

INDEPENDENT AUDITORS' REPORT

To the Members of Peninsula Mega Township Developers Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Peninsula Mega Township Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

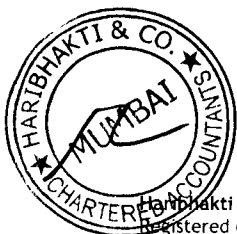
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Emphasis of Matter

Attention is invited to:

1. Note 17 B (1) (b) of the financial statements with respect to adjustment of accumulated losses towards capital reserve, as the same is not in conformity with the provisions of Companies Act, 1956.
2. Note 17 B (4) with respect to going concern assumption for the business carried on by the Company.

Our opinion is not qualified in respect of the above matters.

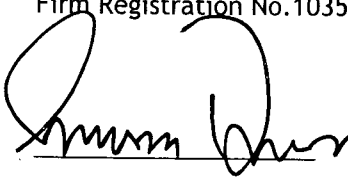

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For Haribhakti & Co.

Chartered Accountants

Firm Registration No.103523W

Chetan Desai

Partner

Membership No.17000

Place: Mumbai

Date: 23rd May, 2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of **Peninsula Mega Township Developers Limited** on the financial statements for the year ended March 31, 2014

- (i) The Company has no fixed assets during the year. Accordingly the provisions stated in paragraph 4 (i) (a), (b) and (c) of the order are not applicable to the Company.
- (ii) The Company does not have inventory during the year. Accordingly the provisions stated in paragraph 4 (ii) (a), (b) and (c) are not applicable to the Company.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions stated in paragraph 4 (iii)(b),(c) and (d) of the order are not applicable.
 - (b) The Company had taken loan unsecured loan from one Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 49.02 lacs and the year-end aggregate balance of loan taken from such party was Rs.49.02 lacs.
 - (c) In our opinion, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
 - (d) The loans taken are repayable on demand. As informed, the lenders have not demanded payment of loan during the year, thus there has been no default on the part of the Company. The interest is payable on demand.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct any major weakness in internal control system of the Company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

(vii) The Company does not have a formal internal audit system.



- (viii) The Central Government of India has prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company. However, based on the exemption criteria stated in the respective provision, these rules are not applicable to the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues, if any, applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. Further, the Company has not incurred cash losses during the financial year covered by our audit. However the Company has incurred cash losses in immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
- (xvi) The Company has not obtained any term loans.



HARIBHAKTI & CO.

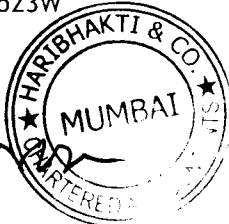
Chartered Accountants

- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. In our opinion, the prices at which shares have been issued is not prejudicial to the interest of the company.
- (xix) According to the information and explanations given to us, no debentures have been issued by the Company during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For Haribhakti & Co.

Chartered Accountants

Firm Registration No.103523W



Chetan Desai

Partner

Membership No.17000




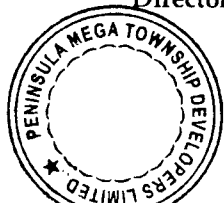

Place: Mumbai

Date: 23rd May, 2014

PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED
(formerly known as Peninsula Mega Township Developers Private Limited)

Balance Sheet as at 31st March 14

(Amount In Rs. Lakh)

Particulars	Note No.	As at 31-Mar-14	As at 31-Mar-13
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholders Funds</u>			
Share Capital	1	5.00	1.00
Reserve & Surplus	2	3.12	(1,305.14)
		8.12	(1,304.14)
<u>Non-Current Liabilities</u>			
Long Term Borrowings	3	49.02	21,102.13
Long Term Provisions	4	0.74	1.74
		49.76	21,103.87
<u>Current Liabilities</u>			
Trade payables	5	0.50	499.74
Other Current Liabilities	6	0.06	924.30
Short Term Provisions	7	-	0.06
		0.56	1,424.10
TOTAL		58.44	21,223.83
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
Fixed Assets			
Tangible Assets	8	-	4.70
Long Term Loans & Advances	9	-	3.26
		-	7.96
<u>Current assets</u>			
Inventories	10	-	19,894.43
Cash & Bank Balances	11	58.35	541.23
Short-term Loans and advances	12	-	779.21
Other Current Assets	13	0.09	1.00
		58.44	21,215.87
TOTAL		58.44	21,223.83
Significant Accounting Policies	17A		
Notes to Financial Statements	17B		
As per our report of even date.		For and on behalf of Board of Directors	
For Haribhakti & Co Chartered Accountants		 Rajeev A Piramal Director	 Harshvardhan A Piramal Director
 Chetan Desai Partner Mumbai Date : 23rd May 2014			 Nandan A Piramal Director

PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED
(formerly known as Peninsula Mega Township Developers Private Limited)

Statement of Profit and Loss for the year ended March 31, 2014

(Amount In Rs. Lakh)

Particulars	Note No	2013-14	2012-13
INCOME:			
Income from Operations			
Sale of Products - Realty Sales Income		-	3,179.16
Other Income			
Interest Income		3.97	8.37
Total Revenue		3.97	3,187.53
EXPENSES:			
Realty Cost Incurred (Increase) / Decrease in Realty Work-in- Progress			4,695.60 (1,006.19)
Cost of Realty Sales		-	3,689.41
Employee Benefit Expenses	14	-	42.55
Finance Costs	15	-	2.59
Depreciation	8	-	2.40
Other Expenses	16	0.58	155.84
Total Expenses		0.58	3,892.79
Profit before tax and prior period items		3.39	(705.26)
Less: Tax expense			
Current tax		1.23	-
Net Profit after Tax carried forward		2.16	(705.26)
Earning Per equity share (Refer para 15 of Note no 17B) Basic & Diluted (Face Value Rs 10 per share) (PY Rs 10 per share)		10.47	(7,052.60)
Significant Accounting Policies	17A		
Notes to Financial Statements	17B		

As per our report of even date.

For and on behalf of Board of Directors

For Haribhakti & Co
Chartered Accountants

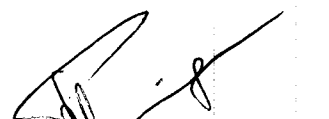


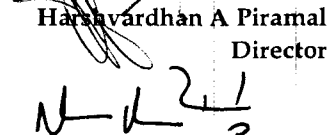
Chetan Desai
Partner
Mumbai
Date 23rd May 2014




Rajeev A Piramal
Director




Harshvardhan A Piramal
Director


Nandan A Piramal
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

		Year Ended 31st March 2014 Rs in Lakh		Year Ended 31st March 2013 Rs in Lakh	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit (Loss) Before Tax and Extra Ordinary Items		3.39		(705.26)
	Adjustments for:				
	Add: Depreciation		-		2.40
	Add: Adjustment on Demerger		1,306.10		
	Less: Interest Income		-		8.37
	Operating Profit Before Working Capital Changes		1,309.49		(711.23)
	Adjustments for:				
	Less:				
	(Increase) / Decrease in Inventories	19,894.43		(1,006.19)	
	Increase / (Decrease) in Long Term Provisions	(1.74)		1.74	
	Increase / (Decrease) in Short Term Provisions	(0.06)		0.06	
	(Increase) / Decrease in Other Current assets	0.90		0.78	
	(Increase) / Decrease in Long Term Loans and Advances	2.71		(0.43)	
	(Increase) / Decrease in Short term Loans & Advance	779.21		(151.59)	
	Increase / (Decrease) in Other current Liabilities	(924.24)		183.20	
	Increase / (Decrease) in Trade Payables	(499.24)	19,251.99	(813.56)	1,785.99
	Cash Flow From Operating Activities		20,561.49		(2,497.22)
	Less : Income Tax paid / (Transfer on account of Demerger) Net		(0.06)		
	Net Cash Flow From Operating Activities (A)		20,561.54		
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Transfer of Fixed Assets on account of demerger		4.70		-
	Purchase of Fixed Assets		-		(1.58)
	Interest Received		-		8.37
	Transfer of Fixed Deposits on account of demerger		5.64		(0.35)
	Net Cash Flow From Investing Activities (B)		10.34		6.44
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Issue of Equity share capital		4.00		-
	Transfer of Long Term Borrowings on account of demerger		(21,053.12)		-
	Proceeds from Long Term Borrowings		-		2,781.65
	Net Cash Flow From Financing Activities (C)		(21,049.12)		2,781.65
	Net Increase / (Decrease) in Cash and Cash Equivalents (A)+(B)+(C)		(477.24)		290.87
	Cash and Cash Equivalents at the beginning of the year		535.59		244.72
	Cash on Hand		-		11.15
	With Scheduled Banks- In Current Accounts		8.35		249.44
	Balance with Banks in Deposit Account		50.00		275.00
	Cash and Cash Equivalents at the end of the year		58.35		535.59

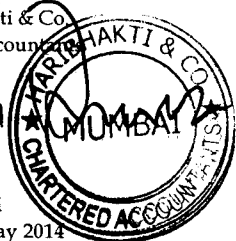
NOTE : 1 During the year Company issued shares amounting to Rs 1400 lakh (including security premium of Rs 1399.86 lakh) to its holding Company and same have been cancelled under Composite scheme of Arrangement and amalgamation U/S 391 of the Companies Act 1956 , as the effective date of scheme from the appointed date 1st April 2013 above said transactions are not reflected in the cashflow statements

As per our report of even date.

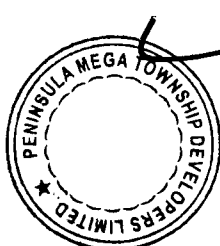
For Haribhakti & Co
Chartered Accountants

Chevan Desai
Partner

Place: Mumbai
Date : 23rd May 2014



For and on behalf of Board of Directors



Rajeev A. Piramal
Director

Hashvardhan A. Piramal
Director

Nandan A. Piramal
Director

PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

NOTE 1 : SHARE CAPITAL

(Amt In Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
Authorised 52,000 (P.Y. 10,000 Equity Shares of Rs.10/- each) Equity Shares of Rs.10/- each	5.20	1.00
	5.20	1.00
Issued, Subscribed and Fully Paid up		
(I) 50,000 (P.Y. 10,000 Equity Shares of Rs.10/- each) Equity Shares of Rs.10/- each, fully paid up. Held by Peninsula Land Limited (Holding company) 50,000 Equity Shares of Rs 10/- each (P.Y. 10,000 Equity Shares of Rs.10/- each held by Peninsula Holdings and Investments Private Limited))	5.00	1.00
Total	5.00	1.00

Shares in the Company held by each shareholders holding more than 5% shares specifying the number of shares held:

Name of the Shareholder	2013-14		No of Shares	2012-13 % of Holding
	No of Shares	% of Holding		
Peninsula Holdings & Investments Private Limited and their nominee/s	-	-	10	100%
Peninsula Land Limited	50,000	100%	-	-
Total	50,000	100%	10	100%

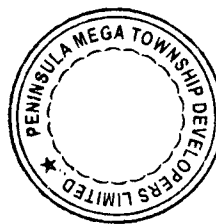
Reconciliation of No. of Shares

Particulars	2013-14		No of Shares	2012-13 Amt Rs lacs
	No of Shares	Amt Rs lacs		
Shares outstanding at the beginning of the year	10,000	1.00	10	1.00
Shares issued during the year	41,400	4.14	-	-
Shares cancelled during the year	1,400	0.14	-	-
Shares outstanding at the end of the year	50,000	5.00	10	1.00

Details of Shares Held by Controlling entity

Name of the Shareholder	2013-14		No of Shares	2012-13 % of Holding
	No of Shares	% of Holding		
Peninsula Holdings & Investments Private Limited and their nominee/s	-	-	10	100%
Peninsula Land Limited	50,000	100%	-	-
Total	50,000	100%	10	100%

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. All shares rank pari passu with regard to dividend and repayment of capital.



PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED
NOTE 2 : RESERVES & SURPLUS

(Amt in Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
Capital Reserve		
Opening Balance	-	-
Add: Capital Reserve on demerger	1,306.10	-
Less: Adjusted against Profit and Loss Account pursuant to composite scheme of demerger of real estate division	(1,305.14)	-
	0.96	-
Security Premium Reserve		
Opening Balance	-	-
Add: Reserve on account of shares issued during the year	1,399.86	-
Less: Cancellation pursuant to composite scheme of demerger of real estate division	(1,399.86)	-
	-	-
Surplus		
Opening Balance	(1,305.14)	(599.88)
Adjustment of Capital Reserve pursuant to composite scheme of demerger of real estate division	1,305.14	-
	-	-
Add : Net Profit / (Net Loss) for the Current Year	2.16	(705.26)
Closing Balance	3.12	(1,305.14)

NOTE 3 : LONG TERM BORROWINGS

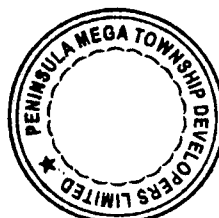
(Amt in Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
SECURED LOAN		
From Financial Institution	-	2,688.02
(i) Secured by mortgage of immovable property held for real estate development belonging to the Company and charge on receivables and insurance proceeds		
(ii) Repayable in 14 instalments beginning from August 2013		
(iii) Rate of Interest 14% pa		
UNSECURED LOAN		
From Holding Company	49.02	18,414.11
(i) Rate of Interest 9% for borrowing upto Rs 12500 lacs and 12% for balance amount compoundable at annual rests as at 31st March each year		
(ii) Repayable in 2014-15		
Total	49.02	21,102.13

NOTE 4: LONG TERM PROVISIONS

(Amt in Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
Provision for Employee Benefits		
(i) Provision for Gratuity (unfunded)	-	0.71
(ii) Provision for Leave Encashment (unfunded)	-	1.03
Provision for Taxation (Net off advance tax)	0.74	-
Total	0.74	1.74



PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

(Amt In Rs. Lakh)

NOTE 5: TRADE PAYABLES

Particulars	As at 31-Mar-14	As at 31-Mar-13
(i) MSMED	-	-
(ii) Trade Payables		
(a) Outstanding Liability for Expenses	0.50	229.47
(b) Others	-	270.27
Total	0.50	499.74

NOTE 6 : OTHER CURRENT LIABILITIES

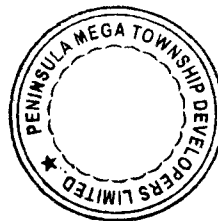
(Amt In Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
(i) Advance received from Customers	-	683.97
(ii) Statutory dues payable	0.06	240.33
Total	0.06	924.30

NOTE 7: SHORT TERM PROVISIONS

(Amt In Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
Provision for Employee Benefits		
(i) Provision for Gratuity (unfunded)	-	0.00
(ii) Provision for Leave Encashment (unfunded)	-	0.06
Total	-	0.06



PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

NOTE 8 : FIXED ASSETS

Description	Gross Block			Depreciation			Net Block			
	As on 01/04/2013	Additions During the Year	Transfer on account of Demerger	As on 31/03/2014	Upto 01/04/2013	Depreciation During the Year	Transfer on account of Demerger	Depreciation Upto 31/03/2014	As On 31/03/2014	As On 31/03/2013
Tangible Assets										
Computer	9.80	-	9.80	-	6.08	-	6.08	-	-	3.72
Furniture & Fixtures	1.75	-	1.75	-	1.10	-	1.10	-	-	0.64
Office Equipments	0.42	-	0.42	-	0.08	-	0.08	-	-	0.34
Total	11.97	-	11.97	-	7.27	-	-	-	-	4.70
Previous Year	10.39	1.58	-	11.97	4.87	2.40	-	7.27	4.70	5.52

There are no additions through business combinations during the year / previous year. There is no impairment of Fixed Assets during the year / previous year.



PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

(Amt In Rs. Lakh)

NOTE 9 : LONG TERM LOANS & ADVANCES (UNSECURED CONSIDERED GOOD)

(Amt In Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
(i) Advance Tax	-	0.55
(ii) Security Deposit	-	2.71
Total	-	3.26

NOTE 10 : INVENTORIES

(Amt In Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
Work in Progress (Realty Stock) (AT COST) Refer Note 17 (B) (13)	-	19,894.43
Total	-	19,894.43

NOTE 11 : CASH AND BANK BALANCES

(Amt In Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
Cash and Cash Equivalents		
Cash on hand	-	11.15
Balance with banks in current Accounts	8.35	249.44
Balance with Banks in Deposit Account (Maturity less than three months)	50.00	275.00
Other Bank Balances		
Balance with Banks in Deposit Account (Maturity more than three months but upto twelve months)	-	5.64
Total	58.35	541.23

NOTE 12 : SHORT TERM ADVANCES

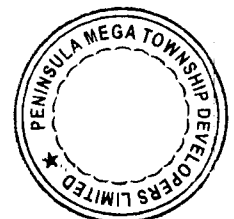
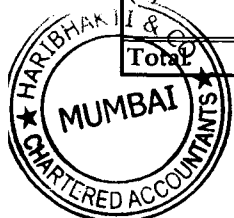
(Amt In Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
Unsecured, Considered Good		
(i) Advances Recoverable in Cash or in Kind for Value to be Received	-	779.21
Total	-	779.21

NOTE 13 : OTHER CURRENT ASSETS

(Amt In Rs. Lakh)

Particulars	As at 31-Mar-14	As at 31-Mar-13
(i) Interest Receivable	0.09	0.55
(ii) Staff Advance	-	0.45
Total	0.09	1.00



PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

NOTE 14 : EMPLOYEE BENEFIT EXPENSES

(Amt In Rs. Lakh)

Particulars	2013-14	2012-13
Salaries Wages and Bonus	-	32.43
Contributions To ESIS, Provident Fund, Super Annuation fund etc.	-	2.16
Staff & Labour Welfare	-	5.76
Staff Recruitment Expenses	-	2.20
Total	-	42.55

NOTE 15 : FINANCE COST

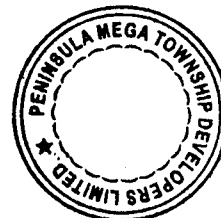
(Amt In Rs. Lakh)

Particulars	2013-14	2012-13
Finance Expenses		
Bank and Other Interest Expenses	-	2.59
Total	-	2.59

NOTE 16 : OTHER EXPENSES

(Amt In Rs. Lakh)

Particulars	2013-14	2012-13
Legal & Professional Charges	-	8.18
Printing & Stationery	-	3.15
Travelling Expenses	-	28.57
Telephone Expenses	-	3.91
Miscellaneous Expenses - (refer para 10 of Note 17B)	0.58	4.76
System Maintenance	-	1.23
Insurance Charges	-	0.38
Marketing / Sales Promotion Expense	-	105.66
Total	0.58	155.84



NOTE 17

A. Summary of Significant Accounting Policies

1 Basis of Accounting

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

2 Use of Estimates

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

3 Revenue Recognition

a The Company is in the business of Real Estate Activity. Revenue from sale of properties under construction is recognised on the basis of actual bookings done (provided the significant risks and rewards have been transferred to the buyer and there is reasonable certainty of realisation of the monies) using the Percentage of Completion Method. Revenue is recognised in accordance with the guidelines prescribed by the "Guidance note on Accounting Treatment for real estate transactions (Revised 2012)" issued by the Institute of Chartered Accountants of India, inter alia, with regard to thresholds for commencement of revenue recognition for projects and the basis for determining percentage of completion.

b Interest income is recognised on time basis determined by the amount outstanding and the rate applicable.

4 Fixed Assets

Tangible assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to acquisition or construction of fixed assets which takes substantial period of time to get ready for their intended use is capitalized.

5 Depreciation

a Depreciation on fixed assets is provided on Written Down Value Method at the rate specified in Schedule XIV of the Companies Act 1956.

b Depreciation is calculated on a pro-rata basis from the date of installation / acquisition till the date the assets are sold or disposed.

c Individual assets costing less than Rs 5000/- are depreciated fully in the year of acquisition.

6 Inventories

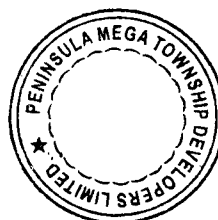
a Inventories comprise of Realty Work in Progress representing properties under construction / development.

b Inventories are valued at lower of cost and net realisable value.

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

7 Taxation

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



8 Provisions and Contingent Liabilities

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

B Notes to Accounts

1 **Demerger of Real Estate Undertaking / Discontinuing Operation :**

(a) By virtue of a Composite Scheme of Arrangement and Amalgamation u/s 391 to 394 of the Companies Act 1956 (Scheme), duly sanctioned by the High Court of Judicature at Mumbai vide its order dated 25th October 2103 and filed with the ROC on 7th November 2013 (Effective Date), the real estate business undertaking of the Company at Nashik has been demerged from the Company and merged with Peninsula Land Limited (PLL) with effect from the appointed date of 1st of April 2013. Accordingly, all assets and liabilities pertaining to the said demerged real estate business undertaking have been recorded in the books of PLL at their respective book values.

(b) The capital reserve of Rs 1305.14 lakh arising as a result of the demerger scheme has been adjusted against the opening debit balance in Profit and Loss Account.

(c) The book value of assets and liabilities demerged undertaking are as under:

Realty Work in Progress - Rs 19,894.43 lakh
Other Assets - Rs 1,278.43 lakh
Accumulated Losses - Rs 1,306.11 lakh
Liabilities comprising of borrowings and other liabilities Rs 22,478.97 lakh

2 No shares have been allotted to or any consideration received by the company pursuant to the scheme as the demerged real estate business undertaking has been merged with its holding company (PLL).

3 The demerger of the said Real estate business undertaking which represented the company's only on-going business activity, has resulted in cessation of its business operations and extinguishment of the related assets and liabilities. Consequently, the Balance Sheet as at 31st March 2014 represents only the residual assets (mainly bank deposits) and liabilities (loan from holding company), post such demerger and the Statement of Profit & Loss for the year ended 31st March 2014 represents only the income, expenditure and profits from the residual activities other than the demerged business undertaking.

4 Notwithstanding the above, as the Company intends to take up new businesses in future and considering the quantum and nature of its present liability (being a loan from the holding Company), the accounts have been drawn under going concern assumption.

5 To the extent of the effect of the Scheme, the current year's figures are not comparable with the previous year figures.

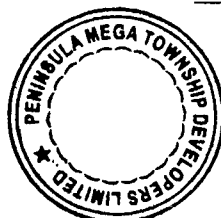
6 In Accordance with Accounting Standard 16 issued by The Institute of Chartered Accountants of India, interest of Rs Nil Lakh (Previous year Rs 2677.99 Lakh) has been treated as project cost and added to the stock in trade.

7 The Company has been converted in Public Limited Company from 4th February 2014.

8 The Mangement confirms that contingent liabilities are Rs Nil (Previous Year Rs Nil).

9 There are no outstanding amounts payable to suppliers covered under Micro, Small and Medium Enterprises Development Act 2006.

10 Miscellaneous Expenses include Auditors' remuneration in respect of:	(Amt In Rs. Lakh)	
	31.03.2014	31.03.2013
a) Statutory Audit Fees	0.50	0.50
b) Reimbursement of Expenses	-	0.02
c) Service Tax on Fees and Reimbursement	0.06	0.06
	<u>0.56</u>	<u>0.58</u>



11 **Employee Benefit Plans**

The Company has classified various benefit plans as under:

a Defined Contribution Plan

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

	Year Ended 31.03.2014	Year Ended 31.03.2013
	(Amt In Rs. Lakh)	
Employer's Contribution to Provident Fund	-	1.45

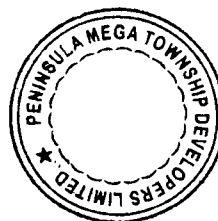
b Defined Benefit Plan

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

- (i) Gratuity (Non Funded)

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

Assumptions	(Amt In Rs. Lakh)	
	As at 31.03.2014	As at 31.03.2013
Discount rate	-	8.20%
Salary escalation	-	6%
Employee Turnover Ratio	-	-
Expected Rate of Return on Planned Assets	-	-
Retirement Age	-	58 years
Changes in Present Value of Obligations		
Present value of obligations as at beginning of the year	-	-
Interest cost	-	-
Current service cost	-	0.71
Benefits paid	-	-
Actuarial (gain) / loss on obligations	-	-
Present value of obligations as at end of the year	-	0.71
Actuarial Gain / Loss recognised		
Actuarial gain / (loss) for the year - Obligations	-	0.71
Actuarial gain / (loss) for the year - Plan Assets	-	-
Total gain / (loss) for the year	-	0.71
Actuarial gain / (loss) recognised in the year	-	0.71
The amounts to be recognised in the Balance Sheet and Statement of Profit & Loss		
Present value of obligations as at end of the year	-	0.71
Fair value of plan assets as at end of the year	-	-
Funded status	-	-
Net assets (liability) recognised in Balance Sheet	-	(0.71)
Expenses recognised in Statement of Profit & Loss		
Current service cost	-	0.71
Interest cost	-	-
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the year	-	0.71
Expenses recognised in statement of Profit and Loss	-	0.71



(ii) Leave Encashment (Non Funded)

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

	(Amt In Rs. Lakh)	
	As at 31.03.2014	As at 31.03.2013
Assumptions		
Discount rate (per annum)		8.20%
Rate of increase in compensation levels		6%
Rate of return on plan assets		-
Retirement Age		58 years
Changes in present value of obligation		
Present value of obligation as at 1st April 2014	-	-
Interest Cost	-	-
Current Service Cost	-	1.54
Contributions by plan participants	-	-
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Benefits Paid	-	(0.45)
Actuarial (Gains) / Loss	-	-
Present value of obligation as at 31st March 2014	-	1.09
Amounts recognised in Balance Sheet		
Present value of obligation as at 31st March 2014	-	1.09
Fair value of plan assets as at 31st March 2014	-	-
(Asset) / Liability recognised in the Balance Sheet	-	1.09
Classification of Liability		
Current	-	0.06
Non Current	-	1.03
Expenses recognised in Statement of Profit & Loss Account		
Current service cost	-	1.54
Past service cost	-	-
Interest Cost	-	-
Expected return on plan assets	-	-
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (Gain) / Loss	-	-
Employee's Contribution	-	-
Total expenses recognised in Profit & Loss account	-	1.54

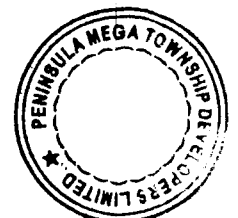
Note: As the Company does not have plan assets for leave encashment policy, disclosures pertaining to plan assets are not shown.

	(Amt In Rs. Lakh)	
	Year Ended 31.03.2014	Year Ended 31.03.2013
12 Expenditure in Foreign Currency		
Consultancy and Professional Fees	-	21.39
Others	-	0.34

	(Amt In Rs. Lakh)	
	2013-14	2012-13
13 The details of Work in Progress is as under		
Realty Costs incurred during the year		
Realty Cost transferred under demerger	(19,894.43)	-
Land	-	-
Material Costs	-	432.39
Development Expenses	-	1,433.75
Interest Expenses	-	2,677.99
Statutory Fees	-	20.95
Allocated expenses	-	130.52
Total Realty Costs for the year (A)	(19,894.43)	4,695.60

Changes in Inventory

Opening Inventory of Work in Progress (i)	19,894.43	18,888.24
Closing Inventory of Work in Progress (ii)	-	19,894.43
(Increase) / Decrease in Inventory B= (i-ii)	19,894.43	(1,006.19)
Cost of Realty Sales (Revenue Recognised) (A+B)	-	3,689.41



14 List of Related Parties and Transactions During the year.

A Holding Company

- (i) Peninsula Land Limited - from 1st April 2013
(ii) Peninsula Holdings and Investments Private Limited - till 31st March 2013

B Companies under the same Management

- (i) Peninsula Facility Management Services Limited

C Key Management Personnel

- (i) Rajeev A. Piramal
(ii) Harshvardhan A. Piramal
(iii) Nandan A Piramal

Details of Transaction are as under:

(Amt In Rs. Lakh)
2013-14 2012-13

I Receipt of Services from

a Companies under the same Management

- (i) Peninsula Facility Management Services Limited - 0.50

(Amt In Rs. Lakh)
2013-14 2012-13

II Loan Taken From

a Holding Company

- (i) Peninsula Land Limited - 1,156.00

III Interest Paid

a Holding Company

- (i) Peninsula Land Limited - 2,259.68

IV Expenses Incurred by on our Behalf

a Holding Company

- (i) Peninsula Land Limited 0.02 540.84

V Loan Repaid

a Holding Company

- (i) Peninsula Land Limited - 1,775.97

VI Expenses Incurred by on our Behalf Repaid

a Holding Company

- (i) Peninsula Land Limited - 86.92

VIII Outstanding Balances as on date

Payable to

a Holding Company

- (i) Peninsula Land Limited 49.02 18,414.11

15 Earning Per share (EPS)

Profit/(Loss) after Tax (in Rs Lakh)	2.17	(705.26)
Weighted Average Number of Shares	20,696	10,000
Basic and Diluted EPS (Rs.)	10.47	(7,052.60)
Face Value of share in Rs	10	10

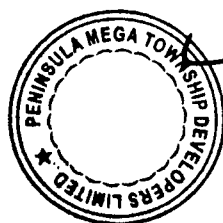
16 Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

17 The Company is registered with Ministry of Corporate Affairs under CIN No: U70200MH2007PLC167082

For and on behalf of Board of Directors



Place: Mumbai
Date : 23rd May 2014



Rajeev A. Piramal
Director

Harshvardhan A Piramal
Director

Nandan A Piramal
Director