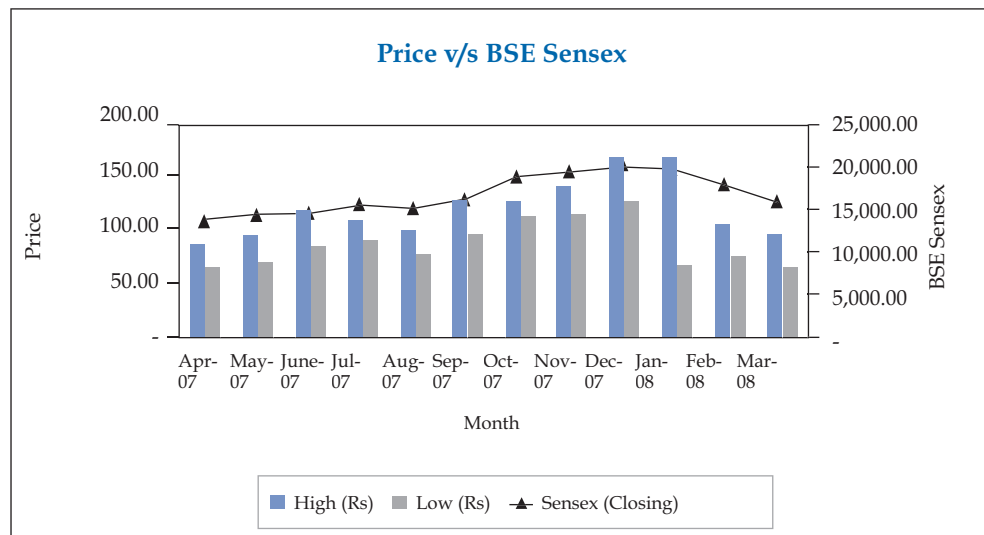
The high / low of the shares of the Company is given below :

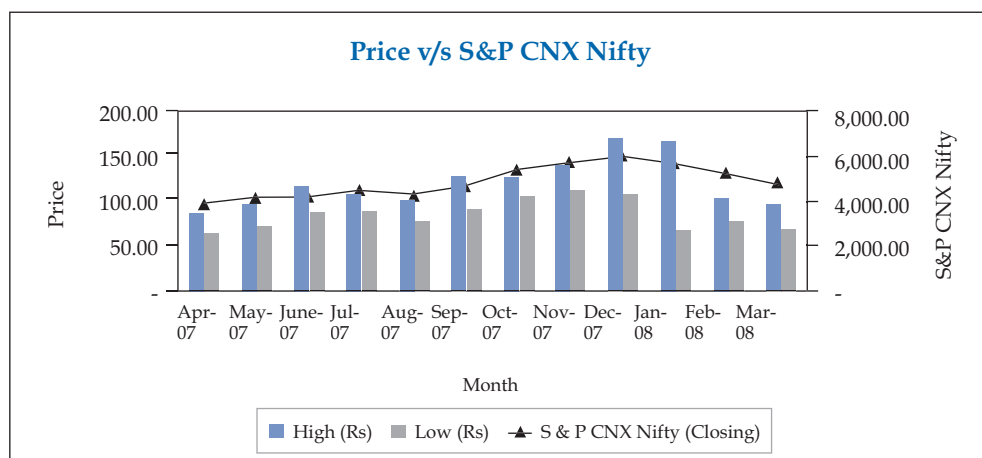
Month	Bombay Stock Exchange Limited				National Stock Exchange of India Limited			
	High (Rs)	Low (Rs)	Monthly volume	Sensex (closing)	High (Rs)	Low (Rs)	Monthly volume	S&P CNX NIFTY (Closing)
April, 2007	86.50	65.00	3940590	13477.79	86.40	64.02	4034925	3947.28
May, 2007	94.40	70.80	7170815	14156.47	95.58	70.24	10799360	4184.39
June, 2007	119.80	85.00	39064805	14334.30	115.98	84.82	73077185	4222.17
July, 2007	107.76	89.00	14459840	15253.42	107.70	88.60	27399440	4474.18
August, 2007	98.77	77.37	16541595	14779.05	98.96	77.01	10761185	4301.36
September, 2007	125.40	97.40	9860190	16046.02	126.40	90.23	17244695	4659.92
October, 2007	126.00	112.00	14193896	18500.31	144.00	105.00	19452836	5456.62
November, 2007	139.95	113.00	4420735	19259.55	141.00	113.00	7236443	5748.58
December, 2007	167.60	126.70	9702857	19827.28	167.90	106.65	17900614	5963.57
January, 2008	166.50	67.10	15707233	19325.65	166.60	67.00	32739473	5756.35
February, 2008	105.00	75.30	10122759	17727.54	101.25	75.05	15671590	5201.56
March, 2008	96.85	66.00	5205741	15838.38	96.35	67.25	8219205	4769.50

Sources : BSE, NSE, Sensex and S&P CNX Nifty

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

The performance of PLL’s Equity Shares relative to the BSE Sensex and NSE Nifty are given in the charts below :





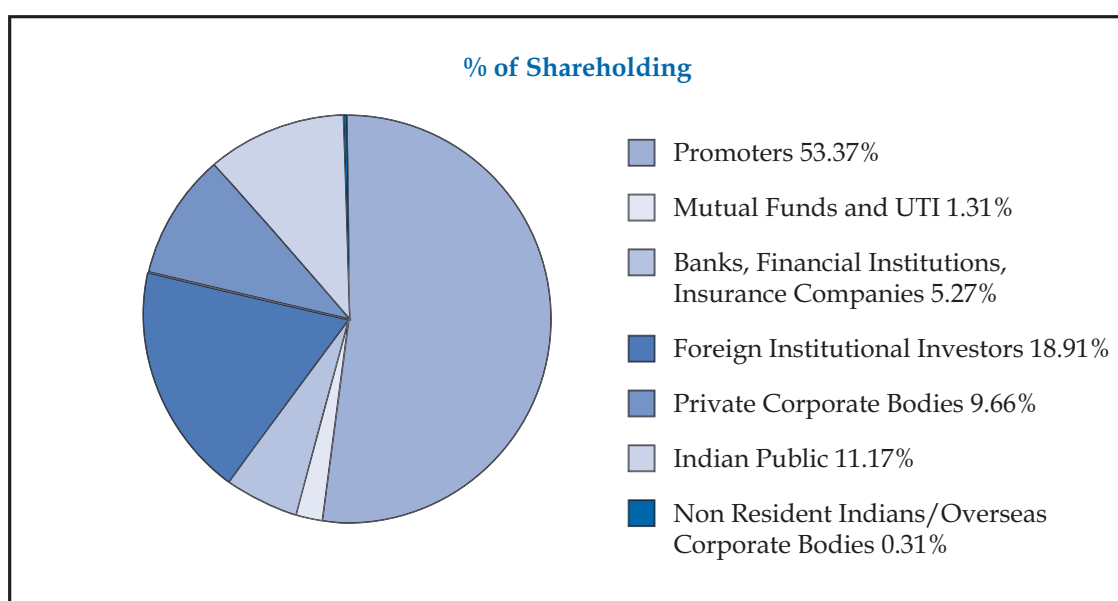
10.9 Distribution of shareholding as on 31st March, 2008

Slab of shareholding	No. of Shareholders	% of Shareholders	No of shares	% of Shareholding
1 to 5000	56777	98.60	20906209	7.49
5001 to 10000	439	0.76	3194941	1.14
10001 to 20000	171	0.30	2481924	0.89
20001 to 30000	70	0.12	1735759	0.62
30001 to 40000	26	0.05	905111	0.32
40001 to 50000	15	0.03	699810	0.25
50001 to 100000	17	0.03	1136192	0.41
100000 & Above	69	0.11	248141274	88.88
	57584	100.00	279201220	100.00

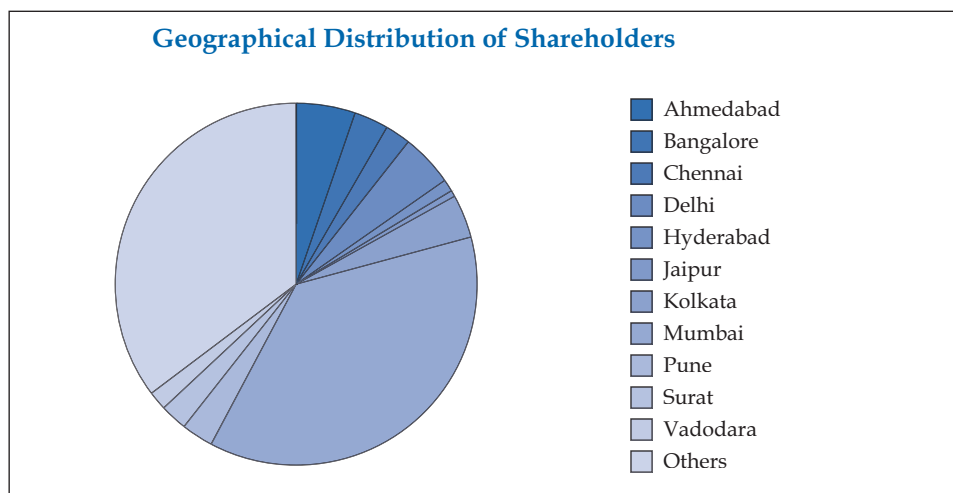
10.10 Shareholding Pattern as on 31st March, 2008

Category	No. of shares held	% of shareholding
A Promoters Holding		
1 Indian promoters	149003382	53.37
Foreign promoters	--	--
2 Persons acting in concert		
Sub total (1 + 2)	149003382	53.37

Category	No. of shares held	% of shareholding
B Non Promoters Holding		
3 Institutional Investors		
a Mutual Funds and UTI	3670405	1.31
b Banks, Financial Institutions, Insurance Companies (Central / State Govt., Institutions / Non Govt. Institutions)	14722126	5.27
c Foreign Institutional Investors	52795609	18.91
Sub total (3)	71188140	25.49
4 Others		
a Private Corporate Bodies	26982687	9.66
b Indian Public	31184753	11.17
c Non Resident Indians	592208	0.22
d Foreign Bodies Corporate	250050	0.09
Sub total (4)	59009698	21.14
Grand total (1+2+3+4)	279201220	100.00



10.11 Geographical Distribution of shareholders as on 31st March, 2008



10.12 Share Transfer System

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.

10.13 Dematerialization of shares and liquidity

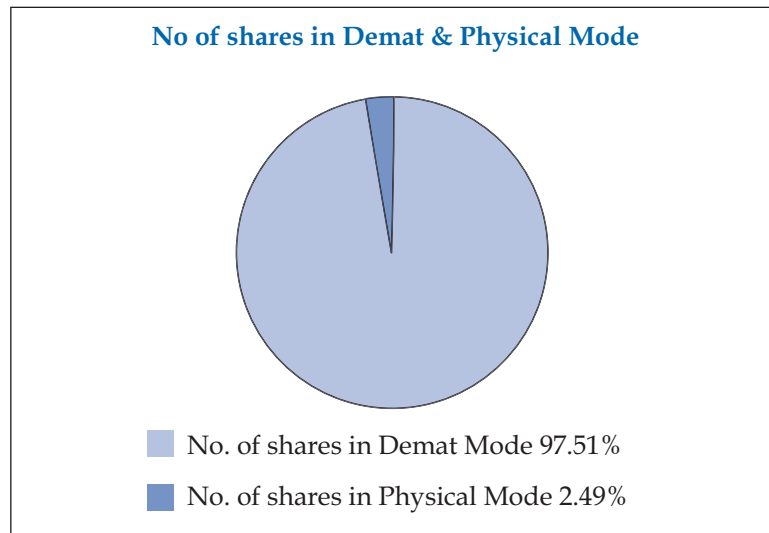
As at 31st March, 2008, 27,22,42,300 Equity Shares representing 97.51% of the Company's paid-up Equity Share Capital have been dematerialized.

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 Registrar and Share Transfer Agents (“the Registrar”) of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar 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 respect of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL / CDSL to confirm the same. Approval of the Company is being sought and equivalent number of shares are issued in physical form to the shareholder. The share certificates are dispatched within one month from the date of issue of shares.



10.14 Registrar and Share Transfer Agent

Amtrac Management Services Limited have been appointed as one point agency for dealing with shareholders. Shareholders' correspondence should be addressed to the Company's Registrar and Share Transfer Agent at the address mentioned hereinbelow:

Nashik Processing Unit

Amtrac Management Services Limited
 Plot No 101/102, 19th Street, MIDC Area
 Satpur, Nashik 422 007
 Tel (0253) - 2354 032 - 2363 372
 Fax (0253) - 2351 126
 (From Mumbai, the dialing code is 95253 instead of 0253)
 E-mail : amtrac_nsk@sancharnet.in

Mumbai Administrative Office

Amtrac Management Services Limited
 008, Ground Floor, Peninsula Centre
 Dr S S Rao Road, Parel, Mumbai 400 012.
 Tel : (022) - 2410 5685
 Fax: (022) - 6661 8788

10.15 Investor Helpdesk

Share transfers, dividend payments and all other investor related activities are attended to and processed at the office of the Registrar & Share Transfer Agent, Amtrac Management Services Limited.

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

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

10.16 Investor Correspondence

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

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

Shareholders can contact the following Official for Financial matters of the Company

Name	E-mail ID	Telephone No.	Fax No.
Mr. Bharat Sanghavi Chief Financial Officer	bharatsanghavi@peninsula.co.in	+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

10.17 Plant Location

The Company has no manufacturing plant.

10.18 Outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

There are no outstanding convertible warrants / instruments.

10.19 Status of Compliance with Non Mandatory Requirements

- For Remuneration Committee, please refer point 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.

11. Code for Prevention of Insider Trading

The Company has adopted a Code for Prevention of Insider Trading in the shares of the Company. 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 31st March, 2008.

Rajesh Jaggi
Managing Director

Mumbai, 6th June, 2008

Auditors' Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement(s)

To the Members of Peninsula Land Limited

We have examined the compliance of condition of Corporate Governance by Peninsula Land Limited for the year ended 31st March, 2008, as stipulated in revised Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders' / Investors' Grievances Committee.

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 HARIBHAKTI & CO.
Chartered Accountants

Chetan Desai
Partner
Membership No. 17000

Mumbai : 6th June, 2008

COMPLIANCE CERTIFICATE

CIN: L17120MH1871PLC000005

Nominal Capital: Rs. 65 Crores

The Board of Directors
Peninsula Land Limited
Peninsula Spenta
Mathuradas Mills Compound
Senapati Bapat Marg
Lower Parel
Mumbai- 400 013

Sirs,

We have examined the 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 Agreements, SEBI Regulations and also the provisions contained in the Memorandum and Articles of Association of the Company ("the requirements") for the financial year ended on 31st March, 2008. Based on our examination as well as information and explanation furnished by the Company to us and the records made available to us, we hereby report that:

1. The requisite statutory registers and other records required under the Act and the rules made thereunder have been maintained in accordance with the Act either in physical and electronic mode as applicable.
2. The requisite forms, returns and documents required under the Act and the rules made thereunder to be filed with the Registrar of Companies and other authorities have been duly filed.
3. The Board of Directors is constituted by the Company which consists of 11 members. The Board had met 5 times during the year under review and the minutes have been recorded properly in the Minutes Book maintained for the purpose.

During the year under review, the Company had appointed Mr. Sudhinder Khanna as an Additional Director at its Board Meeting held on 31.01.2008. He will be holding office only upto the date of ensuing Annual General Meeting. Mr. P. A. Akbar Ali, Nominee of LIC had ceased to be a Director due to withdrawal of nomination by LIC, and the same was noted at the Board Meeting held on 27.07.2007. The requisite forms were filed.

4. The Annual General Meeting for the financial year 2006-07 was held on 21.09.2007. The resolutions passed thereat were duly recorded in the minutes books maintained for the purpose. The Company has not passed any resolution by Postal Ballot.
5. As required under the Listing Agreement and the Companies Act, 1956, the Company has the following Committees:
 - Audit Committee: The Committee had met 4 times during the year under review.
 - Investors' Grievance Committee: The Committee had held 4 meetings during the year under review.
 - Remuneration Committee: The Committee had held 2 meetings during the year under review. The Committee Meeting held on 27-07-2007 had considered the revision of salary of Chairperson and Executive Directors with effect from 01-04-2007.
 - Employee Stock Option Scheme Compensation Committee: The Committee had held 1 meeting during the year under review for considering grant of 1,17,500 options to Senior Executives of the Company.
 - The minutes of the above meetings were properly recorded.
6. The Company had sub-divided its equity shares of Rs.10/- each into 5 equity shares of Rs.2/- each after complying with the formalities and other procedures as required under the Act. The shares after the sub-division were traded in the Stock Exchanges and the Master Creation Forms have been filed with both NSDL and CDSL and due credits have been given to the respective Depository Participants. The physical shares are being exchanged for the old certificates. However as on 31st March, 2008, 12,606 holders were yet to exchange the certificates out of the total holders of 13,196.
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 shareholders within the statutory period and the

- transfers / transmissions thereof have been carried out and registered as per the requirements.
8. Declaration and payment of dividend for the previous financial year was made during the year under review and transfer of monies lying in unclaimed dividend account to the Investor Education and Protection Fund have been duly complied with as per the requirements of the Act.
 9. Charges created, modified or satisfied by the Company were duly filed and noted and entered in the Register maintained for the purpose during the financial year ended 31st March, 2008.
 10. The Company has complied with the provisions of Section 372A and other provisions of the Act in respect of guarantees given, loans granted to companies including subsidiaries and investments by way of equity shares made in subsidiaries and other companies during the financial year ended 31st March, 2008. The Company had, wherever required, obtained the necessary approvals as per the requirements of the Act.
 11. The Company has not accepted any Fixed Deposits. The Dividend declared has been paid during the year. The Annual Return and Annual Reports have been filed as required under the Act. The Company has, therefore not defaulted in any of the 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 Company.
 12. Due disclosures under the requirements of the statutes have been made by the Company. The Company has complied with the requirements in pursuance to the Listing Agreements with the Stock Exchanges. The Company has complied with SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 as amended from time to time. The Company has filed statements with the Stock Exchanges under the Regulation 8 (3) of the said regulations within 21 days from 31st March, 2007 and from the book closure date for the purpose of payment of dividend.
 13. The Company has granted 1,17,500 Stock Options under ESOP Scheme approved by the Shareholders by Postal Ballot on 14.06.2006 and at the Annual General Meeting held on 29.12.2006, to the Senior Executives of the Company during the year under review in accordance with the provisions of SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines 1999. However, the options are yet to be exercised by the employees of the Company.
 14. The Company has complied with the Listing Agreement with Stock Exchanges pertaining to submissions of the statements, documents, disclosure requirements, publication in newspapers, press releases, Corporate Governance standards as prescribed in Clause 49, within time limit specified in the Listing Agreement. As the EDIFAR is not available for updation as specified by the Bombay Stock Exchange Limited, the Clause 51 requirements could not be made. However the said information is submitted in physical form to the Stock Exchanges. SEBI has issued a list of Companies which are required to comply with the new Clause 52 in relation to CFDS. The Company's name was not specified by SEBI, hence not applicable.
 15. The Company has complied with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time and has within the time limit specified submitted the information received from the Directors / Employees / Stakeholders with regard to any purchase or sale in excess of requisite percentage of the paid up share capital to the respective Stock Exchanges.
 16. The Company has complied with the Code of Conduct for Directors and other Senior Executives as required under Clause 49 of the Listing Agreement.

For V. Sundaram & Co.

V. Sundaram
Company Secretary
C.P. No. 3373

Mumbai : 6th June, 2008

AUDITOR'S REPORT

TO THE MEMBERS OF PENINSULA LAND LIMITED

1. We have audited the attached Balance Sheet of **Peninsula Land Limited** (the 'Company') as at 31st March 2008 and the Profit and Loss Account and the Cash Flow Statement of the Company 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. That standard requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report as under:
 - I. 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 Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we annex hereto a statement on the matters specified paragraphs 4 and 5 of the said order, to the extent applicable to the Company
 - II. Further to our comments in the Annexure referred to in paragraph I above:
 - (a) We have obtained all the information and explanations, which best to our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts as required by the law have been kept by the Company so far as appears from our examination of the books.
 - (c) The Balance Sheet, Profit & Loss Account and Cash flow Statement dealt with by this report are in agreement with the books of accounts
 - (d) In our opinion, the Balance Sheet and the Profit & Loss Account comply with the Accounting Standards(AS) referred to in sub-section(3C) of Section 211 of the Companies Act, 1956 to the extent they are applicable to the Company. As regards disclosures required in AS-15(Revised) "Employee Benefits" attention is invited to Note No.. 24 of Schedule-14 to Accounts.
 - (e) On the basis of the written representations received from the directors of the Company as on 31st March 2008, and taken on record by the Board of Directors of the Company, we report that prima - facie, none of the Directors is disqualified as on 31st March 2008 from being appointed as a director in term clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of information and according to the explanations given to us, the said accounts read together with the notes thereon, 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:
 - (i) In case of the Balance sheet, of the state of affairs of the Company as at March 31, 2008;
 - (ii) In case of the Profit & Loss Account, of the profits of the Company for the year ended on that date, and
 - (iii) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

For HARIBHAKTI & Co.
Chartered Accountants

Mumbai : 6th June 2008

Chetan Desai
Partner
Membership No. 17000

ANNEXURE REFERRED TO IN PARAGRAPH I OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF PENINSULA LAND LIMITED

I. Fixed Assets:

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
2. We are informed that the Fixed Assets of the Company are physically verified by the management according to a phased programme designed to cover all items over a period of three years, which we considered reasonable. Pursuant to the programme, a physical verification was carried out during the period and this revealed no material discrepancies between the books and records and physical inventory.
3. The Company has not disposed off substantial part of its fixed assets during the year.

II. Stock in Trade :

4. Stock in trade has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
5. The procedures of physical verification of stock in trade followed by the Management are adequate in relation to the size of the Company and the nature of its business.
6. The Company is maintaining proper records of stock in trade. The Discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.

III. Loans and Advances :

7. The Company has not taken any loan from the parties covered in the register maintained under section 301 of the Companies Act, 1956.
8. The Company has granted unsecured loans to the Subsidiary Companies and other parties registered under Section 301 of the Companies Act, 1956 amounting to Rs.229.63 Crores. The

maximum amount involved during the year was Rs.293.40 Crores and the closing balance of the loan was Rs. 290.90 Crores, covered in the register maintained under section 301 of the Companies Act, 1956.

9. In respect of above loan given the rate of interest and other terms and conditions are *prima facie* not prejudicial to the interest of the Company.
10. In respect of above loans, payment of principal and interest are regular, wherever applicable.

IV. Internal Controls :

11. There are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and sale of services. During the course of the audit, no major weakness has been noticed in internal controls.
12. The Company has entered transactions that need to be entered into a register in pursuance of Section 301 of the Companies Act, 1956.
13. In our opinion and according to the information and explanations given to us, in respect of transactions of sale of services, made in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956, and aggregating Rs.5,00,000/- or more in respect of each party, have been made at the prices which are reasonable having regard to the prevailing market price for such services have been made with the other parties
14. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.

V. Deposits :

15. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956, and the rules framed thereunder.

VI. Taxation :

16. According to the Information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Professional Tax, Works Contract Tax, Property Tax and any other Statutory Dues with the appropriate authorities. There were no arrears of

statutory dues, as at the last day of the financial period, outstanding for a period of more than six months from the date they became payable.

17. According to the information and explanations given to us, no disputed amounts payable in respect of Income Tax, Wealth Tax, Service tax, Profession Tax, Works Contract Tax and Property tax were outstanding as 31st March 2008, except as stated below :

Name of the Statue	Nature of the Dues	Amount (Rs in crores)	Period to which the Amount relates	Forum where dispute is pending
Income Tax Act , 1961	Income Tax	40.64	A.Y 2004-05 and 2005-06	Commissioner of Income Tax Appeal

VII. Others :

18. Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub - section (1) of Section 209 of the Companies Act, 1956.

19. The Company does not have accumulated losses. The Company has not incurred cash loss in the current financial year and immediately preceding financial period.

20. During the year, the Company has not defaulted in repayment of dues to a Financial Institution and Bank.

21. The Company has not granted any loans and advances on the basis of the security by way of pledge of shares, debentures and other securities.

22. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit/societies are not applicable to the Company.

23. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investment.

24. According to the information and explanations given to us, the Company has not given any guarantees during the year.

25. According to the information and explanations given to us, the Company has applied the term loans for the purpose for which they were obtained.

26. Based on the overall basis of the examination of the balance sheet of the Company as at 31st March 2008, and as per the information and explanation given to us, we find` that the Company has not utilized funds raised on short term basis for long term purpose.

27. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.

28. During the year, the Company has not issued any secured debentures.

29. Security in respect of Debentures is still to be created.

30. During the year, the Company has not raised any money through public issue.

31. Based on the audit procedures performed and information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For HARIBHAKTI & Co.
Chartered Accountants

Mumbai : 6th June 2008

Chetan Desai
Partner
Membership No. 17000

FINANCIALS

BALANCE SHEET

AS AT 31ST MARCH, 2008

	Schedule	As at March 31, 2008		As at March 31, 2007	
		Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	5,589.66		4,214.66	
Reserves & Surplus	2	88,143.74		38,813.79	
			93,733.40		43,028.45
Loan Funds					
Secured Loans	3	27,075.21		20,136.10	
Unsecured Loans		12.44		17,037.14	
			27,087.65		37,173.24
Deferred Tax (Net)					
Deferred Tax Liability		2,563.86		2,099.99	
Less: Deferred Tax Asset		1,032.24	1,531.62	1,974.20	125.79
			1,22,352.67		80,327.48
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	5,515.32		3,602.17	
Less: Depreciation		560.33		278.67	
Net Block			4,954.99		3,323.50
Investments					
	5		34,421.44		10,023.37
Current Assets, Loans & Advances					
Inventories	6	27,975.48		22,426.82	
Sundry Debtors		3,865.96		22,573.66	
Cash & Bank Balances		9,474.72		10,389.51	
Other Current Assets		350.39		449.72	
Loans & Advances		51,788.74		19,112.44	
			93,455.29		74,952.15
Less: Current Liabilities & Provisions	7	16,648.05		14,594.37	
Net Current Assets			76,807.24		60,357.78
Miscellaneous Expenditure (Deferred Revenue expenditure to the extent not written off)			6,169.00		6,622.83
			1,22,352.67		80,327.48
Accounting Policies	13				
Notes To The Financial Statements	14				

As per our report of even date.

For and on behalf of
Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner
M. No. 17000

Mumbai : 6th June, 2008

Urvi A. Piramal
Rajeev A. Piramal
Mahesh S. Gupta
Rajesh Jaggi

Bharat Sanghavi

Kausik Nath

Chairperson
Executive Vice Chairman
Group Managing Director
Managing Director

CFO

Company Secretary

Directors
Amitabha Ghosh
C.M. Hattangdi
D.M. Popat
Deepak Summanwar
Sudhindar Khanna

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2008

	Schedule	2007-08 (12 Months)		2006-07 (9 Months)	
		Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
INCOME					
Income from Operations		34,527.75		31,942.00	
Other Sources	8	1,031.85		149.44	
Total Income			35,559.60		32,091.44
EXPENDITURE					
Operating Expenses	9	17,652.64		13,832.11	
Staff Cost	10	1,929.02		1,003.54	
Interest (Net)	11	(777.72)		655.99	
Depreciation		250.02		127.40	
Total Expenditure			19,053.96		15,619.04
Profit Before Extraordinary & Prior Period Items			16,505.64		16,472.40
Extra ordinary & Prior Period Items	12		(1,711.00)		(2,519.61)
Profit / (Loss) Before Tax			14,794.64		13,952.79
Income Tax		1,682.89		1,562.71	
MAT Credit entitlement		(1,330.70)		(973.49)	
Deferred Tax		1,405.83		125.79	
Fringe Benefit Tax		57.72	1,815.74	33.98	748.99
Profit For The Year (Period) After Tax			12,978.90		13,203.80
Profit /Loss Brought Forward from Previous Year			19,513.42		9,107.32
Profit /Loss of Dawn Mills Ltd. for period 01.07.05 to 31.03.07			(761.22)		—
Reversal of Transactions with Dawn Mills			(10,538.45)		—
Net Profit Available For Appropriation			21,192.65		22,311.12
Transfer to General Reserves		1,300.00		1,320.39	
Transfer to Debenture Redemption Reserve		3,447.00		—	
Proposed Dividend on Preference Shares		0.01		0.01	
Distribution Tax thereon		—		—	
Proposed Dividend on Equity Shares		2,233.61		1,262.70	
Distribution Tax Thereon		379.60		214.60	
Dividend to Shareholders of Dawn Mills Limited (2006-07)		150.00		—	
Distribution Tax Thereon		25.49		—	
Balance Carried To Balance Sheet			7,535.71		2,797.70
			13,656.94		19,513.42
Earnings per Share of Rs. 2/- each - Basic (After extraordinary & prior period items)			5.35		6.53
Earning per Share of Rs. 2/- each - Basic (before extraordinary & prior period items)			6.05		7.78
Earnings per Share of Rs. 2/- each - Diluted (After extraordinary & prior period items)			5.34		6.52
Earning per Share of Rs. 2/- each - Diluted (before extraordinary & prior period item (Refer Sr. No. 27 & 28 of Schedule 14))			6.04		7.76
Accounting Policies	13				
Notes To The Financial Statements	14				

As per our report of even date.

For and on behalf of
Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner
M. No. 17000

Mumbai : 6th June, 2008

Urvi A. Piramal
Rajeev A. Piramal
Mahesh S. Gupta
Rajesh Jaggi

Bharat Sanghavi

Kausik Nath

Chairperson
Executive Vice Chairman
Group Managing Director
Managing Director

CFO

Company Secretary

Directors

Amitabha Ghosh
C.M. Hattangdi
D.M. Popat
Deepak Summanwar
Sudhindar Khanna

SCHEDULES TO BALANCE SHEET

	March 31, 2008		March 31, 2007	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
1. SHARE CAPITAL				
Authorised:				
32,49,95,000 (5,19,99,000 Shares of Rs. 10/- Each) Equity Shares of Rs. 2/- Each	6,499.90		5,199.90	
1000 (1000) 5% Cumulative Redeemable Preference Shares of Rs. 10 each	0.10		0.10	
		6,500.00		5,200.00
Issued, Subscribed and Paidup				
27,92,01,220 (4,20,90,244 Shares of Rs. 10/- Each) Equity Shares of Rs.2/- Each Fully paid up		5,584.02		4,209.02
- Includes 13,33,20,055 (2,16,64,011 Shares of Rs. 10/- Each) shares of Rs. 2/- Each issued pursuant to Schemes of Arrangement for consideration other than cash.				
- Includes 5,67,50,000 (26,00,000 Shares of Rs. 10/- Each) shares of Rs. 2/- Each issued through Qualified Institutional Placement (QIP)				
- Also includes 4,82,87,635 (96,57,527 Shares of Rs. 10/- 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		5.54		5.54
1000 (1000) 5% Cumulative Redeemable Preference Shares of Rs. 10/- each pursuant to Scheme of Arrangement for consideration other than cash		0.10		0.10
- 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.				
		5,589.66		4,214.66
2. RESERVES AND SURPLUS				
Capital Reserve				
Balance as per last Balance Sheet		185.03		185.03
Capital Redemption Reserve				
Balance as per last Balance Sheet		17.25		17.25
Share Premium				
Balance as per last Balance Sheet	14,730.92		-	
Issue of Shares through QIP	51,625.00		15,340.00	
Less: Expenses for QIP	2,323.61	64,032.31	609.08	14,730.92

	March 31, 2008		March 31, 2007	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Debenture Redemption Reserve				
Trasfered from Profit and Loss account	3,447.00	3,447.00	—	—
General Reserve				
As per last Balance Sheet	4,367.17		3,046.78	
Less : Transitional Liability for Retirement Benefit	(33.35)			
Add : Difference in Net Assets of Dawn Mills taken over and face value of equity shares issued to shareholders of erstwhile Dawn Mills	1,171.39			
Add : Trasfered from Profit and Loss account	1,300.00	6,805.21	1,320.39	4,367.17
Profit and Loss Account				
As per Annexed Profit and Loss Account		13,656.94		19,513.42
		88,143.74		38,813.79
3. LOAN FUNDS				
Secured Loan				
From Financial Institutions Term Loan	6,779.36		17,848.55	
From Bank Term Loan	7,795.85		2,287.55	
25 - 13% Secured (Non-Convertible Redeemable Debentures) of Rs. 5,00,00,000 each	12,500.00	27,075.21	—	20,136.10
		27,075.21		20,136.10
Unsecured Loans				
A) Fixed Deposits	—		3.24	
B) 1,500 - 9.10% Non Convertible Redeemable Debentures of Rs.10,00,000/- for 364 days	—		15,000.00	—
C) From Subsidiary Company	12.44		—	
D) Others	—	12.44	2,033.90	17,037.14
		12.44		17,037.14

The Term Loans are Secured by way of Mortgage in respect of the Company's Immovable / Movable Assets. Except in respect of term loan from financial institution and debentures security is to be created. Debentures are repayable at the end of 5th years from the date of allotment (17.11.2006).

4. FIXED ASSETS

Rs. in Lakhs

Description	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 01.04.2007	Additions acquired under scheme	Additions during the year	Deductions during the year	As on 31.03.2008	Upto 01.04.2007	Additions acquired under scheme	During the Year	Deductions during the year	Upto 31.03.2008	As on 31.03.2008	As on 31.03.2007
Leasehold Land	13.37	-	-	-	13.37	-	-	-	-	-	13.37	13.37
Building (Including Land)	3,152.92	-	820.22	-	3,973.14	162.99	-	150.32	-	313.31	3,659.83	2,989.93
Office Equipments & Computers	196.58	-	385.72	-	582.30	57.87	-	57.87	-	115.74	466.56	138.71
Furniture & Fixtures	46.60	-	127.32	-	173.92	10.04	-	14.77	-	24.81	149.11	36.56
Motor Vehicles	118.21	48.65	28.26	13.89	181.23	23.73	35.49	20.10	3.85	75.47	105.76	94.48
Capital W-I-P	-	-	516.87	-	516.87	-	-	-	-	-	516.87	-
TOTAL (A)	3,527.68	48.65	1,878.39	13.89	5,440.83	254.63	35.49	243.06	3.85	529.33	4,911.50	3,273.05
Previous Year (A)	1,441.44	-	2,180.13	93.89	3,527.68	235.71	-	53.49	34.57	254.63	3,273.05	1,205.73

FIXED ASSETS GIVEN ON LEASE

Rs. in Lakhs

Description	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 01.04.2007	Additions acquired under scheme	Additions during the year	Deductions during the year	As on 31.03.2008	Upto 01.04.2007	Additions acquired under scheme	During the Year	Deductions during the year	Upto 31.03.2008	As on 31.03.2008	As on 31.03.2007
Office Equipments	38.19	-	-	-	38.19	16.18	-	4.63	-	20.81	17.38	22.01
Furniture Fittings	34.92	-	-	-	34.92	7.40	-	2.20	-	9.60	25.32	27.52
Vehicles	1.38	-	-	-	1.38	0.46	-	0.13	-	0.59	0.79	0.92
TOTAL (B)	74.49	-	-	-	74.49	24.04	-	6.96	-	31.00	43.49	50.45
Previous Year (B)	1,863.40	-	-	1,788.91	74.49	651.34	-	73.91	701.21	24.04	50.45	1,212.06
GRAND TOTAL (A+B)	3,602.17	48.65	1,878.39	13.89	5,515.32	278.67	35.49	250.02	3.85	560.33	4,954.99	3,323.50
Previous Year (A+B)	3,304.84	-	2,180.13	1,882.80	3,602.17	887.05	-	127.40	735.78	278.67	3,323.50	2,417.79

Addition acquired under Scheme refers to addition to fixed assets under the Scheme of Amalgamation of the Dawn Mills Company Limited with the Company as approved by the Hon'ble Bombay High Court with effect from 1st July 2005.

	Nos.	Face Value (Rupees)	March 31, 2008 Rupees Lakhs	March 31, 2007 Rupees Lakhs
5. INVESTMENTS (AT COST)				
LONG TERM INVESTMENTS :				
SHARES OF COMPANIES (QUOTED)				
Shares in Bank of Baroda (Market Value: 7.10 lacs)	2500	10	2.12	-
SHARES OF COMPANY (UNQUOTED)				
I) Subsidiary Companies				
Renato Finance and Investments Private Ltd.	1000000 (1000000)	10	100.00	100.00
Peninsula Trustee Ltd.	70000 (70000)	10	7.00	7.00

	Nos.	Face Value (Rupees)	March 31, 2008 Rupees Lakhs	March 31, 2007 Rupees Lakhs
Peninsula Investment Management Company Ltd.	7500000 (7500000)	10	750.00	750.00
Champs Elysee Enterprises Pvt. Ltd.	250000 (250000)	10	505.00	505.00
City Parks Pvt. Ltd.	2334000 (2111722)	10	7,259.03	6,242.40
Inox Mercantile Company Pvt. Ltd.	10000 (10000)	10	1.00	1.00
Peninsula Facility Management Services Pvt. Ltd.	100000 (100000)	10	0.25	0.25
Peninsula Pharma Research Centre Pvt. Ltd.	10000 (10000)	10	1.00	1.00
Planetview Mercantile Co. Pvt. Ltd.	10000 (10000)	10	1.00	1.00
RR Real Estate Development Pvt. Ltd.	10000 (-)	10	1.00	—
Peninsula Mega Properties Pvt. Ltd.	7400 (7400)	10	0.74	0.74
Peninsula Mega Township Developers Pvt. Ltd.	10000 (-)	10	1.00	—
RR Mega Property Developers Pvt. Ltd.	10000 (-)	10	1.00	—
II) Associate Companies				
L & T Crossroads Pvt. Ltd.	9000000 (9000000)	10	1,200.00	1,200.00
Edifice Properties Pvt. Ltd.	1300000 (-)	10	3,547.66	—
Delta Hospitality Pvt. Ltd. (Formerly known as Fasttrack Impex Pvt. Ltd.)	260000 (260000)	10	26.00	26.00
JM Realty Management Pvt. Ltd.	2500 (-)	10	0.25	—
III) Others				
The Shamrao Vithal Co-operative Bank Ltd.	25 (25)	25	0.01	0.01
JM Township & Real Estate Pvt. Ltd.	3000000 (-)	10	17.50	—
Sukh Sagar Premises Co-operative Housing Society Ltd. (Rs. 250/-)	5 (-)	50	—	—
IMMOVABLE PROPERTIES			159.83	159.83

	Nos.	Face Value (Rupees)	March 31, 2008 Rupees Lakhs	March 31, 2007 Rupees Lakhs
SHORT TERM INVESTMENTS :				
INVESTMENTS IN UNITS OF MUTUAL FUNDS (UNQUOTED)				
LIC Liquid Fund	—	—	—	1,029.14
	(9,372,812)	10.9800		
UTI Liquid Cash Plan	2921.288	1,019.4457	29.78	—
Reliance Fixed Horizon Fund - VI - Series 2 - Institutional Dividend Plan	25000000	10.0000	2,500.00	—
Reliance Liquidity Fund - Daily Dividend Reinvestment Option	810036.550	10.0000	81.03	—
Reliance Interval Fund - Quarterly Plan - Series I - Institutional Dividend Plan	152565312.080	10.0026	15,260.65	
Reliance Liquid Plus Fund - Institutional Option - Daily Dividend Plan		2,88,157.490	1,001.1364	2,884.85
ICICI Prudential Institutional Liquid Plan - Super Institutional Daily Div - Reinvest Dividend	837334.867	10.0005	83.74	—
			34,421.44	10,023.37
Repurchase Value of Investment in Units of Mutual Fund			20857.87	1029.14

	March 31, 2008		March 31, 2007	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
6. CURRENT ASSETS, LOANS AND ADVANCES				
A) Inventories				
Stock In Trade		27,975.48		22,426.82
B) Sundry Debtors (Unsecured, Considered Good)				
(i) Over Six Months	1,773.62		248.59	
(ii) Others	2,092.34	3,865.96	22,325.07	22,573.66
C) Cash & Bank Balance				
Cash on hand	2.44		2.76	
With Scheduled banks - in Current accounts	344.28		6,055.75	
- in deposit accounts	9,097.82		4,325.05	
- Unclaimed Dividend Account	30.18	9,474.72	5.95	10,389.51
D) Other Current Assets				
Interest Receivable	150.39		7.55	
Share Application Money (Shares allotted on 07.04.2008)	200.00			
Other Claims	319.69	670.08	442.17	449.72

SCHEDULES TO PROFIT AND LOSS ACCOUNT

	March 31, 2008		March 31, 2007	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
E) Loans & Advances				
(Unsecured, Considered Good)				
Advances Recoverable In Cash or Kind or for value to be received	6,984.64		7,446.58	
Advance Tax Less Provision	2,749.25		202.42	
MAT Credit entitlement	3,099.80		1,769.10	
Deposit with Public Bodies	39.13		74.52	
Loans to Subsidiaries	27,108.64		6,031.89	
Loans/Deposit with Others	11,479.52		3,584.69	
Advances To Staff and Others	8.07	51,469.05	3.23	19,112.43
		93,455.29		74,952.15
7. CURRENT LIABILITIES & PROVISIONS				
A) Current Liabilities				
I) Sundry Creditors				
Small & Medium Enterprises	—		—	
Others	5,427.12		4,974.88	
II) Other liabilities	—		74.92	
III) Unclaimed Dividend				
(Shall be credited to Investor Education and Protection Fund shall be Credited to the extent as & when required)	30.18		5.94	
IV) Unclaimed Public Deposit	3.05		—	
V) Trade Deposits & Advances (Net of Amount booked as Income)	8,354.11		7,991.70	
		13,814.46		13,047.44
B) Provisions				
Proposed Dividend on Preference Shares	0.01		0.00	
Proposed Dividend on Equity Shares	2,233.61		1,262.71	
Tax Payable on Proposed Dividend	379.60		214.60	
Employees Retirement Benefit	220.37	2,833.59	69.63	1,546.93
		16,648.05		14,594.37

	2007-08 (12 Months)		2006-07 (9 Months)	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
8. INCOME - OTHER INCOME				
Miscellaneous Income		189.35		22.14
Interest on Income Tax refund		230.83		—
Profit on sale of Assets		2.20		2.00
Dividend on Mutual Funds		609.32		125.30
Dividend on Shares		0.15		—
		1,031.85		149.44
9. OPERATING EXPENSES				
Power and Fuel		50.66		99.44
Cost of Realty Sales		15,045.05		10,111.43
Repairs & Maintenance Buildings		171.62		28.23
Repairs & Maintenance Others		74.21		198.39
Insurance		9.38		6.62
Rent, Rates, Taxes and Water Charges		19.27		73.73
Professional Fees		397.74		1,528.26
Advertisement and Sales Promotions		51.00		379.65
Brokerage & Commission		489.08		
Compensation Crossroads		—		275.00
Donations		6.84		86.95
Miscellaneous Expenses		899.78		576.43
Loss on Sale of Assets		6.45		6.13
Foreign Currency Fluctuation		—		22.46
Directors' Commission		427.76		436.49
Directors' Fees		3.80		2.90
		17,652.64		13,832.11
10. STAFF COST				
(Including Managerial Remuneration)				
Salaries, Wages and Bonus		1,494.63		812.45
Contributions To ESIS, Provident Fund, Etc.		205.50		129.52
Staff & Labour Welfare		228.89		61.57
		1,929.02		1,003.54
11. INTEREST (NET)				
Term Loan & Fixed Deposit		5,604.70		3,780.33
Others		14.15		2.95
Less: Transfer to Work in Progress		(2,853.68)		(2,258.75)
Less: Interest Income		(3,542.89)		(868.54)
		(777.72)		655.99

	2007-08 (12 Months)		2006-07 (9 Months)	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
12. EXTRA ORDINARY & PRIOR PERIOD ITEMS				
a) Extraordinary Items				
(i) Extraordinary Expenses		—		(0.09)
(ii) Fixed Assets written off		—		(1,075.25)
(iii) Deferred Revenue Expenses Written off		(1,642.88)		(1,193.27)
b) Prior Period Items				
(i) Prior Period Expenses (Net)		(67.35)		(251.00)
(ii) Merger expenses		(0.77)		—
		(1,711.00)		(2,519.61)

13 Significant Accounting Policies

(i) Basis of Accounting

The Financial statements are prepared under historical cost convention on an accrual basis and comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.

(ii) Fixed Assets

All Fixed Assets are stated at cost of acquisition / as revalued, as the case may be, less accumulated depreciation.

(iii) Leases

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.

Assets leased out under operating Leases are capitalised. Rental Income is recognised on accrual basis over the Lease term.

(iv) Depreciation

Tangible Assets

Depreciation on Fixed Assets is provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956.

However, Depreciation on Fixed Assets acquired from erstwhile Piramal Holdings Limited (PHL) and Piramyd Retail and Merchandising Private Limited (PRMPL) is provided on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956

Depreciation on Additions / Deletions of assets during the year is provided on a pro-rata basis.

Intangible Assets

Cost of Computer Softwares purchased are charged off in the year which they are incurred.

(v) Leave Encashment

Provision for leave encashment is determined on the basis of actuarial valuation

(vi) Retirement Benefits

The Company's contribution in respect of Provident Fund and Superannuation Scheme are charged against revenue every year. In respect of Gratuity, the Company's contribution to the approved funds is charged against the revenue and provision for accrued liability is determined on basis of actuarial valuation.

(vii) Borrowing Cost

Borrowing Costs that are directly attributable to long term projects/ development activities are treated as part of the respective project cost and added to the stock in trade up to the date when such projects / development activities are completed. Other borrowing costs are charged as an expense in the year in which they are incurred.

(viii) Investments

Investments are stated at cost. Diminution in value if any, which is of a temporary nature, is not provided.

(ix) Deferred Taxation

Tax comprises both current and deferred tax.

Current Income Tax is determined on the basis of tax payable on taxable income (if any) for the year. In compliance with Accounting Standard - 22 issued by the Institute of Chartered Accountants of India, deferred tax is calculated at current statutory Income Tax rate and is recognised on timing difference between taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets, subject to consideration of prudence, are recognised and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(x) Stock in Trade

Stock in Trade represents property undertaken for development and consists of costs directly attributable to such development and it is valued at cost or market price whichever is lower.

(xi) VRS Payments

Payments made under Voluntary Retirement Scheme are amortised over a period of ten years.

(xii) Foreign Exchange Fluctuations

The transactions in foreign exchange are accounted at the exchange rate prevailing on the date of transactions. Any exchange gains or losses arising out of the subsequent fluctuations are accounted for in the Profit and Loss Account, except those relating to acquisition of fixed assets/ projects, which are adjusted to the cost of assets / Capitalised to projects.

(xiii) Provisions and Contingent Liabilities

Provisions are recognised in respect of present probable obligations, the amount of which can be reliably estimated. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

(xiv) Revenue Recognition

The Company is in the business of Property Development. Revenue is recognised proportionate to actual bookings done for the percentage completion of construction work as per Architect's Certificate.

Revenue from Development Rights is recognised on the basis of our revenue share receivable, which is derived from the actual receipts from customers.

(xv) Income from Operations

Income from Operations include Realty Sale, Lease Rentals, Service Fees, signages, car park, PMC/Marketing Fees, Club house income and Profit on Sale of Assets in the nature of Real Estate.

14 NOTES TO THE FINANCIAL STATEMENTS

- 1 During the year Company had issued 4,37,50,000 Equity Shares of Rs. 2/- each at a premium of Rs. 118- per share aggregating Rs.525 crores through private placements to Qualified Institutional Investors which resulted in increase of equity share capital of the Company by Rs. 8.75 crores.
- 2 Consequent to the filing of the final certified order dated 1st June, 2007 of the Hon'ble Bombay High Court with the Registrar of the Companies, Maharashtra the Scheme of Amalgamation between The Dawn Mills Company Limited with the Company has become effective from the appointed date of 1st July, 2005.
- 3 The operations of the current year were adversely affected on account of Stop Work Notice issued by the Municipal Corporation of Greater Mumbai which resulted in stoppage of work in the last two quarters of the year in respect of all the Four projects under development in the city of Mumbai. The stop work notice have been since withdrawn with effect from 2nd April,2008 and work has commenced on all the Four Projects.
- 4 The results for the current year ended 31st March, 2008 includes the operations of The Dawn Mills Company Limited. In view of this, the results for the current year are not comparable with the corresponding period of the previous financial year. Also, as the financial results of the year pertain to a period of twelve months, they are not comparable with the previous period of nine months.
- 5 The amalgamation has been accounted for under the "Pooling of Interest Method" as prescribed by Accounting Standard (AS-14) -Amalgamations issued by the Institute of Chartered Accountants of India.
- 6 In accordance with the said Scheme:
 - i) All the assets including investments other than shares of the Company held by The Dawn Mills Company Limited, debts, liabilities and obligations of "The Dawn Mills Company Limited" have been vested in the Company with effect from 1st July, 2005. and have been recorded at their respective fair values. Accordingly, to give effect to the scheme, The Dawn Mills Company's net loss for the period 1.07.2005 to 31.03.07 has been incorporated in the company's account. There were no material difference in the accounting policies of The Dawn Mills Company Limited and the Company.

- ii) 50,00,000 equity shares of Rs.10/- each have been allotted to the shareholders of The Dawn Mills Company Limited in the ratio of twenty equity shares of Rs.10/- each of the Company for every one equity share of Rs.50/- each of The Dawn Mills Company Limited . The Company's paid up capital has accordingly increased by Rs.500 lacs. These equity shares rank pari-passu with the existing equity shares of the Company.
- iii) Excess of Net Asset Value taken over by the Company amounting to Rs.1171.39 lacs over the paid up value of equity shares to be issued and allotted to the Shareholders of The Dawn Mills Company Limited has been transferred to the General Reserve.
- 7 Provision for taxation is after taking into account the merger of The Dawn Mills Company Limited with the Company.
- 8 The equity shares of face value of Rs.10/- each were sub-divided into five equity shares of Rs.2/- each pursuant to resolution passed by the members in the Annual General Meeting held on 21st September, 2007 effective from 23rd October, 2007 (Record Date).
- 9 At the Extraordinary General Meeting of the Members of the Company held on 22nd October, 2007 the members of the company had approved by passing an Ordinary resolution, increase of the authorised capital from Rs.5,200 lakhs divided into 2,599.95 lakhs Equity shares of Rs.2/- each and 1000-5% Cumulative Redeemable Preference Shares of Rs. 10/- each to Rs.6,500 lakhs divided into 3,249.95 lakhs Equity shares of Rs.2/- each and 1000-5% Cumulative Redeemable Preference Shares of Rs. 10/- each.
- 10 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 period are as under :

	Current year	Previous year
Options in force at the beginning of the year (face value Rs.2/-)	11,10,500	0
Add : Granted during the year	1,17,500	11,25,000
Less: Lapsed during the year	6,81,375	14,500
Options in force at the end of the year	5,46,625	11,10,500
Options vested during the year	1,10,152	0

- 11 Debenture Redemption Reserve includes Rs 947.00 Lakhs created in respect of Previous Year.
- 12 Recognition of Income and expenses for ongoing projects are based on expected sales value and estimated costs, as per the judgment of the management and certificates of Architect being technical matter.
- 13 Donation included Rs 2.72 Lakhs (Previous Year Rs. 21 Lakhs) paid to Political Parties.

14 Leases

Assets taken on Operating Lease

The Company has taken cars on Operating Lease and lease rent amounting to Rs. 38.85 Lakhs [Previous Year Rs.27.17 Lakhs] has been debited to Profit and Loss Account. The future minimum lease payment is as under:

	As At 31.03.2008 (Rs. Lakhs)	As At 31.03.2007 (Rs. Lakhs)
Not later than One Year	56.73	36.23
Later than One Year and not later than five years	120.31	88.32
Later than five years	—	—
Total	177.04	124.55
15 (a) Contingent Liabilities Not Provided for:		
Tax assessments in appeal	4,063.83	249.33
Others	—	2.05
(b) Capital Commitments towards partly paid Investments	453.00	—

16 There were no amounts due to any creditors classified as Small and Medium Scale Enterprises outstanding for more than 45 days

	Year ended 31.03.2008 (12 Months) (Rs. Lakhs)	Period ended 31.03.2007 (9 Months) (Rs. Lakhs)
17 (a) Miscellaneous Expenses include Auditors' remuneration in respect of :		
Statutory Auditors		
a) Audit fees	9.63	5.05
b) Tax Audit fees	3.93	2.53
c) Certification fees	1.21	1.77
d) Out of Pocket expenses	0.22	0.24
Total	15.00	9.59

(b) Auditors have been paid Rs.16.85 lakhs (previous year Rs. 8.42 lakhs) for certification fees in relation to issue of equity share capital through QIP which has been debited to Share Premium Account.

	Year ended 31.03.2008 (12 Months) (Rs. Lakhs)	Period ended 31.03.2007 (9 Months) (Rs. Lakhs)
18 Managerial Remuneration		
A To Chairperson and Executive Directors		
a. Salaries and Allowances	438.67	265.80
b. Commission - Managing Directors	57.76	71.49
c. Commission Executive Directors	350.00	350.00
d. Contribution to Provident and Superannuation Funds *	111.19	66.46
e. Other Perquisites	43.61	50.35
Total	1,001.23	804.10
B To Other Non Wholetime Directors - Commission	20.00	15.00
C Directors' Fees	3.80	2.90
Total Managerial Remuneration	1,025.03	822.00
* 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	14,794.64	13,952.78
Less:		
Other Income	1,031.85	0.00
	13,762.79	13,952.78
Add: Loss On sale of Assets	6.45	6.13
Managerial Remuneration	1,025.03	822.00
Net Profit u/s 198/ 349 of the Companies Act, 1956	14,794.27	14,780.91
(i) Commission to Managing Director restricted to	57.76	71.49
(ii) Commission to Non Wholetime Directors @1% of Net Profit u/s 349, Rs.147.94 Lakhs (Previous period Rs.147.81 Lakhs) restricted to	20.00	15.00
19 (i) Value of Direct Imports calculated on C.I.F.basis		
Construction Equipments	—	22.68
Glass	41.97	10.36
(ii) Expenditure in Foreign Currency		
Travelling	31.66	25.04
Professional and Legal Fees	122.20	—
Seminar expenses	4.62	—
Advertisement expenses	5.89	—
iii) Foreign currency have been expended to the extend of Rs.173 lakhs for professional services rendered in relation to issue of equity share capital through QIP which has been debited to Share Premium Account.		

	2007-08 (12 Months) (Rs. Lakhs)	2006-07 (9 Months) (Rs. Lakhs)
20 Income From Operations		
A Realty Sales	32,672.47	14,005.58
B Other Services	1,855.27	17,936.42
	34,527.75	31,942.00

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

Particulars	As At 31.03.2008		As At 31.03.2007	
	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
Opening Work in Progress		22,426.82		25,075.88
Add : Expenses during the Year / Period				
Development Expenses	15,381.59		4,152.76	
Construction Equipments	2.21		24.12	
Interest Expense	2,853.68		2,258.75	
Statutory Fees	2,202.52		84.79	
Allocated Expenses	153.71		941.95	
Total Project Expenses for the Year / Period		20,593.71		7,462.37
		43,020.53		29,889.19
Less: Transferred to Closing Stock		(27,975.48)		(22,426.82)
Cost of Realty Sales	15,045.05		10,111.43	
22 Major components of deferred tax assets and liabilities are:				
Deferred Tax Assets				
Unabsorbed Business Loss		480.50		1,074.88
Long Term Capital Loss		398.63		173.05
Short Term Capital Loss		153.11		726.27
		1032.24		1,974.20
Deferred Tax Liabilities				
Accelerated Depreciation		780.92		791.13
VRS unamortised		1,782.94		1,308.86
		2,563.86		2,099.99
Net Deferred Liabilities		(1,531.62)		(125.79)

23 In accordance with the Accounting Standard 16 issued by The Institute of Chartered Accountants of India, Interest of Rs.2853.68 Lakhs (previous period Rs. 2258.75 Lakhs) has been treated as Project cost and added to the stock in trade.

24 Employee Benefits:

The Company has adopted Accounting Standard AS- 15 (Revised) Employee Benefits with effect from 1st April 2007. Pursuant to the same, the Company has adjusted the opening balance of employee benefit obligations, arising out of such adoption as on 1st April 2007

- 1 The Company has recognised the expected liability arising out of compensated absences (Annual Leave) as at 1st April 2007 based on actuarial valuation carried out using the Projected Unit Credit Method. Consequent to the above, the additional opening liability towards compensated leaves as at 1st April 2007 amounting to Rs 0.33 Lacs has been recognised in the financial statements by adjusting against General Reserve.
2. The Defined Benefit Obligation of the Gratuity plan as at 1st April 2007 of Rs 33.02 Lacs has been Adjusted against General Reserve as on 1st April 2007 arrived by Projected Unit Credit Method.

Thus the net adjustment of Rs 33.35 Lacs (Aggregate of the above) to General Reserve as on 1st April 2007

The Company has Group Gratuity Policy managed by LIC the below disclosure have been obtained from independent actuary as the figures of LIC are not available in view of this certain disclosure such as investment pattern could not be provided. The other disclosures are made in accordance with AS-15(Revised) pertaining to Defined Benefit Plans is given below.

Particulars	(Amount Rs in Lacs)	
	Gratuity (Funded)	Leave Encashment (Unfunded)
1) Opening Defined benefit obligation as at 1 st April 07	92.95	69.62
2) Current service cost	30.90	29.19
3) Interest on defined benefit obligation	7.44	5.57
4) Benefits paid	(5.02)	(34.18)
5) Actuarial (Gain)/Loss on Defined benefits obligation	16.66	7.23
Present value of defined benefits obligation as on 31 st March 2008	142.94	77.43
Expenses Recognised in the statement of Profit & Loss for the period ended 31.03.2008		
1) Current service cost	30.90	29.19
2) Interest on defined benefit obligation	7.44	5.57
3) Actuarial (Gain)/Loss on Defined benefits obligation	16.66	7.23
Expenses Recognised in the statement of Profit & Loss for the period ended 31.03.2008	55.00	41.99
Summary of the Actuarial Assumption		
Mortality table LIC (1994-96) Ultimate		
1) Discount rate	8%	8%
2) Rate of escalation in salary Per annum	6%	6%

3. Defined Contribution Plan

Contribution to Provident Fund

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

Particulars	(Amount Rs. in Lacs) Current Year
Employer's contribution to Provident Fund	112.32
Employer's contribution to Superannuation Fund	92.02
Employers' Contribution to Employees' State Insurance	1.17

NOTES:

1. The Estimated future salary increases take account of inflation, seniority, promotion and other retirement factors such as supply and demand in the employment market.
 2. Comparative values of defined benefits plans for the past four financial years, as required by AS-15(Revised) are not provided this being the first year of adoption of the Standard.
- 25 List of Related Parties and Transactions during the year.
- A. Controlling Companies
 - Alltime Mercantile Company Private Limited
 - Newzone Mercantile Company Private Limited
 - Superplaza Mercantile Company Private Limited
 - Bigdeal Mercantile Private Limited
 - B. Subsidiary Companies
 - Renato Finance and Investments Private Limited
 - Champs Elysee Enterprises Private Limited
 - City Parks Private Limited
 - Inox Mercantile Company Private Limited.
 - Peninsula Facility Management Services Private Limited.
 - Peninsula Pharma Research Centre Private Limited.
 - Planetview Mercantile Company Private Limited.
 - RR Real Estate Development Private Limited.
 - Peninsula Mega Township Developers Private Limited.
 - RR Mega Property Developers Private Limited
 - Peninsula Mega Properties Private Limited
 - Peninsula Investment Management Company Limited
 - Peninsula Trustee Limited

- C. Associate Companies with whom the Company had transactions during the year
Delta Hospitality Private Limited (Formerly known as Fasttrack Impex Private Limited)
JM Realty Management Private Limited
L & T Crossroads Private Limited
Morarjee Textiles Limited
Piramyd Retail Limited #
Fresca Fine Dining Private Limited
Thundercloud Technologies (I) Private Limited
Amtrac Management Services Limited
Ashok Piramal Management Corporation Limited
PMP Components Private Limited
Piramal Enterprises Limited
Gujarat Glass Private Limited
Edifice Properties Private Limited.
- D. Key Management Personnel
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

	2007-08 (12 Months) (Rs. Lakhs)	2006-07 (9 Months) (Rs. Lakhs)
Details of Transactions are as Follows :		
A. Sales to and recoveries from		
- Subsidiary Companies		
- Associate Companies		
JM Realty Management Private Limited	—	—
Morarjee Textiles Limited	163.75	—
Piramyd Retail Limited	56.62	90.50
Piramal Enterprises Limited	—	12.82
The Dawn Mills Company Limited ##	—	10,550.00
B. Purchase and other services from		
- Subsidiary Companies		
Champs Elysee Enterprises Private Limited	217.45	—
Peninsula Facility Management Services Private Limited	72.08	126.25
- Associate Companies		
Piramyd Retail Limited	—	2,000.00
Ashok Piramal Management Corporation Limited	27.21	—
Morarjee Textiles Limited	0.04	—

	2007-08 (12 Months) (Rs. Lakhs)	2006-07 (9 Months) (Rs. Lakhs)
Amtrac Management Services Limited	8.40	—
- Key Management Personnel (Compensation paid)	865.14	—
C. Loan given to		
- Subsidiary Companies		
Renato Finance and Investments Private Limited	40.00	7,121.00
Champs Elysee Enterprises Private Limited	0.07	269.94
City Parks Private Limited	278.39	1,194.00
Inox Mercantile Company Private Limited	1,720.19	1,549.67
Peninsula Facility Management Services Private Limited	109.97	774.30
Peninsula Pharma Research Centre Private Limited	543.98	982.34
Planetview Mercantile Company Private Limited	584.67	431.59
RR Real Estate Development Private Limited	-	-
Peninsula Mega Township Developers Private Limited	7,680.93	-
RR Mega Property Developers Private Limited	9,022.08	-
Peninsula Mega Properties Private Limited	0.02	-
Peninsula Investment Management Company Limited	7.00	-
- Associate Companies		
Delta Hospitality Private Limited (Formerly known as Fasttrack Impex)	700.00	1,323.85
JM Realty Management Private Limited	637.96	-
L & T Crossroads Private Limited	0.65	-
Morarjee Textiles Ltd	0.12	-
Piramyd Retail Limited	57.55	-
Fresca Fine Dining Private Limited	0.12	-
D. Loan taken from		
Nicholas Piramal India Limited	7.68	-
Thundercloud Technologies (I) Private Limited	1.27	-
E. Loan repaid by		
- Subsidiary Companies		
Renato Finance and Investments Private Limited	182.89	11,573.98
City Parks Private Limited	310.98	—
Peninsula Facility Management Services Private Limited	3.00	—
Peninsula Trustee Limited	0.21	—
Peninsula Investment Management Company Limited	41.50	—
- Associate Companies		
L & T Crossroads Private Limited	0.75	—
Morarjee Textiles Limited	0.20	—
Piramyd Retail Limited	0.45	—

	2007-08 (12 Months) (Rs. Lakhs)	2006-07 (9 Months) (Rs. Lakhs)
Thundercloud Technologies (I) Private Limited	1.27	—
Delta Hospitality Private Limited	1.24	825.51
F. Loan repaid to		
Nicholas Piramal India Limited	7.68	—
G. Deposit repaid	—	—
H. Interest income from		
- Subsidiary Companies		
Renato Finance and Investments Private Limited	80.46	324.07
Inox Mercantile Company Private Limited	318.86	75.21
Peninsula Facility Manangement Services Private Limited	103.13	42.71
Peninsula Pharma Research Centre Private Limited	163.09	56.32
Planetview Mercantile Company Private Limited	102.27	20.21
City Parks Private Limited	154.83	13.31
Peninsula Mega Township Developers Private Limited	755.64	—
RR Mega Property Developers Private Limited	566.50	—
- Associate Companies		
Delta Hospitality Private Limited	96.27	54.13
JM Realty Private Limited	37.34	—
I. Investments/Equity Share application		
- Subsidiary Companies		
City Parks Private Limited	1,016.63	—
RR Real Estate Development Private Limited	1.00	—
Peninsula Mega Township Developers Private Limited	1.00	—
RR Mega Property Developers Private Limited	1.00	—
Peninsula Investment Management Company Limited	—	743.00
- Associate Companies		
Edifice Properties Private Limited	3,547.66	—
JM Realty Management Private Limited	0.25	—
J. Remuneration/ Sitting Fees		
- Key Management Personnel	1,001.23	804.10
K. Outstanding balances as at March 31, 2007		
Payable by Company		
- Subsidiary Companies		
Peninsula Investment Management Company Limited	1.74	—
- Associate Companies		

	2007-08 (12 Months) (Rs. Lakhs)	2006-07 (9 Months) (Rs. Lakhs)
Amtrac Management Services Limited	1.58	—
Deposit		
Nicholas Piramal India Limited	—	100.00
Receivable by Company		
- Associate Companies		
JM Realty Management Private Limited	667.60	—
Delta Hospitality Private Limited	1,313.54	540.32
Ashok Piramal Management Corporation Limited	1.12	—
Morarjee Textiles Limited	164.86	38.33
L&T Crossroads Private Limited.	0.08	—
Piramal Enterprises Limited	—	17.53
Piramyd Retail Limited #	—	238.75
The Dawn Mills Company Limited ##	—	10,550.00
Fresca Fine Dining Private Limited	0.13	—
- Subsidiary Companies		
Renato Finance and Investments Private. Limited	549.67	630.34
Champs Elysee Enterprises Private Limited	52.58	269.94
City Parks Private Limited	1,293.62	1,204.32
Inox Mercantile Company Private Limited	3,591.67	1,624.88
Peninsula Facility Manangement Services Private Limited	1,025.41	755.05
Peninsula Pharma Research Centre Private Limited	1,728.48	1,038.66
Planetview Mercantile Company Private Limited	1,115.93	451.80
RR Real Estate Development Private Limited	—	—
Peninsula Mega Township Developers Private Limited	8,265.34	—
RR Mega Property Developers Private Limited	9,460.21	—
Peninsula Trustee Limited	17.31	—
Peninsula Mega Properties Private Limited	2.32	—
## The Dawn Mills Company Limited has been merged with the Company, so not to be considered as Related Party.		
# With effect from 24.12.2007, Piramyd Retail Limited has ceased to be an associate company, pursuant to disinvestment		
26 Segment Results		
Segment Revenue		
Real Estate	—	32,059.02
Others - Leasing	—	32.42
Total	—	32,091.44

	2007-08 (12 Months) (Rs. Lakhs)	2006-07 (9 Months) (Rs. Lakhs)
Segment Results		
Real Estate	—	14,320.54
Others - Leasing	—	(1,116.75)
Total	—	13,203.79
Segment Capital Employed		
Real Estate	—	55,191.17
Others - Leasing	—	321.40
Total	—	55,512.57
The Company is now engaged in Real Estate Development only and therefore, there is no reportable segment as required by Accounting Standard AS-17.		
27 Earnings Per Share (EPS)		
a. Profit/(Loss) after Tax (Rs. Lakhs)	12,978.90	13,203.80
b. Extraordinary Items	(1,711.00)	(2,519.61)
c. No. of Shares before Qualified Institutional Placement (QIP)	235451220	197451220
d. No. of Shares after Qualified Institutional Placement (QIP)	279201220	210451220
e. Basic EPS (Rs.) (After Extraordinary & Prior Period Items)	5.35	6.53
f. Basic EPS (Rs.)(Before Extraordinary & Prior Period Items)	6.05	7.78
g. Diluted EPS (Rs.) (After Extraordinary & Prior Period Items)	5.34	6.52
h. Diluted EPS (Rs.)(Before Extraordinary & Prior Period Items)	6.04	7.76

28 The equity share capital, earning per share (EPS) and public shareholding disclosed are based on the increased share capital referred above. Further the EPS and aggregate Public Share holding for the current period has been stated/ restated taking into account the share split referred above.

29 As the Financial results of the year pertain to a period of twelve months, they are not comparable to the previous period of nine months.

30 Previous period figures have been regrouped wherever necessary.

Signatures to Schedules 1 TO 14

As per our report of even date.

For and on behalf of
Haribhakti & Co.
Chartered Accountants

Urvi A. Piramal *Chairperson*
Rajeev A. Piramal *Executive Vice Chairman*
Mahesh S. Gupta *Group Managing Director*
Rajesh Jaggi *Managing Director*

Chetan Desai
Partner
M. No. 17000

Bharat Sanghavi *CFO*

Kausik Nath *Company Secretary*

Directors

Amitabha Ghosh
C.M. Hattangdi
D.M. Popat
Deepak Summanwar
Sudhinder Khanna

Mumbai : 6th June, 2008

CASH FLOW STATEMENT

FOR THE PERIOD ENDED MARCH 31,2008

	Year Ended 31 st March, 2008 (12 Months)		Period Ended 31 st March, 2007 (9 Months)	
	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit (Loss) Before Tax and Extra Ordinary Items		16,505.64		16,472.40
Adjustments for:				
Add: Depreciation	250.02		127.40	
Interest Paid (Net) (Including interest on ITax Refund)	(1,008.55)		655.99	
Loss on Sale of Assets	4.25		4.13	
Foreign Currency Fluctuation	—		22.46	
	(754.28)		809.98	
Less: Dividend Income	609.47		125.30	
		(1,363.75)		684.68
Operating Profit Before Working Capital Changes		15,141.89		17,157.08
Adjustments for:				
Less: (Increase) / Decrease in Trade and Other Receivables	18,707.70		1,002.87	
(Increase) / Decrease in Inventories	(5,548.66)		2,649.05	
(Increase) / Decrease in Loans and Advances	(28,356.60)		(10,609.71)	
Increase / (Decrease) in Trade Payables	860.19	(14,337.37)	7,862.49	(904.71)
Cash Generated from Operations		804.52		18,061.79
Less : Interest Paid	—		(655.99)	
Direct Tax Paid	(4,287.44)		(33.98)	
VRS payments			4.34	
Extraordinary Item & Prior period (Income)/expenses	(67.35)		(251.09)	
		(4,354.79)		(936.72)
Net Cash flows pursuant to Merger of Dawn Mills Co Ltd:				
Accumulated Losses of Dawn Mills	(761.22)			
Reversal of transactions with Dawn Mills	(10,538.46)			
Reserves of Dawn mills	1,171.39			
Deferred Revenue Exp. acquired on merger	(1,189.05)			
Merger Expenses	(0.77)			
		(11,318.11)		
Net Cashflow From Operating Activities (A)		(14,868.38)		17,125.07

	Year Ended 31st March, 2008 (12 Months)		Period Ended 31st March, 2007 (9 Months)	
	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(1,891.55)		(2,180.13)	
Sale of Fixed Assets	5.79		67.64	
Purchase of Investments (including share appl money paid)	(73,595.19)		(8,648.53)	
Sale of Investments	48,997.12		—	
Dividend / interest Received (Incl. interest on I Tax Refund)	1,475.18		125.30	
Net Cashflow From Investing Activities (B)		(25,008.65)		(10,635.72)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Qualified Institutional Placements	875.00		260.00	
Equity shares issued to shareholders of Dawn Mills pursuant to Amalgamation Scheme)	500.00		—	
Share Premium on QIP Proceeds (net)	49,301.39		14,730.92	
Dividend Paid	(1,388.47)		(981.32)	
Dividend Tax Paid	(240.09)		(138.46)	
Proceeds from Borrowings	6,939.11		43,185.54	
Repayment of Borrowings	(17,024.70)		(54,025.93)	
Net Cashflow from Financing Activities (C)		38,962.24		3,030.75
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)		(914.79)		9,520.10
Cash and Cash Equivalents at the beginning of the year / period		10,389.51		869.41
Cash and Cash Equivalents at the end of the year		9,474.72		10,389.51

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

For and on behalf of
Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner
M. No. 17000

Mumbai : 6th June, 2008

Urvi A. Piralal
Rajeev A. Piralal
Mahesh S. Gupta
Rajesh Jaggi

Bharat Sanghavi

Kausik Nath

Chairperson
Executive Vice Chairman
Group Managing Director
Managing Director

CFO

Company Secretary

Directors
Amitabha Ghosh
C.M. Hattangdi
D.M. Popat
Deepak Summanwar
Sudhinder Khanna

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details	05	State Code	11
Balance Sheet Date	31 03 2008		
	Date Month Year		
II Capital Raised during the year (Amount in Rs. Thousands)			
Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	137500
III. Position of Mobilisation and Deployment of Funds (Amount in Rs.'000)			
Total Liabilities	12235306	Total Assets	12235306
Sources of Funds			
Paid up Capital	558966	Reserves & Surplus	8814374
Secured Loans	2707521	Unsecured Loans	001283
Deferred Tax Liability (Net)	153162		
Application of Funds			
Net Fixed Assets	495499	Investments	3442144
Net Current Assets	7680763	Miscellaneous Expenditure	6169
Accumulated Losses			
IV. Performance of Company (Amount in Rs. Thousands)			
Turnover	3555960	Total Expenditure	1905395
Extraordinary Items	171100		
+ - Profit/Loss Before Tax	+ 1479465	+ - Profit/Loss After Tax	+ 1297891
Earning per share in Rs.	5.35	Dividend Rate %	40
V. Generic Names of Three Principal Products/ Services of Company (as per monetary terms)			
Item Code No	NOT APPLICABLE		
Product Description	REAL ESTATE DEVELOPMENT		

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

As per our report of even date.

For and on behalf of
Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner
M. No. 17000

Mumbai : 6th June, 2008

Urvi A. Piramal	Chairperson
Rajeev A. Piramal	Executive Vice Chairman
Mahesh S. Gupta	Group Managing Director
Rajesh Jaggi	Managing Director
Bharat Sanghavi	CFO
Kausik Nath	Company Secretary

Directors
Amitabha Ghosh
C.M. Hattangdi
D.M. Popat
Deepak Summanwar
Sudhindar Khanna

ANNEXURE

TO THE BALANCE SHEET AS AT 31ST MARCH 2008

Statement Pursuant to Approval u/s 212(8) of the Companies Act, 1956

(Rs.. in Lakhs)

Particulars	Renato Finance and Investments Pvt. Ltd	Planetview Mercantile Company Pvt. Ltd	Peninsula Trustee Ltd	Peninsula Mega Properties Pvt Ltd	Peninsula Pharma Research Centre Pvt. Ltd	Peninsula Investment Management Co Pvt Ltd	Peninsula Facility Management Services Pvt. Ltd	Inox Mercantile Company Pvt. Ltd.	City Parks Pvt. Ltd	Champs Elysee Enterprises Private Limited	RR Real Estate Development Pvt Ltd	Peninsula Mega Township Developers Pvt Ltd	RR Mega Property Developers Pvt Ltd
Financials as on	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08	31-Mar-08
Capital	100.00	1.00	10.00	1.00	1.00	1,000.00	10.00	1.00	233.40	25.00	1.00	1.00	1.00
Reserves & Surplus*	(1.98)	(2.50)	(6.54)	(0.81)	(191.60)	(828.01)	(828.01)	(2.50)	177.83	(42.12)	(0.13)	(0.83)	-
Total Assets	651.77	1,108.16	20.46	2.19	1,689.76	808.41	98.35	3,600.41	1,704.85	252.81	0.87	8,265.51	9,461.21
Total Liabilities	553.75	1,109.66	17.00	2.00	1,688.76	-	916.36	3,601.91	1,293.62	269.94	-	8,265.34	9,460.21
Investments	-	-	-	-	-	11.74	-	-	-	0.01	-	-	-
Turnover	86.47	-	0.72	-	-	128.72	767.66	-	346.26	-	-	-	-
Profit/(Loss) Before Taxation	5.42	(2.50)	(2.45)	(0.11)	-	(128.51)	(108.72)	(2.50)	284.83	(7.35)	(0.06)	(0.83)	-
Extraordinary & Prior Period Items	(1.31)												
Provision for Tax	(1.85)	-	-	-	-	(2.39)	(26.61)	-	(95.00)	-	-	-	-
Profit/(Loss) After Taxation	2.26	(2.50)	(2.45)	(0.11)	-	(130.90)	(135.33)	(2.50)	189.83	(7.35)	(0.06)	(0.83)	-

* Reserve & Surplus includes debit balance of Profit & Loss Account, and deferred revenue expenditure to the extent of not written-off.

Financial of Associates Companies as on 31.03.2008

Particulars	L&T Crossroads Pvt. Ltd.	Delta Hospitality Private Limited	JM Realty Management Private Limited	Edifice Properties Private Limited
% Holdings	50	26	25	26
Profit & Loss After Tax	51.55	469.70	(0.48)	-
Shares of Associates	25.78	122.12	(0.02)	-

(Rs. in Lakhs)

CONSOLIDATED AUDITORS' 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, 2008 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. We have audited the financial statement of seven subsidiaries and an associate for the year ended 31st March, 2008 which has been considered for the purpose of consolidation. We did not audit the financial statement of six subsidiary and two associate companies for the year ended 31st March, 2008, whose financial statement reflects total assets of Rs.1736.50 Lacs and 10759 Lacs and total revenue of Rs.215.90 Lacs and 1074.83 Lacs respectively for the year ended on that date. In case of one of the associate company the financial statement are unaudited. These unaudited financial statements have been compiled by the management of the Company and have been relied upon by us.
4. 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.
5. 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2008;
 - ii. in the case of the Profit & Loss Account, of the profits for the year ended on that date; and
 - iii. in the case of Cash Flow Statements, of the cash flows for the year ended on that date.

For **Haribhakti & Co.**
Chartered Accountants

Chetan Desai
Partner
Membership No. 17000

Mumbai : 6th June, 2008

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2008

	Schedule	As at March 31, 2008		As at March 31, 2007	
		Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	1	5,589.66		4,214.66	
Reserves & Surplus	2	88,090.03		38,533.10	
			93,679.69		42,747.76
Minority Interest			286.33		200.82
LOAN FUNDS					
Secured Loans	3	27,075.21		20,136.11	
Unsecured Loans		19.23		21,222.59	
			27,094.44		41,358.70
DEFERRED TAX (NET)					
Deferred Tax Liability		2,578.03		2,099.99	
Less: Deferred Tax Asset		1,022.23	1,555.80	1,974.20	125.79
			1,22,616.26		84,433.07
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	4	13,919.49		11,177.55	
Less: Depreciation		594.39		299.78	
Net Block			13,325.10		10,877.77
INVESTMENTS					
	5		25,985.24		2,447.18
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	6	54,684.35		26,870.58	
Sundry Debtors		4,037.35		22,656.34	
Cash & Bank Balances		10,234.70		11,813.69	
Other Current Assets		363.75		457.39	
Loans & Advances		25,992.19		17,646.04	
		95,312.34		79,444.04	
Less: CURRENT LIABILITIES & PROVISIONS	7	18,175.82		14,960.60	
NET CURRENT ASSETS			77,136.52		64,483.44
MISCELLANEOUS EXPENDITURE (Deferred Revenue expenditure to the extent not written off)			6,169.41		6,624.68
			1,22,616.26		84,433.07
Accounting Policies	13				
Notes To The Financial Statements	14				

As per our report of even date.

For and on behalf of
Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner
M. No. 17000

Mumbai : 6th June, 2008

Urvi A. Piramal
Rajeev A. Piramal
Mahesh S. Gupta
Rajesh Jaggi

Bharat Sanghavi

Kausik Nath

Chairperson
Executive Vice Chairman
Group Managing Director
Managing Director

CFO

Company Secretary

Directors
Amitabha Ghosh
C.M. Hattangdi
D.M. Popat
Deepak Summanwar
Sudhindar Khanna

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31ST MARCH, 2008

	Schedule	2007-08 (12 Months)		2006-07 (9 Months)	
		No.	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
INCOME					
Income from Operations			35,736.85		32,720.86
Other Sources	8		1,083.47		157.85
Total Income				36,820.32	32,878.71
EXPENDITURE					
Operating Expenses	9		18,301.90		14,134.29
Staff Cost	10		2,347.99		1,163.85
Interest (Net)	11		(663.20)		1,289.72
Depreciation			262.97		131.69
Total Expenditure				20,249.66	16,719.55
Profit Before Extraordinary & Prior Period Items				16,570.66	16,159.16
Extra ordinary & Prior Period Items	12			(1,521.13)	(2,519.61)
Profit Before Tax				15,049.53	13,639.55
Income Tax			1,779.74		1,565.21
Wealth Tax			-		-
MAT Credit entitlement			(1,330.70)		(973.49)
Deferred Tax			1,430.00		125.79
Fringe Benefit Tax			62.54	1,941.58	35.80
Profit For The Year (Period) After Tax				13,107.95	12,886.24
Share of Associates Profit / (Loss)				147.87	38.70
Net Profit / (Loss) Before Minority Interest				13,255.82	12,924.94
Minority Interest				(49.94)	14.81
Net Profit				13,205.88	12,939.75
Profit / (Loss) Brought Forward from Previous Year				19,179.79	
Net Loss Brought Forward					9,038.45
Net Profit Available For Appropriation				32,385.67	21,978.19
Transferred to General Reserve			(1,301.27)		(1,321.09)
Loss of Dawn Mill			(761.22)		-
Inter company transaction with Dawn Mill			(10,538.45)		-
Proposed Dividend on Preference Shares			(0.01)		(0.01)
Distribution Tax Thereon			-		-
Proposed Dividend on Equity Shares			(2,233.61)		(1,262.70)
Distribution Tax Thereon			(379.60)		(214.60)
Dividend to Shareholders of Dawn Mills (2006-07)			(150.00)		-
Distribution Tax Thereon			(25.49)		-
Transferred to Debenture Redemption Reserve			(3,447.00)		-
Balance Carried To Balance Sheet				(18,836.65)	2,798.41
				13,549.02	19,179.79
Earnings per Share of Rs. 2/- each - Basic (After extraordinary & prior period items)				5.40	6.40
Earning per Share of Rs. 2/- each - Basic (before extraordinary & prior period items)				6.03	7.65
Earnings per Share of Rs. 2/- each - Diluted (After extraordinary & prior period items)				5.39	6.39
Earning per Share of Rs. 2/- each - Diluted (before extraordinary & prior period items)				6.02	7.63
(Refer Sr. No.27 & 28 of Schedule 14)					
Accounting Policies	13				
Notes To The Consolidated Financial Statements	14				

As per our report of even date.

For and on behalf of
Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner
M. No. 17000

Mumbai : 6th June, 2008

Urvi A. Piralal
Rajeev A. Piralal
Mahesh S. Gupta
Rajesh Jaggi

Bharat Sanghavi

Kausik Nath

Chairperson
Executive Vice Chairman
Group Managing Director
Managing Director

CFO

Company Secretary

Directors
Amitabha Ghosh
C.M. Hattangdi
D.M. Popat
Deepak Summanwar
Sudhindar Khanna

SCHEDULES TO THE CONSOLIDATED BALANCE SHEET

	As at March 31, 2008		As at March 31, 2007	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
1 SHARE CAPITAL				
Authorised:				
32,49,95,000 (5,19,99,000 Shares of Rs. 10/- Each)				
Equity Shares of Rs. 2/- Each	6,499.90		5,199.90	
1000 (1000) 5% Cumulative Redeemable Preference Shares of Rs. 10 each	0.10		0.10	
		6,500.00		5,200.00
Issued, Subscribed and Paidup				
27,92,01,220 (4,20,90,244 Shares of Rs. 10/- Each) Equity Shares Rs.2/- Each Fully paid up		5,584.02		4,209.02
- Includes 13,33,20,055 (2,16,64,011 Shares of Rs. 10/- Each) shares of Rs. 2/- Each issued pursuant to Schemes of Arrangement for consideration other than cash.				
- Includes 5,67,50,000 (26,00,000 Shares of Rs. 10/- Each) shares of Rs. 2/- Each issued 'through Qualified Institutional Placement (QIP)				
- Also includes 4,82,87,635 (96,57,527 shares of Rs. 10/- 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		5.54		5.54
- 1000 (1000) 5% Cumulative Redeemable Preference Shares of Rs. 10/- each pursuant to Scheme of Arrangement for consideration other than cash		0.10		0.10
- 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.				
		5,589.66		4,214.66
2 RESERVES AND SURPLUS				
Capital Reserve				
Balance as per last Balance Sheet		185.03		185.03
Capital Redemption Reserve				
Balance as per last Balance Sheet		17.25		17.25
Share Premium				
Balance as per last Balance Sheet	14,730.92		—	

	As at March 31, 2008		As at March 31, 2007	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Issue of Shares through QIP	51,625.00		15,340.00	
Less: Expenses for QIP	2,323.61	64,032.31	609.08	14,730.92
Debenture Redemption Reserve				
Add: Transfer From Profit and Loss Account	3,447.00	3,447.00	—	—
General Reserve				
As per last Balance Sheet	4,367.17		3,046.78	
Less : Transitional Liability for Retirement Benefit	(33.35)			
Add: Difference in Net Assets of Dawn Mills taken over and face value of equity shares issued to shareholders of erstwhile Dawn Mills	1,171.39		-	
Add: Transfer From Profit and Loss Account	1,300.00	6,805.21	1,320.39	4,367.17
Reserve Fund in Terms of Section 45IC(1) RBI Act	52.94		52.24	
Add: Transfer From Profit and Loss Account	1.27	54.21	0.70	52.94
Profit and Loss Account				
As per Annexed Profit and Loss Account		13,549.02		19,179.79
		88,090.03		38,533.10
3 LOAN FUNDS				
1. Secured Loan				
From Financial Institutions				
Term Loan	6,779.36		17,848.55	
From Bank Term Loan	7,795.85		2,287.56	
25 (0) - 13% Secured Non Convertible Redeemable Debentures of Rs. 5,00,00,000 each	12,500.00	27,075.21	—	20,136.11
		27,075.21		20,136.11
2. Unsecured Loans				
A) Fixed Deposits	—		3.24	
B) 1,500 - 9.10% Non Convertible Redeemable Debentures of Rs.10,00,000/- each for 364 days	—		15,000.00	
C) Others	19.23	19.23	6,219.35	21,222.59
		19.23		21,222.59

The Term Loans are Secured by way of Mortgage in respect of the Company's Immovable / Movable Assets. Except in respect of term loan from financial institution and debentures security is to be created. Debentures are repayable at the end of 5th years from the date of allotment (17.11.2006).

4 FIXED ASSETS

(Rs. in Lakhs)

Description	GROSS BLOCK						DEPRECIATION						NET BLOCK	
	As on 01.04.2007	Additions acquired under Scheme	Additions from Subsidi- aries	Additions during the year	Deductions during the year	As on 31.03.2008	Upto 01.04.2007	Additions acquired under Scheme	Additions from subsidi- aries	During the Year	Deductions during the year	Upto 31.03.2008	As on 31.03.2008	As on 31.03.2007
Goodwill on Consolidation	7,245.52		990.70		-	8,236.22	-			-	-	8,236.22	7,245.52	
Leasehold Land	47.13		-	-	33.76	13.37	-			-	-	13.37	47.13	
Building (Including Land)	3,343.74		-	629.40	-	3,973.14	162.99		150.32	-	313.31	3,659.83	3,180.75	
Office Equipments & Computers	286.60		36.06	385.72	-	708.38	78.98	12.85	57.87	-	149.70	558.68	207.62	
Furniture & Fixtures	61.86		0.19	127.32	-	189.37	10.04	0.10	14.77	-	24.91	164.46	51.82	
Motor Vehicles	118.21	48.65	-	28.26	13.89	181.23	23.73	35.49	20.10	3.85	75.47	105.76	94.48	
Capital W-I-P	-	-	26.42	516.87	-	543.29	-	-	-	-	-	543.29	-	
TOTAL (A)	11,103.06	48.65	1,053.37	1,687.57	47.65	13,845.00	275.74	35.49	243.06	3.85	563.39	13,281.61	10,827.32	
Previous Year	1,441.44		326.12	9,436.03	100.53	11,103.06	235.71	-	18.49	57.78	275.74	10,827.32	1,205.73	

FIXED ASSETS GIVEN ON LEASE

(Rs. in Lakhs)

Description	GROSS BLOCK						DEPRECIATION						NET BLOCK	
	As on 01.04.2007	Additions acquired under Scheme	Additions from Subsidi- aries	Additions during the year	Deductions during the year	As on 31.03.2008	Upto 01.04.2007	Additions acquired under Scheme	Additions from subsidi- aries	During the Year	Deductions during the year	Upto 31.03.2008	As on 31.03.2008	As on 31.03.2007
Office Equipments	38.19			-		38.19	16.18		4.63	-	20.81	17.38	22.01	
Furniture Fittings	34.92					34.92	7.40		2.20	-	9.60	25.32	27.52	
Vehicles	1.38				-	1.38	0.46		0.13	-	0.59	0.79	0.92	
TOTAL (B)	74.49					74.49	24.04		6.96		31.00	43.49	50.45	
Previous Year (B)	1,863.40	-	-	-	1,788.91	74.49	651.34	-	73.91	701.21	24.04	50.45	1,212.06	
GRAND TOTAL (A+B)	11,177.55	48.65	1,053.37	1,687.57	47.65	13,919.49	299.78	35.49	250.02	3.85	594.39	13,325.10	10,877.77	
Previous Year (A+B)	3,304.84	-	326.12	9,436.03	1,889.44	11,177.55	887.05	-	131.69	737.45	299.78	10,877.77	2,417.79	

Addition acquired under Scheme refers to addition to fixed assets under the Scheme of Amalgamation of the Dawn Mills Company Limited with the Company as approved by the Hon'ble Bombay High Court with effect from 1st July 2005.

	Nos.	Face Value (Rupees)	March 31, 2008 Rupees Lakhs	March 31, 2007 Rupees Lakhs
5 INVESTMENTS (AT COST)				
LONG TERM INVESTMENTS :				
SHARES OF COMPANIES (QUOTED)				
Shares in Bank of Baroda (Mkt Value Rs. 7.10 lacs)	2500	10	2.12	—
SHARES OF COMPANY (UNQUOTED)				
I) Associated Companies				
L & T Crossroads Private Limited	9000000 (9000000)	10	1,256.01	1,230.23
Delta Hospitality Private Limited	260000 (260000)	10	150.09	27.97
Edifice Properties Private Limited	1300000 (—)	10	3,547.66	—
J. M. Realty Private Limited	2500 (—)	10	0.23	—
II) Others				
The Shamrao Vithal Co-operative Bank Limited	25 (25)	25	0.01	0.01
J. M. Township & Real Estate Pvt. Ltd.	300000 (—)	10	17.50	—
Sukh Sagar Premises Co-op. Hsg. Soc. Ltd.	5 (—)	50	—	—
IMMOVABLE PROPERTIES			159.83	159.83
INVESTMENTS IN UNITS OF MUTUAL FUNDS (UNQUOTED)				
LIC Liquid Fund	— (9,372,812)	— 10.9800	—	1,029.14
UTI Liquid Cash Plan	2921.288	1,019.4457	29.78	—
Reliance Fixed Horizon Fund - VI - Series 2 - Institutional Dividend Plan	25000000	10.0000	2,500.00	—
Reliance Liquidity Fund - Daily Dividend Reinvestment Option	810036.550	10.0000	81.03	—
Reliance Interval Fund - Quarterly Plan - Series I - Institutional Dividend Plan	152565312.080	10.0026	15,260.65	—
Reliance Liquid Plus Fund - Institutional Option - Daily Dividend Plan	288157.490	1,001.1364	2,884.85	—
ICICI Prudential Institutional Liquid Plan - Super Institutional Daily Div - Reinvest Dividend	837334.867	10.0005	83.74	—
LIC Mutual Fund Daily Dividend Scheme	15810	10.9801	1.74	—
Peninsula Realty Fund Scheme Pref Indigo	10	100000	10.00	—
			25,985.24	2,447.18
Repurchase Value of Investments in Units of Mutual Fund			20869.61	1029.14

	Nos.	Face Value (Rupees)	March 31, 2008 Rupees Lakhs	March 31, 2007 Rupees Lakhs
6 CURRENT ASSETS, LOANS AND ADVANCES				
A) Inventories				
Stock In Trade (Realty stock)		54,684.35		26,870.58
B) Sundry Debtors				
(Unsecured, Considered Good)				
(i) Over Six Months	1,773.62		248.59	
(ii) Others	2,263.73	4,037.35	22,407.75	22,656.34
C) Cash & Bank Balance				
Cash on hand	4.42		3.33	
With Scheduled banks - in Current accounts	486.53		6,579.37	
- in deposit accounts	9,697.82		5,225.05	
- Uncalimed Dividend Account	30.18		5.94	
- Funds in Transit	15.75	10,234.70	-	11,813.69
D) Other Current Assets				
Interest Receivable	157.48		15.22	
Share Application Money	200.00		-	
Other Claims	325.96	683.44	442.17	457.39
E) Loans & Advances				
(Unsecured, Considered Good)				
Advances Recoverable In Cash or Kind or for value to be received	7,636.62		7,558.21	
Advance Tax Less Provision	2,865.75		309.15	
MAT Credit entitlement	3,099.80		1,769.10	
Deposit with Public Bodies	43.48		76.92	
Loans/Deposit with Others	12,018.78		7,929.42	
Advances To Staff and Others	8.07	25,672.50	3.24	17,646.04
		95,312.34		79,444.04

	Nos.	Face Value (Rupees)	March 31, 2008 Rupees Lakhs	March 31, 2007 Rupees Lakhs
7 CURRENT LIABILITIES & PROVISIONS				
A) Current Liabilities				
I) Sundry Creditors :				
Micro, Small & Medium Enterprises	-		-	
Others	5,872.77		4,942.83	
II) Other liabilities	1,075.14		472.04	
III) Unclaimed Dividends				
(Shall be credited to Investor Education and Protection Fund to the extent as & when required)	30.18		5.94	
IV) Unclaimed Public Deposits	3.05		-	
V) Trade Deposits & Advances (Net of Amount booked as Income)	8,354.11	15,335.25	7,991.70	13,412.51
B) Provisions				
Proposed Dividend on Preference Shares	0.01		0.01	
Proposed Dividend on Equity Shares	2,233.61		1,262.70	
Tax Payable on Proposed Dividend	379.60		214.60	
Employees Retirement Benefit	227.35	2,840.57	70.78	1,548.09
		18,175.82		14,960.60

SCHEDULES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	2007-08 (12 Months)		2006-07 (9 Months)	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
8 OTHER INCOME				
Miscellaneous Income		238.59		23.68
Interest on Income Tax refund		230.83		-
Profit on sale of Assets		2.20		2.56
Dividend on Mutual Funds		611.70		131.61
Dividend on Shares		0.15		
		1,083.47		157.85
9 OPERATING EXPENSES				
Cost of Land (Rights) Sold		56.36		-
Brokerage & Commission		489.08		-
Power and Fuel		55.66		99.87
Cost of Realty Sales		15,045.05		10,111.43
Advertisement		64.80		380.52
Repairs and Maintenance Building		171.62		28.23
Repairs and Maintenance - Others Repairs		155.83		249.87
Insurance		9.38		6.61
Rates, Taxes & Water Charges		68.66		80.53
Professional Fees		403.94		1,506.47
Housekeeping, Security and car park services		374.96		263.58
Donation		6.84		86.95
Compensation Crossroads		-		275.00
Miscellaneous Expenses		956.43		575.15
Loss on Sale of Fixed Assets		6.45		6.13
Foreign Currency Fluctuation		-		22.46
Preliminary Expenses Written Off		5.14		2.10
Directors' Commission		427.76		436.49
Director's Fees		3.94		2.90
		18,301.90		14,134.29
10 STAFF COST				
(Including Managerial Remuneration)				
Salaries, Wages And Bonus Provision		1,877.36		944.11
Contributions To ESIS, Provident Fund, Etc.		228.28		138.52
Staff & Labour Welfare		242.35		81.22
		2,347.99		1,163.85

	2007-08 (12 Months)		2006-07 (9 Months)	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
11 INTEREST				
Term Loan & Fixed Deposit		5,604.70		3,780.33
Others		2,081.48		126.15
Less : Transferred to work in progress		(4,920.97)		(2,346.20)
Less: Interest Income		(3,428.41)		(270.56)
		(663.20)		1,289.72
12 EXTRA ORDINARY & PRIOR PERIOD ITEMS				
a) Extraordinary Items				
(i) Extraordinary Expenses		-		(0.09)
(ii) Fixed Assets Written off		-		1,075.25
(iii) Deferred Revenue Expenses Written off		1,642.88		1,193.27
b) Prior Period Items				
(ii) Prior Period Expenses (Net)		(122.52)		251.00
(ii) Merger Expenses		0.77		-
		1,521.13		2,519.61

13 Significant Accounting Policies

(i) Basis of Accounting

The Financial statements are prepared under historical cost convention on an accrual basis and comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.

(ii) Fixed Assets

All Fixed Assets are stated at cost of acquisition / as revalued, as the case may be, less accumulated depreciation.

(iii) Leases

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.

Assets leased out under operating Leases are capitalised. Rental Income is recognised on accrual basis over the Lease term.

(iv) Depreciation

Tangible Assets

Depreciation on Fixed Assets is provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956.

However, Depreciation on Fixed Assets acquired from erstwhile Piramal Holdings Limited (PHL) and Piramyd Retail and Merchandising Private Limited (PRMPL) is provided on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956

Depreciation on Additions / Deletions of assets during the year is provided on a pro-rata basis.

Intangible Assets

Cost of computer software purchased are charged off in the year in which they are incurred.

(v) Leave Encashment

Provision for leave encashment is determined on the basis of actuarial valuation

(vi) Retirement Benefits

The company's contribution in respect of Provident Fund and Superannuation Scheme are charged against revenue every year. In respect of Gratuity, the Company's contribution to the approved funds is charged against the revenue and provision for accrued liability is determined on basis of actuarial valuation.

(vii) Borrowing Cost

Borrowing Costs that are directly attributable to long term projects/ development activities are treated as part of the respective project cost and added to the stock in trade. Other borrowing costs are charged as an expense in the year in which they are incurred.

(viii) Investments

Investments are stated at cost. Diminution in value if any, which is of a temporary nature, is not provided.

(ix) Deferred Taxation

Tax comprises both current and deferred tax.

Current Income Tax is determined on the basis of tax payable on taxable income (if any) for the year. In compliance with Accounting Standard - 22 issued by the Institute of Chartered Accountants of India, deferred tax is calculated at current statutory Income Tax rate and is recognised on timing difference between taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets, subject to consideration of prudence, are recognised and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(x) Stock in Trade

Stock in Trade represents property undertaken for development and consists of costs directly attributable to such development valued at cost or market price whichever is lower.

(xi) VRS Payments

Payments made under Voluntary Retirement Scheme are amortised over a period of ten years.

(xii) Foreign Exchange Fluctuations

The transactions in foreign exchange are accounted at the exchange rate prevailing on the date of transactions. Any exchange gains or losses arising out of the subsequent fluctuations are accounted for in the Profit and Loss Account, except those relating to acquisition of fixed assets/ projects, which are adjusted to the cost of assets / Capitalised to projects.

(xiii) Provisions and Contingent Liabilities

Provisions are recognised in respect of present probable obligations, the amount of which can be reliably estimated. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

(xiv) Revenue Recognition

The Company is in the business of Property Development. Revenue is recognised proportionate to actual bookings done for the percentage completion of construction work as per Architect's Certificate.

Revenue on Development Rights is recognised on the basis of our revenue share receivable, which is derived from the actual receipts from customers.

(xv) Income from Operations

Income from Operations include Realty Sale, Lease Rentals, Service Fees, signages, car park, PMC/Marketing Fees, Club house income and Profit on Sale of Assets in the nature of Real Estate.

14 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- 1 During the year Company had issued 4,37,50,000 Equity Shares of Rs. 2/- each at a premium of Rs. 118/- per share aggregating Rs.525 crores through private placements to Qualified Institutional Investors which resulted in increase of equity share capital of the Company by Rs. 8.75 crores.
- 2 Consequent to the filing of the final certified order dated 1st June, 2007 of the Hon'ble Bombay High Court with the Registrar of the Companies, Maharashtra the Scheme of Amalgamation between The Dawn Mills Company Limited with the Company has become effective from the appointed date of 1st July, 2005.
- 3 The operations of the current year were adversely affected on account of Stop Work Notice issued by the Municipal Corporation of Greater Mumbai which resulted in stoppage of work in the last two quarters of the year in respect of all the Four projects under development in the city of Mumbai. The stop work notice have been since withdrawn with effect from 2nd April,2008 and work has commenced on all the Four Projects.
- 4 The results for the current year ended 31st March, 2008 includes the operations of The Dawn Mills Company Limited. In view of this, the results for the current year are not comparable with the corresponding period of the previous financial year. Also, as the financial results of the year pertain to a period of twelve months, they are not comparable with the previous period of nine months.
- 5 The amalgamation has been accounted for under the "Pooling of Interest Method" as prescribed by Accounting Standard (AS-14) -'Accounting for "Amalgamations' issued by the Institute of Chartered Accountants of India.

- 6 In accordance with the said Scheme :
- i) All the assets including investments other than shares of the Company held by The Dawn Mills Company Limited, debts, liabilities and obligations of The Dawn Mills Company Limited have been vested in the Company with effect from 1st July, 2005. and have been recorded at their respective fair values. Accordingly, to give effect to the scheme, The Dawn Mills Company's net loss for the period 1.07.2005 to 31.03.07 has been incorporated in the Company's account. There were no material difference in the accounting policies of The Dawn Mills Company Limited and the Company.
 - ii) 50,00,000 equity shares of Rs.10/- each have been allotted to the shareholders of The Dawn Mills Company Limited in the ratio of twenty equity shares of Rs.10/- each of the Company for every one equity share of Rs.50/- each of The Dawn Mills Company Limited . The Company's paid up capital has accordingly increased by Rs.500 lacs. These equity shares rank pari-passu with the existing equity shares of the Company.
 - iii) Excess of Net Asset Value taken over by the Company amounting to Rs.1,171.39 Lakhs over the paid up value of equity shares to be issued and allotted to The Dawn Mills Company Limited shareholders has been transferred to the General Reserve or to the credit balance of Profit & Loss Account.
- 7 Provision for taxation is after taking into account the merger of The Dawn Mills Company Limited with the Company.
- 8 The equity shares of face value of Rs.10/- each were sub-divided into five equity shares of Rs.2/- each pursuant to resolution passed by the members in the Annual General Meeting held on 21st September, 2007 effective from 23rd October, 2007 (Record Date).
- 9 At the Extraordinary General Meeting of the Members of the Company held on 22nd October, 2007 the members of the company had approved by passing an Ordinary resolution, increase of the authorised capital from Rs.5,200 lakhs divided into 2,599.95 lakhs Equity shares of Rs.2/- each and 1000-5% Cumulative Redeemable Preference Shares of Rs. 10/- each to Rs.6,500 lakhs divided into 3,249.95 lakhs Equity shares of Rs.2/- each and 1000-5% Cumulative Redeemable Preference Shares of Rs. 10/- each.
- 10 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 period are as under :

	Current year	Previous year
Options in force at the beginning of the year (face value Rs.2/-)	11,10,500	-
Add : Granted during the year	1,17,500	11,25,000
Less: Lapsed during the year	6,81,375	14,500
Options in force at the end of the year	5,46,625	11,10,500
Options vested during the year	1,10,152	-

- 11 Debenture Redemption Reserve includes Rs 947.00 Lakhs created in respect of Previous Year.
- 12 Recognition of Income and expenses for ongoing projects are based on expected sales value and estimated costs, as per the judgement of the management and certificates of Architect being technical matter.
- 13 Donation included Rs 2.72 Lakhs (Previous Year Rs. 21 Lakhs) paid to a Political Party.

14 Leases

Assets taken on Operating Lease

The Company has taken cars on Operating Lease and lease rent amounting to Rs. 38.85 Lakhs [Previous Year Rs.27.17 Lakhs] has been debited to Profit and Loss Account. The future minimum lease payment is as under:

	As At 31.03.2008 (Rs. Lakhs)	As At 31.03.2007 (Rs. Lakhs)
Not later than One Year	56.73	36.23
Later than One Year and not later than five years	120.31	88.32
Later than five years	—	—
Total	177.04	124.55
15 (a) Contingent Liabilities Not Provided for:		
Tax assessments in appeal	4,063.83	249.33
Others	—	2.05
(b) Capital Commitments		
Peninsula Land Limited towards partly paid investment	453.00	0.00
Peninsula Pharma Research Centre Private Limited	856.42	548.84
Inox Mercantile Company Private Limited	2,253.09	1,658.72
Planetview Mercantile Company Private Limited	494.76	474.89
City Parks Private Limited	422.80	0.00
	4,480.07	2,682.45

16 There were no amounts due to any creditors classified as small or medium scale enterprise outstanding for more than 45 days

	Year ended 31.03.2008 (12 Months) (Rs. Lakhs)	Period ended 31.03.2007 (9 Months) (Rs. Lakhs)
17 (a) Miscellaneous Expenses include		
Auditors' remuneration in respect of :		
Statutory Auditors		
a) Audit fees	19.04	10.41
b) Tax Audit fees	4.24	2.63
c) Certification fees	1.21	1.77
d) Out of Pocket expenses	0.35	0.24
	24.84	15.05

(b) Auditors have been paid Rs.16.85 lakhs (previous year Rs. 8.42 lakhs) for certification fees in relation to issue of equity share capital through QIP which has been debited to Share Premium Account.

	Year ended 31.03.2008 (12 Months) (Rs. Lakhs)	Period ended 31.03.2007 (9 Months) (Rs. Lakhs)
18 Managerial Remuneration		
A To Chairperson and Executive Directors		
a. Salaries and Allowances	438.67	265.80
b. Commission - Managing Director	57.76	71.49
c. Commission Executive Directors	350.00	350.00
d. Contribution to Provident and Superannuation Funds *	111.19	66.46
e. Other Perquisites	43.61	50.35
Total	1,001.23	804.10
B To Other Non Wholetime Directors - Commission	20.00	15.00
C Directors' Fees	3.80	2.90
Total Managerial Remuneration	1,025.03	822.00
* 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	14,794.65	13,952.78
Less:		
Other Income	1031.85	-
	13,762.80	13,952.78
Add: Loss On sale of Assets	6.45	6.13
Managerial Remuneration	1,025.03	822.00
Net Profit u/s 198/ 349 of the Companies Act, 1956	14,794.28	14,780.91
(i) Commission to Managing Director restricted to	57.76	71.49
(ii) Commission to Non Wholetime Directors @1% of Net Profit u/s 349, Rs.147.94 Lakhs (Previous period Rs.147.81 Lakhs) restricted to	20.00	15.00
19 (i) Value of Direct Imports calculated on C.I.F. basis		
Construction Equipments	0.00	22.68
Glass	41.97	10.36
(ii) Expenditure in Foreign Currency		
Travelling	31.66	25.04
Professional and Legal Fees	122.20	-
Seminar expenses	4.62	-
Advertisement expenses	5.89	-
iii) Foreign currency has been expended to the extent of Rs.173 lakhs for professional services rendered in relation to issue of equity share capital through QIP which has been debited to Share Premium Account.		

	2007-08 (12 Months) (Rs. in Lakhs)	2006-07 (9 Months) (Rs. in Lakhs)
20 Income From Operations		
A Realty Sales	32,672.47	14,005.58
B Other Services	3,064.38	18,715.28
	35,736.85	32,720.86

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

	As At 31.03.2008 (Rs. in Lakhs)	As At 31.03.2008 (Rs. in Lakhs)	As At 31.03.2007 (Rs. in Lakhs)	As At 31.03.2007 (Rs. in Lakhs)
Particulars				
Opening Work in Progress (A)		26,870.58		25,075.88
Add: Expenses during the Year / Period				
Development Expenses	35,361.12		8,213.20	
Construction Equipments	2.21		24.12	
Interest Expense (including prior period interest Rs. 211.41 Lakhs)	5,132.38		2,346.20	
Statutory Fees	2,202.77		84.79	
Allocated Expenses	160.34		1,237.82	
Total Project Expense for the Year / Period (B)		42,858.82		11,906.13
		69,729.40		36,982.01
Less: Transferred to Closing Stock (C)		(54,684.35)		(26,870.58)
Cost of Realty Sales		15,045.05		10,111.43

22 Major components of deferred tax assets and liabilities are:

	As At 31.03.2008 (Rs.in Lakhs)	As At 31.03.2007 (Rs.in Lakhs)
Deferred Tax Assets		
Unabsorbed Business Loss	466.22	1,074.88
Short Term Capital Loss	153.11	726.27
Provision for Gratuity and Leave encashment	4.24	-
Long Term Capital Loss	398.63	173.05
	1,022.23	1,974.20
Deferred Tax Liabilities		
Accelerated Depreciation	790.77	791.13
Amount disallowed u/s 40(a)	4.32	-
VRS unamortised	1,782.94	1,308.86
	2,578.03	2,099.99
Net Deferred Tax Liabilities	(1,555.80)	(125.79)

23 In accordance with the Accounting Standard 16 issued by The Institute of Chartered Accountants of India, Interest of Rs.4920.97 Lakhs (previous period Rs. 2,346.20 Lakhs) has been treated as Project cost and added to the stock in trade.

24 Employee Benefits:

The Company has adopted Accounting Standard AS- 15 (Revised) Employee Benefits with effect from 1st April 2007. Pursuant to the same, the Company has adjusted the opening balance of employee benefit obligations, arising out of such adoption as on 1st April 2007

- 1 The Company has recognised the expected liability arising out of compensated absences (Annual Leave) as at 1st April 2007 based on actuarial valuation carried out using the Projected Unit Credit Method. Consequent to the above, the additional opening liability towards compensated leaves as at 1st April 2007 amounting to Rs 0.33 Lacs has been recognised in the financial statements by adjusting against General Reserve.
2. The Defined Benefit Obligation of the Gratuity plan as at 1st April 2007 of Rs 33.02 Lacs has been adjusted against General Reserve as on 1st April 2007 arrived by Projected Unit Credit Method.

Thus the net adjustment of Rs 33.35 Lacs (Aggregate of the above) to General Reserve as on 1st April 2007

The Company has Group Gratuity Policy managed by LIC, the below disclosure have been obtained from independent actuary as the figures of LIC are not available in view of this certain disclosure such as investment pattern could not be provided. The other disclosures are made in accordance with AS-15(Revised) pertaining to Defined Benefit Plans is given below.

Particulars	(Amount Rs in Lacs)	
	Gratuity (Funded)	Leave Encashment (Unfunded)
1) Opening Defined benefit obligation as at 1 st April 07	95.66	70.74
2) Current service cost	32.67	29.56
3) Interest on defined benefit obligation	7.66	5.66
4) Benefits paid	(5.02)	(34.18)
5) Actuarial (Gain)/Loss on Defined benefits obligation	14.78	9.81
Present value of defined benefits obligation as on 31 st March 2008	145.75	81.59
Expenses Recognised in the statement of Profit & Loss for the period ended 31.03.2008		
1) Current service cost	32.67	29.56
2) Interest on defined benefit obligation	7.66	5.66
3) Actuarial (Gain)/Loss on Defined benefits obligation	14.78	9.81
Expenses Recognised in the statement of Profit & Loss for the period ended 31.03.2008	55.11	45.03
Summary of the Actuarial Assumption		
Mortality table LIC (1994-96) Ultimate		
1) Discount rate	8%	8%
2) Rate of escalation in salary per annum	6%	6%

3. Defined Contribution Plan

Contribution to Provident Fund

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

Particulars	(Amount Rs. in Lacs) Current Year
Employer's contribution to Provident Fund	130.32
Employer's contribution to Superannuation Fund	99.86
Employers' Contribution to Employees' State Insurance	1.84

NOTES :

- The Estimated future salary increases take account of inflation, seniority, promotion and other retirement factors such as supply and demand in the employment market.
- Comparative values of defined benefits plans for the past four financial years, as required by AS-15 (Revised) are not provided this being the first year of adoption of the standard.

25 List of Related Parties and Transactions during the year.

A. Controlling Companies

Alltime Mercantile Company Private Limited
Newzone Mercantile Company Private Limited
Superplaza Mercantile Company Private Limited
Bigdeal Mercantile Private Limited

B. Associate Companies with whom the Company had transactions during the year

Delta Hospitality Pvt Ltd (Formerly known as Fasttrack Impex Private Limited)
JM Realty Management Pvt Ltd
L & T Crossroads Pvt Ltd
Morarjee Textiles Ltd
Piramyd Retail Limited#
Fresca Fine Dining Pvt Ltd
Thundercloud Technologies (I) Pvt Ltd
Amtrac Management Services Ltd
Ashok Piramal Management Corporation Ltd
PMP Components Pvt Ltd
Piramal Enterprises Ltd
Gujarat Glass Private Limited
Edifice Properties Pvt. Ltd.

C. Key Management Personnel

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

	2007-08 (12 Months) (Rs.in Lakhs)	2006-07 (9 Months) (Rs.in Lakhs)
Details of Transactions are as Follows :		
A. Sales to and recoveries from		
- Associate Companies		
Morarjee Textiles Ltd	163.75	-
Piramyd Retail Ltd	56.62	90.50
Piramal Enterprises Limited	-	12.82
The Dawn Mills Company Limited##	-	10,550.00
B. Purchase and other services from		
- Associate Companies		
Piramyd Retail Limited	-	2,000.00
Ashok Piramal Management Corporation Ltd	27.21	-
Morarjee Textiles Ltd	0.04	-
Amtrac Management Services Ltd	8.40	-
C. Loan given to		
- Associate Companies		
Delta Hospitality Pvt Ltd	700.00	1,323.85
JM Realty Management Pvt Ltd	637.96	-
L & T Crossroads Pvt Ltd	0.65	-
Morarjee Textiles Ltd	0.12	-
Piramyd Retail Limited	57.55	-
Fresca Fine Dining Pvt Ltd	0.12	-
D. Loan taken from		
Nicholas Piramal India Ltd	7.68	-
Thundercloud Technologies (I) Pvt Ltd	1.27	-
E. Loan repaid by		
- Associate Companies		
L & T Crossroads Pvt Ltd	0.75	-
Morarjee Textiles Ltd	0.20	-
Piramyd Retail Limited	0.45	-
Thundercloud Technologies (I) Pvt Ltd	1.27	-
Delta Hospitality Pvt Ltd	1.24	825.51
F. Loan repaid to		
Nicholas Piramal India Ltd	7.68	-
G. Deposit repaid	-	-

	2007-08 (12 Months) (Rs.in Lakhs)	2006-07 (9 Months) (Rs.in Lakhs)
H. Interest income from		
- Associate Companies		
Delta Hospitality Pvt Ltd	96.27	54.13
JM Realty Management Pvt Ltd	37.34	-
I. Investments /Equity Share application		
- Associate Companies		
Edifice Properties Pvt Ltd	3,547.66	-
JM Realty Management Pvt Ltd	0.25	-
J. Remuneration/ Sitting Fees		
- Key Management Personnel	1,001.23	804.10
K. Outstanding balances as at March 31, 2008		
Payable by Company		
- Associate Companies		
Amtrac Management Services Ltd	1.58	-
Deposit		
Nicholas Piramal India Limited	-	100.00
Receivable by Company		
- Associate Companies		
JM Realty Management Pvt Ltd	667.60	-
Delta Hospitality Pvt Ltd	1,313.54	540.32
Ashok Piramal Management Corporation Ltd	1.12	-
Morarjee Textiles Ltd	167.86	38.33
L & T Crossroads Pvt Ltd	0.08	-
Fresca Fine Dining Pvt Ltd	0.13	-
Piramal Enterprises Limited	-	17.53
Piramyd Retail Ltd	-	238.75
The Dawn Mills Company Limited	-	10,550.00
# The Dawn Mills Company Limited has been merged with the Company, so not to be considered as Related Party.		
## With effect from 24.12.2007 Piramyd Retail Limited has ceased to be an associate company, pursuant to disinvestment		
26 Segment Results		
Segment Revenue		
Real Estate	-	32,508.00
Others	-	371.00
Total	-	32,879.00

	2007-08 (12 Months) (Rs.in Lakhs)	2006-07 (9 Months) (Rs.in Lakhs)
Segment Results		
Real Estate	-	13,722.00
Others	-	(836.00)
Total	-	12,886.00
Segment Capital Employed		
Real Estate	-	67,069.00
Others	-	6,040.00
Total	-	73,109.00
The Company is now engaged in Real Estate Development only and therefore, there is no reportable segment as required by Accounting Standard AS-17.		
27 Earnings Per Share (EPS)		
a. Profit/(Loss) after Tax (Rs. Lakhs)	13,107.95	12,939.74
b. Extra Ordinary items	(1,521.13)	(2,519.61)
c. No. of Shares before Qualified Institutional Placement (QIP)	235451220	197451220
d. No. of Shares after Qualified Institutional Placement (QIP)	279201220	210451220
e. Basic EPS (Rs.) (After Extraordinary & Prior Period Items)	5.40	6.40
f. Basic EPS (Rs.)(Before Extraordinary & Prior Period Items)	6.03	7.65
g. Diluted EPS (Rs.) (After Extraordinary & Prior Period Items)	5.39	6.39
h. Diluted EPS (Rs.)(Before Extraordinary & Prior Period Items)	6.02	7.63

28 The equity share capital, earning per share (EPS) and public shareholding disclosed are based on the increased share capital referred above. Further the EPS and aggregate Public Share holding for the current period has been stated/ restated taking into account the share split referred above.

29 Details of Subsidiaries, Associates

	Country of Incorporation	% of Voting power as on 31.03.08
a) Subsidiaries		
Champs Elysee Enterprises Private Limited	India	100%
City Parks Private Limited	India	100%
Inox Mercantile Company Private Limited	India	100%
Peninsula Facility Management Services Private Limited	India	100%
Peninsula Investment Management Company Limited	India	75%
Peninsula Mega Properties Private Limited	India	74%
Peninsula Pharma Research Centre Private Limited	India	100%
Peninsula Trustee Limited	India	70%
Peninsula Mega Township Developers Private Limited	India	100%
Planetview Mercantile Company Private Limited	India	100%
Renato Finance & Investments Private Limited	India	100%
RR Mega Property Developers Private Limited	India	100%
RR Real Estate Development Private Limited	India	100%

	Country of Incorporation	% of Voting power as on 31.03.08
b) Associates		
L & T Crossroads Private Limited	India	50%
Delta Hospitality Private Limited	India	26%
JM Realty Management Private Limited.	India	25%
Edifice Properties Private Limited.	India	26%

30 Principles of Consolidation

- The Consolidated Financial statements are based on the Audited financial statements of the subsidiaries for the period ended 31st March, 2008. No significant transactions have occurred after the Balance Sheet date of subsidiaries.
- 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".
- Interest charged by the holding Company to subsidiaries, have not been eliminated wherever the subsidiaries have accounted the same to realty stock or work in progress. The effect for the same in respect of previous year of Rs. 211.82 Lacs has been adjusted against Profits
- 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.
- Minority interest in the net income and net assets of the consolidated financial statements are computed and shown separately.
- In case of Associate Company, the Audited financial statements as on 31st March, 2008 have been consolidated as per Accounting Standard - AS 23 "Accounting For Investments in Associates in Consolidated Financial Statements".

31 Previous period figures have been regrouped wherever necessary.

Signatures to Schedules 1 TO 14

As per our report of even date.

For and on behalf of
Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner
M. No. 17000

Mumbai : 6th June, 2008

Urvi A. Piramal
Rajeev A. Piramal
Mahesh S. Gupta
Rajesh Jaggi

Chairperson
Executive Vice Chairman
Group Managing Director
Managing Director

Bharat Sanghavi
CFO

Kausik Nath
Company Secretary

Directors
Amitabha Ghosh
C.M. Hattangdi
D.M. Popat
Deepak Summanwar
Sudhinder Khanna

CASH FLOW STATEMENT

FOR THE PERIOD ENDED MARCH 31,2008

	Year Ended 31 st March, 2008 (12 Months)		Period Ended 31 st March, 2007 (9 Months)	
	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit (Loss) Before Tax and Extra Ordinary Items		16,570.66		16,159.15
Adjustments for:				
Add: Depreciation	262.97		131.69	
Interest Paid (Net) (Including interest on ITax Refund)	(894.03)		1,289.72	
Loss on Sale of Assets	4.25		3.57	
Foreign Currency Fluctuation	—		22.46	
	(626.81)		1,447.44	
Less: Dividend Income	611.85		131.61	
		(1,238.66)		1,315.83
Operating Profit Before Working Capital Changes		15,332.00		17,474.98
Adjustments for:				
Less: (Increase) / Decrease in Trade and Other Receivables	18,618.99		920.20	
(Increase) / Decrease in Inventories	(27,813.68)		(1,794.71)	
(Increase) / Decrease in Loans and Advances	(4,022.95)		(9,146.30)	
Increase / (Decrease) in Trade Payables	2,021.72	(11,195.92)	6,413.98	(3,606.83)
Cash Generated from Operations		4,136.08		13,868.15
Less : Interest Paid	—		(1,289.72)	
Direct Tax Paid	(4,398.88)		(35.80)	
VRS payments	—		4.34	
Preliminary / Pre-operative expenses	—		(2.06)	
Extraordinary Item & Prior period (Income)/expenses	122.52		(251.09)	
		(4,276.36)		(1,574.33)
Net Cash flows pursuant to Merger of Dawn Mills Co Ltd:				
Accumulated Losses of Dawn Mills	(761.22)		—	
Reversal of transactions with Dawn Mills	(10,538.46)		—	
Reserves of Dawn Mills	1,171.39		—	
Deferred Revenue Exp. acquired on merger	(1,187.72)		—	
Merger Expenses	(0.77)		—	
		(11,316.78)		—
Net Cashflow From Operating Activities (A)		(11,457.06)		12,293.82

	Year Ended 31st March, 2008 (12 Months)		Period Ended 31st March, 2007 (9 Months)	
	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(2,754.10)		(9,743.66)	
Sale of Fixed Assets	39.55		73.16	
Purchase of Investments (including share appl money paid)	(72,587.25)		(1,093.84)	
Sale of Investments	48,997.12		—	
Dividend / interest Received (Incl. interest on I Tax Refund)	1,363.62		131.61	
Net Cashflow From Investing Activities (B)		(24,941.06)		(10,632.73)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Qualified Institutional Placements	875.00		260.00	
Equity shares issued to shareholders of Dawn Mills pursuant to Amalgamation Scheme	500.00		—	
Share Premium on QIP Proceeds (net)	49,301.39		14,730.92	
Dividend Paid	(1,388.47)		(766.72)	
Dividend Tax Paid	(240.09)		(76.30)	
Proceeds from Borrowings	6,939.11		63,915.82	
Repayment of Borrowings	(21,203.37)		(70,573.76)	
Net Proceeds from Changes in Minority Stake	35.56		215.69	
Net Cashflow from Financing Activities (C)		34,819.13		9,239.26
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)		(1,578.99)		10,900.35
Cash and Cash Equivalents at the beginning of the year / period		11,813.69		913.34
Cash and Cash Equivalents at the end of the year		10,234.70		11,813.69

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

As per our report of even date.

For and on behalf of
Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner
M. No. 17000

Mumbai : 6th June, 2008

Urvi A. Piramal
Rajeev A. Piramal
Mahesh S. Gupta
Rajesh Jaggi

Bharat Sanghavi

Kausik Nath

Chairperson
Executive Vice Chairman
Group Managing Director
Managing Director

CFO

Company Secretary

Directors
Amitabha Ghosh
C.M. Hattangdi
D.M. Popat
Deepak Summanwar
Sudhindar Khanna

Peninsula Land Limited

Peninsula Spenta

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