



MESSAGE FROM
THE CHAIRPERSON

“I feel the next few years belong to companies that have a sound business model and a strong balance sheet.”

Dear Shareholders,

The world order has changed

The last twelve months have been perhaps one of the most challenging times the world has ever seen. The global liquidity crisis spurred by sub-prime lending, spread like a virus across asset classes and paralyzed the world economy. The developed world was the biggest sufferer. On the one hand, century old institutions folded like a pack of cards and on the other, trust was lost. Fear set in. Despite every single government pumping in massive sums of money, the world saw a deep recession. Home prices in the US were down more than 20% from their peak while unemployment was at its highest ever. Business confidence had evaporated, leading to reduced capital expenditure, credit and spending. The developed economies are expected to de-grow by 5% this year.

Indian economy fares relatively better.

Exports plummeted from a 56% YOY growth in June 2008 to a de-growth of 15.9% in January 2009. The index of industrial production (IIP) too fell significantly. Inflation of over 12.5% dropped to negative. The rupee depreciated by over 20% against the dollar. Business confidence, demand and perception suffered significantly. The global liquidity crisis saw the flight of capital out of the country. FII investments which had grown to over USD 130 billion fell to under USD 80 billion. The capital markets fell by more than 60% in less than a year. The ripple effect of what the world went through was also felt here in India.

Yet India grew.


Relatively insulated from global trade, domestic consumption led the charge against the global downtrend. The Indian banking system was protected thanks to the conservative Central Bank policies and stringent capital adequacy norms. The government provided stimulus to the economy through excise duty cuts and incentives to the housing sector. The Indian economy is still expected to grow at around 7% in 2009-10.

The real estate sector in India

The real estate sector in India was severely impacted by the liquidity crisis. Banks were unwilling to lend to the real estate sector and capital markets had dried up. The slowdown in the economy and the rising real estate prices in the previous year plummeted demand across all segments of the sector. Real estate companies suddenly saw themselves in the midst of one of the worst times ever. Never before had the pendulum swung so aggressively and so fast. Companies found themselves with over-leveraged balance sheets, inflated land banks, low to no demand, rising input costs and almost zero liquidity.

Peninsula Land focused on execution

It is in difficult times that the business models of companies get tested and differentiators emerge.



At Peninsula Land, we have created the foundation based on principles that helped us excel in trying times. Our philosophy of acquiring only executable land bank ensured that we had not accumulated land banks at high prices and spent the year focusing on the timely execution of our projects. Our philosophy of pre-selling ensured de-risking the company of falling prices and consistent cash flow.

We raised capital of Rs 525 crores through a QIP in the last quarter of the last financial year. This ensured a strong balance sheet with a low debt equity ratio of 0.3 and cash and cash equivalent of around Rs 177 crores.

All these strategies have resulted in strong financial numbers for 2008-09 even though the sector was reeling under a lot of pressure. For the last financial year, our revenues increased by 58% to Rs 565.63 crores and PAT by 12% to Rs 147.24 crores. For the fourth quarter of the last financial year, the Company has performed exceedingly well. The revenues grew by 75% to Rs 195 crores and PAT by 49% to Rs 35.96 crores.

Looking Ahead

We are excited about the future. I feel the next few years belong to companies that have a sound business model and a strong balance sheet.

Land prices have corrected in prime locations. This gives us an opportunity to start buying land in prime locations at the right price and develop them in a timely manner with our strong execution capabilities.

Our focus will be to launch and develop projects in Nasik, Hyderabad and Pune where land has been acquired previously. We will complete our residential projects in Mumbai, Ashok Towers and Ashok Gardens. This translates into higher cash flows.

Before I conclude, I would like to express my gratitude to all the Board members for their guidance. I would like to thank everyone of our team for their commitment and dedication which has enabled us to achieve strong results. I would also like to thank all our customers and shareholders for believing in us and in our vision.

Yours sincerely,

Urvi Piramal
Chairperson

24th June, 2009





FOREWORD

Peninsula Land Limited is a fully integrated, real estate development and management company with a significant presence in varied asset classes. We have strong brands in the residential, commercial and retail segments. We have developed some of the best landmarks the country has seen. And we are proud of it.

In the last few years, as the real estate industry witnessed perhaps the best phase followed by a recessionary phase, Peninsula Land was gradually building an enterprise to deliver sustainable and consistent growth.

The Company recorded a growth of around 58% in its revenues and a 12% increase in the Profit After Tax (PAT) in a year like 2008-09 which witnessed a global economic slowdown that adversely affected the real estate sector.

The Company is on course to exhibit towering growth in the time to come. Expect more hereon.

Peninsula Land has become a company with solid fundamentals in the last 24 months. The Company went from being over leveraged in 2006, to having cash and a low debt to equity ratio of around 0.3 in 2008-09. Capital was infused by way of Qualified Institutional Placements (QIP). Investment in land banks was judicious and made with a near term development horizon. Commitment was made to developing strong delivery capabilities by way of focusing resources in enterprise development and augmenting execution abilities. Peninsula Land's brand is associated with trust, commitment and quality. This allowed pre-selling and de-risking the business.

A solid foundation has been built.

Growing with one of the strongest teams in the business. The team's focus is to ensure that we deliver every project within time, within cost and pre-sell ahead of construction so that we manage our risks better. Growing with a strong focus on execution, we expect to develop around 4.2 million square feet for real estate in the next two years.

It is now time to leverage what we have built for a robust future.





BUSINESS STRATEGY

BUSINESS STRATEGY

ANNUAL REPORT 2008-09





Judicious investment in land bank

Over the last few years, real estate in India witnessed ample liquidity with both domestic and foreign funds flowing heavily into the sector. There was a rush to build land banks. With the availability of land being limited, the excessive demand pushed land prices very high.

It is in such times that the foundation of a company matters.

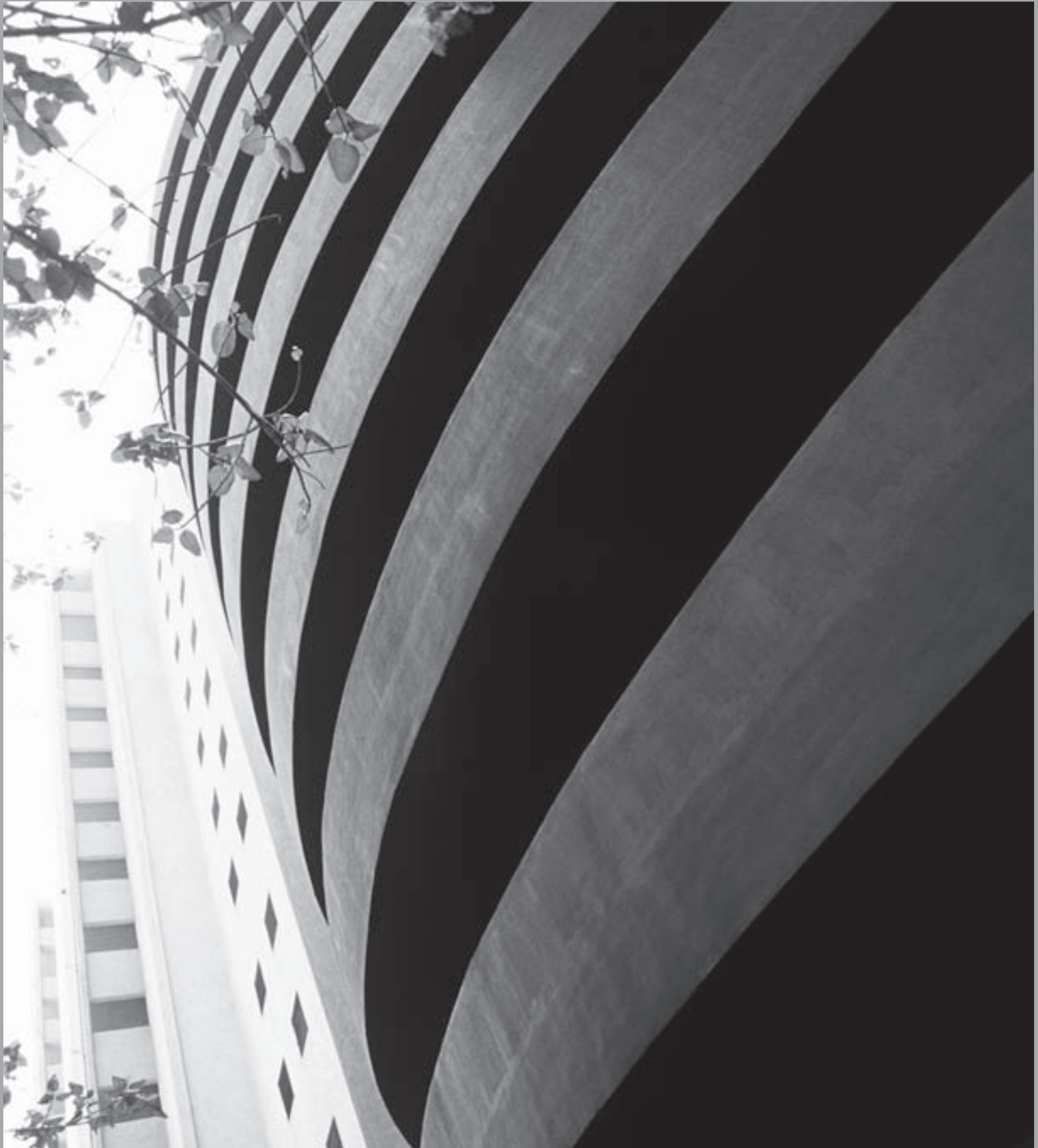
At Peninsula Land we have built a foundation of buying an executable land bank. The Company believes in buying land only for development in the near term i.e. 3 to 5 years. That helps us focus not only on acquiring land but also creating value through delivery and execution. And when we buy, we buy judiciously. We invest in what we think will create value. We adhere to clearly defined parameters and exercise thorough due diligence while evaluating deals to acquire land. As a result we have consistently invested in suitable locations that exhibit a high growth potential. This also ensures ample interest in our project in the initial stages enabling us to pre-sell part of the projects.

As the real estate market experienced a steep correction, land prices have rationalized and today look attractive and affordable. This represents an exciting opportunity for us. Between 2006 and 2008, Peninsula Land acquired 450 acres of land in 6 cities. With land prices in prime areas now becoming relatively affordable we are focusing on acquiring land primarily in Tier I cities and central locations. We are revisiting our focus to cities like Mumbai and Pune.

We are well poised to maximize on this attractive opportunity. Expect strong growth hereon.

BUSINESS STRATEGY

A N N U A L R E P O R T 2 0 0 8 - 0 9





Pre-sell

Over the years Peninsula Land has established itself as one of India's premier real estate developers with strong brands across residential, commercial and retail segments. Our reputation and goodwill are built on our values of quality, commitment and trust.

This combined with our top-class quality of construction, the superior amenities we offer in our projects and our focus on timely execution enables us to pre-sell. Our customers have confidence that the Company will deliver on its commitments and are therefore willing to invest at the commencement of projects.

We follow the strategy to pre-sell our projects and this enables us to de-risk our business. This has cash flow implications as money is received based on milestone achievement of construction. This enhances the Return on Investment (ROI).

Of the 3.8 million square feet currently under execution, this is what we have already pre-sold:

- Ashok Towers: Approximately 1.07 million square feet of residential at Parel, Mumbai: 95% sold
- Ashok Gardens: 0.8 million square feet of residential at Parel, Mumbai: 95% sold
- Peninsula Business Park: 1.2 million square feet of office space at Lower Parel, Mumbai: 51% sold when it was less than 6% constructed
- Peninsula Techno Park: 0.9 million square feet of commercial at Kurla, Mumbai: 100% sold when only 50% complete

BUSINESS STRATEGY

ANNUAL REPORT 2008-09





Focus on execution

Peninsula Land has always been committed and focused towards timely and within cost execution of its projects to ensure a higher ROI.

To achieve this, the Company has consistently invested in building a strong management team, hiring and retaining the best talent and working with highly competent vendors and contractors. The Company is also known to use the most relevant construction technology in its projects and has invested in a strong technology platform to achieve operational efficiencies and ensure seamless execution of its projects. Over the last three years the Company has cleared up its balance sheet of the excess debt and that has ensured that the Company can raise adequate funds for its projects when required.

In 2008-09, a year which was difficult for the industry, the Company has been on schedule for all its projects, with one project completed during the year and two more nearing completion. During the year, we executed 1.2 million square feet of residential and commercial real estate in the heart of south Mumbai, one of the most prime and valuable real estate areas in the world. In the next two years we are expected to execute around 4.2 million square feet.

As we complete execution in the next two years, the foundation is set for us to build a profitable land bank as prices across segments have rationalized.

We are ready.

BUSINESS STRATEGY

ANNUAL REPORT 2008-09





Getting more efficient

The real estate sector witnessed an influx of massive liquidity, which increased land prices in a short time. In an even lesser time, the global liquidity crisis caused the liquidity to dry up resulting in capital availability becoming a luxury. To add to this was the spiraling cost of construction as every commodity went through massive inflation.

Peninsula Land used this downtrend to become more efficient. The Company used innovation in operations rather than mindless cost cutting to achieve this objective. Some examples are:

- Efficiency in project cost through value engineering innovations
- Peninsula Land used the latest technology to simplify the process of construction giving a better product, enhanced quality and expediting the final handover of flats
- Timing the markets and taking advantage of best pricing to reduce material acquisition costs
- Using better vendor selection criteria and extensive rate analysis as per the market conditions and renegotiating existing contracts to reduce cost

The measures used are permanent in nature, making the Company more efficient and stronger.

As we move forward we expect to deliver more for less.

BUSINESS STRATEGY

ANNUAL REPORT 2008-09





Strong balance sheet

Real estate is a capital-intensive business. The availability and demand for capital creates opportunities in our business.

In line with this, Peninsula Land has over the last few years focused on creating a strong balance sheet and a business model that is built on the foundation of cash flow.

This is the financial health of Peninsula Land:

1. Total debt equity ratio of the Company reduced from 5.65 three years ago to around 0.3 in 2008-09
2. Total cash and cash equivalents on the balance sheet of around Rs.177 crores
3. 4.2 million square feet of executable real estate coming up for completion in the next two years, ensuring robust growth

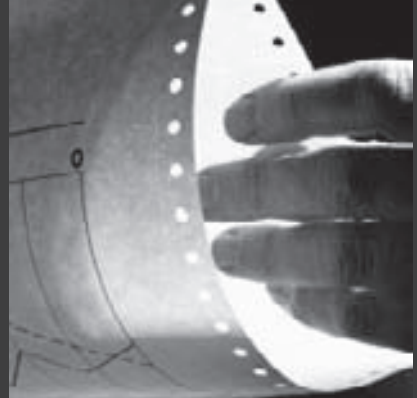
We created a business model that is based on buying executable land bank, pre-selling and focus on execution and efficiency.

As we look ahead we see opportunities. As we look within we see a strong balance sheet with low leverage, high cash, higher expected cash flow and an even higher ability to raise capital. As markets improve, companies like us that have executed projects, have strong brands and have demonstrated a prudent business model will find favour again.

We are stronger.

We are growing.





BUSINESS OVERVIEW & HIGHLIGHTS

WHAT YOU MUST KNOW ABOUT PENINSULA LAND LIMITED

3 Strong Brands

Ashok (residential)
Peninsula (commercial)
Crossroads (retail)

**Real Estate
Company**

Our Reach
Mumbai, Pune,
Hyderabad, Nashik, Goa

31.23 million sq. ft.
in pipeline in various
stages of development

Our Vision
To create international
landmarks
through innovation
and
best practices thereby
enhancing value for
our customers.

2.24 million sq. ft.
Developed and sold





MILESTONES

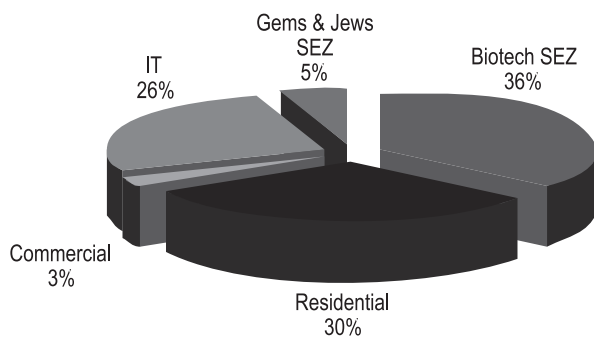
- 1997 Foray into Real Estate development business
- 1999 Develops “Crossroads”, the first world-class retail mall in India
- 2001 Becomes the first corporate to receive permission to commercially develop private textile mill land in Mumbai
- 2003 Develops Peninsula Corporate Park, the first integrated commercial complex in Central Mumbai
- 2004 Develops CR2, the first multi-storey car park and retail mall project in Mumbai
 - Signs a joint development agreement with Swan Mills for development of Ashok Gardens and Peninsula Technopark
 - Commences work on the Ashok Towers project
- 2005 Develops a low income housing project at Kanjur Marg, Mumbai
- 2006 Acquires land to develop product specific SEZs in Goa
 - Merges with the Dawn Mills Company Limited
 - Raises USD 38 million through the QIP route
- 2007 Acquires land in Pune, Nasik and Hyderabad
 - Raises USD 125 million through the QIP route
- 2008 Rs. 12 billion pre-sale of IT park which is being developed. This is the largest commercial property deal in India
 - Acquires land in Betim, Goa for residential project

PROJECT STATUS

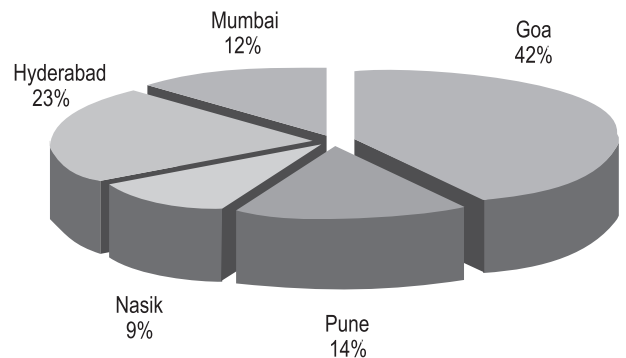
Name of project	Location	Asset Class	Land Identification	Land Purchased	Project Concept & Design	Project Execution	Project Completion
Ashok Towers	Mumbai	Residential	██████████	██████████	██████████	██████████	██████████
Ashok Gardens	Mumbai	Residential	██████████	██████████	██████████	██████████	██████████
Peninsula Technopark	Mumbai	IT Park	██████████	██████████	██████████	██████████	██████████
Peninsula Business Park	Mumbai	Commercial	██████████	██████████	██████████	██████████	██████████
Centre Point	Mumbai	Commercial	██████████	██████████	██████████	██████████	██████████
Goa SEZ Biotech Park (Verna)	Goa	Biotech Park	██████████	██████████	██████████	██████████	██████████
Goa SEZ Gems & Jewellery Park (Verna)	Goa	Gems & Jewellery Park	██████████	██████████	██████████	██████████	██████████
Goa SEZ Biotech Park (Sancoale)	Goa	Biotech Park	██████████	██████████	██████████	██████████	██████████
Goa Betim Residential	Goa	Residential	██████████	██████████	██████████	██████████	██████████
Ashok City	Pune	Residential	██████████	██████████	██████████	██████████	██████████
Nasik Residential	Nasik	Residential	██████████	██████████	██████████	██████████	██████████
Nasik Group Housing	Nasik	Group Housing	██████████	██████████	██████████	██████████	██████████
Hyderabad IT Park	Hyderabad	IT Park	██████████	██████████	██████████	██████████	██████████

PROJECTS IN PIPELINE

Asset Class Distribution



Geographical Distribution





CORPORATE INFORMATION



Corporate Information

Board of Directors

Ms. Urvi A. Piramal
(Executive Chairperson)

Mr. Rajeev A. Piramal
(Executive Vice Chairman)

Mr. Mahesh S. Gupta
(Group Managing Director)

Mr. Rajesh Jaggi
(Managing Director)

Mr. Amitabha Ghosh
Ms. Bhavna Doshi
Mr. C. M. Hattangdi
Mr. D. M. Popat
Lt. Gen. Deepak Summanwar
Mr. Jaydev Mody
Mr. Sudhinder Khanna

Group CFO
Mr. V. Hariharan

CFO
Mr. Bharat Sanghavi

Company Secretary
Mr. K. Nath

Auditors :
M/s. Haribhakti & Co.
Chartered Accountants

Bankers :
Allahabad Bank
HDFC Bank Limited
ICICI Bank Limited
Yes Bank Limited

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



CR2
nariman point



NOTICE

NOTICE

A N N U A L R E P O R T 2 0 0 8 - 0 9

Notice is hereby given that the 137th 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 Monday, the 10th day of August, 2009 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, 2009 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on preference and equity shares of the Company.
3. To appoint a Director in place of Mr. D. M. Papat, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Jaydev Mody, who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Mr. Amitabha Ghosh, who retires by rotation and is eligible for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business :

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

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to the provisions of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, as amended and in force (the "**SEBI Guidelines**") (including without limitation, the provisions of Chapter XIII-A thereof) and subject to all other applicable rules, regulations, guidelines, notifications and circulars of the Securities and Exchange Board of India ("**SEBI**"), the applicable provisions of Foreign Exchange Management Act, 1999 ("**FEMA**"), rules, regulations, guidelines, notifications and circulars issued under FEMA including but not limited to Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to such approvals, consents, permissions and / or sanctions of the Government of India ("**GOI**"), Reserve Bank of India ("**RBI**"), Foreign Investment Promotion Board ("**FIPB**"), Registrar of Companies ("**ROC**"), SEBI, the Stock Exchanges, the Department of Industrial Policy and Promotion, Ministry of Commerce and all other appropriate and/or concerned authorities as may be required, within or outside India, and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and / or sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred by this resolution), the Board be and is hereby authorised at its absolute discretion to create, offer, issue and allot (including with provisions for reservation on firm and / or competitive basis, of such part of issue and for such categories of persons as may be permitted), in the course of one or more domestic / follow on / international offerings with or without Green Shoe Option, including by way of a Qualified Institutional Placement ("**QIP**") under the provisions of Chapter XIII-A of the SEBI Guidelines, whether or not they are members of the Company, including but not limited to Domestic / Foreign Investors / Institutional Investors / Foreign Institutional Investors / Qualified Institutional Buyers ("**QIBs**") as defined under the provisions of Chapter XIII-A of the SEBI Guidelines, Members, Employees, Non-Resident Indians, Companies or Bodies Corporate whether incorporated in India or abroad, Trusts, Mutual Funds, Banks, Financial Institutions, Insurance Companies, Pension Funds, Individuals, otherwise, whether by way of a public offering or by way of a private placement or whether by way of circulation of an offering circular or placement document or otherwise, securities including equity shares and / or instruments or securities convertible into equity shares of the Company such as Global Depository Receipts ("**GDRs**"), and / or American Depository Receipts ("**ADRs**") and / or convertible preference shares and / or convertible debentures or bonds (compulsorily and / or optionally, fully



and / or partly), and / or non-convertible debentures with warrants and / or securities with or without detachable / non-detachable warrants and / or warrants with a right exercisable by the warrant holder to subscribe for equity shares, or by any one or more or a combination of the above model / methods or otherwise (hereinafter referred to as “Securities”), secured or unsecured, listed on any of the Stock Exchanges within India or any International Stock Exchange outside India, as the Board may at any time or times hereafter decide, upto an extent of **Rs. 750 crores** (Rupees Seven Hundred and Fifty Crores only) or **issue of 6 crores equity shares of Rs.2/- each** and inclusive of such premium from time to time, such issue and allotment to be made at such time or times denominated in one or more currencies, at such price or prices in such manner and on such terms and conditions as the Board may, in its absolute discretion may at any time or times hereafter decide;

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint or modify the terms of appointment or terminate the appointment and enter into and execute all such arrangements / agreements / contracts, with any Lead Manager(s) / Underwriter(s) / Global Coordinator(s) / Book Runner(s) / Merchant Banker(s) / Stabilising Agent(s) / Guarantor(s) / Depository(ies) / Listing Agent(s) / Trustees / Legal Counsel / Custodian(s) / Process Agent(s) / Advisor(s) / Registrar(s) / Bankers and all such agencies or entities, within and outside India, as may be involved or concerned in such issue / offering of the Securities and to remunerate all such agencies and entities as may be involved in cash or otherwise including by way of payment of commission, brokerage, fees, expenses incurred in relation to the issue/offering of Securities and other expenses, if any or the like, subject to applicable laws and regulations;

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board, in consultation with the Lead Managers, Underwriters, Advisors, Merchant Bankers and/or other persons as appointed by the Company wherever deemed necessary by the Board, be and is hereby authorised to determine the form, terms and timing of the issue(s)/offering(s), including the class of investor(s) to whom the Securities are to be issued / allotted in aggregate and the number of securities to be issued in each tranche (subject to the overall specified limit), the issue price, face value, number of equity shares or other Securities upon conversion or redemption or cancellation of the Securities, the premium or discount on issue / conversion / redemption of Securities, rate of interest, if any, period of conversion or redemption, listing on one or more Stock Exchanges in India and / or abroad and fixing of record date or book closure (if required) and related or incidental matters, as the Board in its absolute discretion may deem fit and accept any modifications / variations in the terms of issues as may be required by the authorities in such issues in India and / or abroad;

RESOLVED FURTHER THAT in case of allotment of Securities by way of QIP as per the provisions of Chapter XIII-A of the SEBI Guidelines :

- (i) the relevant date on the basis on which the price of the resultant shares shall be determined as specified under the applicable law, shall be the date of the meeting in which the Board decides to open the proposed issue of Securities;
- (ii) the allotment of Securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by the SEBI Guidelines from time to time;
- (iii) the Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized Stock Exchange, or except as may be permitted from time to time by the SEBI Guidelines; and
- (iv) the total amount raised in such manner should not, together with the over-allotment option exceed five times the net worth of the Company as per the audited balance sheet of the previous financial year;

RESOLVED FURTHER THAT in the event of issue of Securities by way of GDRs and / or ADRs, the relevant date on the basis of which price of the resultant shares shall be determined as specified under applicable law, shall be the date of the meeting in which the Board decides to open the proposed issue of Securities;

RESOLVED FURTHER THAT such of these Securities as are not subscribed may be disposed off by the Board in its absolute discretion in such a manner, as the Board may deem fit and as permissible by law;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and matters flowing from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board be and is hereby authorised on behalf of the Company to take all actions and to resolve and settle all questions and difficulties that may arise in the proposed issue / offer, allotment and conversion of any of the aforesaid Securities, utilization of the issue proceeds and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, without being required to seek any further consent or approval of the shareholders or otherwise to the end intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution on it, to any Committee of Directors or any Executive Director or Directors or any other officer or officers of the Company to give effect to the aforesaid resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) the consent of the Company be and is hereby granted for increase in the Authorised Share Capital of the Company from Rs. 65,00,00,000/- (Rupees Sixty Five Crores only) divided into 32,49,95,000 (Thirty Two Crores Forty Nine Lacs Ninety Five Thousand) Equity Shares of Rs. 2/- (Rupees Two) each aggregating to Rs. 64,99,90,000/- (Rupees Sixty Four Crores Ninety Nine Lacs Ninety Thousand only) and 1,000 (One Thousand) - 5% Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 10,000/- (Rupees Ten Thousand only) to Rs. 75,00,00,000/- (Rupees Seventy Five Crores only) divided into 37,49,95,000 (Thirty Seven Crores Forty Nine Lacs Ninety Five Thousand) Equity Shares of Rs. 2/- (Rupees Two) each aggregating to Rs. 74,99,90,000/- (Rupees Seventy Four Crores Ninety Nine Lacs Ninety Thousand only) and 1,000 (One Thousand) - 5% Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 10,000/- (Rupees Ten Thousand only);

RESOLVED FURTHER THAT the existing Clause V (being capital clause) of the Memorandum of Association of the Company shall be substituted by the following new Clause "V"

Clause "V"

The Share Capital of the Company is Rs. 75,00,00,000/- (Rupees Seventy Five Crores only) divided into 37,49,95,000 (Thirty Seven Crores Forty Nine Lacs Ninety Five Thousand) Equity Shares of Rs. 2/- (Rupees Two) each aggregating to Rs. 74,99,90,000/- (Rupees Seventy Four Crores Ninety Nine Lacs Ninety Thousand only) and 1,000 (One Thousand) - 5% Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 10,000/- (Rupees Ten Thousand only) and the Share Capital shall be capable of being increased and reduced in accordance with the Company's Regulations and Legislative provisions for the time being in force in that behalf, with power to divide the shares in the Capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions".

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 applicable provisions of the Foreign Exchange Management Act, 1999 (which along with the regulations framed thereunder be referred to as "FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, Companies Act, 1956 and all other applicable rules, regulations, guidelines and laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred by this resolution), the consent of the Company be and is hereby accorded for



investments by Foreign Institutional Investors including their sub-accounts (“**the FIIs**”) registered with the Securities and Exchange Board of India (“**SEBI**”) in the equity shares or any other securities convertible into equity shares of the Company, by purchase or acquisition from the market under the Portfolio Investment Scheme under FEMA, subject to the condition that the **total holding of all FIIs** put together shall not exceed **40 (forty) percent** of the paid up equity share capital of the Company as may be applicable, provided, however, that the equity **shareholding of each FII** on his own account and on behalf of each of the SEBI approved sub-account in the Company shall not exceed **10 (ten) percent** of the paid up equity share capital of the Company as may be applicable;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body and for matters connected therewith or incidental thereto including delegating all or any of the powers conferred herein to any Committee of Directors or any Executive Director or Directors or any other Officer(s) of the Company.”

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 is annexed herewith.
3. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Monday, 3rd August, 2009 to Monday, 10th August, 2009 (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 10th August, 2009 to those members whose name appear on the Company’s Register of Members on 10th August, 2009 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 10th August, 2009. After dispatch of dividend warrants, any request for change in the bank account will not be entertained by the Company or its Share Transfer Agent.
5. Section 109A of the Companies Act, 1956 permits nomination by shareholders of the Company in prescribed Form No. 2B. Shareholders are requested to avail this facility. The duly filled in and signed Form No. 2B should be sent to the Share Transfer Agent of the Company at their Nashik address.
6. In order to render better and efficient services, we request you to consolidate the multiple folios which are in the same names and in identical order. Consolidation of folios does not amount to transfer of shares and therefore no stamp duty or other expenses are payable by you. In case you decide to consolidate your folios, you are requested to forward your share certificates to the Share Transfer Agent of the Company at their Nashik address.
7. To ensure against misappropriation of dividend warrants to be mailed to you, members holding shares in physical form who have not sent their bank details are requested to provide their bank account number, name and address of the bank branch to the Company’s Share Transfer Agent for incorporating the same on the dividend warrants.
8. Facility of electronic credit of dividend directly to the respective bank account 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 with 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 3rd August, 2009. 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.

NOTICE

A N N U A L R E P O R T 2 0 0 8 - 0 9

9. Members holding shares in physical form are requested to immediately intimate to the Company / Share Transfer Agent, changes, if any, in their registered addresses alongwith the pin code number. Members holding shares in dematerialized mode are requested to forward intimation for change of address, if any, to their respective Depository Participants.
10. In respect of the sub-division of shares, members who have not surrendered the physical share certificate(s) of face value of Rs. 10/- each for exchange of the physical share certificate(s) of Rs. 2/- each are requested to surrender the old share certificate(s) to the Share Transfer Agent. On surrender of the old share certificate(s), the new share certificate(s) 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 shares in dematerialized / electronic form. In view of the numerous advantages offered by the Depository System, members holding shares of the Company in physical form are requested to avail of the facility of dematerialization.
12. Brief resume of the Directors seeking re-appointment and other details as stipulated under Clause 49 of the Listing Agreement, are provided in the Annexure to the Notice.

By Order of the Board

K. Nath
Company Secretary

Registered Office :

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

Mumbai : 24th June, 2009

Explanatory Statement

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

Item No. 7

The Company has embarked upon rapid expansion of its operations. In order to augment its resources to facilitate such expansions, the Company may need to raise funds by issue of Securities which may, subject to applicable laws and regulations, be offered in the course of Domestic / Follow on / International Offerings or Qualified Institutional Placement as prescribed under Chapter XIII-A of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ("SEBI Guidelines"), and / or Depository Receipts under the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 to Domestic / Foreign Investors / Institutional Investors / Foreign Institutional Investors / Qualified Institutional Buyers within the meaning of Chapter XIII-A of the SEBI Guidelines.

In terms of Section 81(1A) of the Companies Act, 1956 and the Listing Agreement entered with the Stock Exchanges, in the case of any proposal to increase the subscribed capital of the Company by a further issue and allotment of shares, the shares should be first offered to the existing shareholders in the manner laid down in the said Section / Listing Agreement unless the shareholders decide otherwise in a general meeting.

The said Special Resolution, if passed, shall have the effect of allowing the Board of Directors on behalf of the Company to create, offer, issue and allot the securities as stated in the resolution, to persons other than the existing shareholders of the Company.



None of the Directors are concerned or interested in the above mentioned resolution.

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

Item No. 8

The Authorised Share Capital of the Company is Rs.65,00,00,000/- (Rupees Sixty Five Crores only) divided into 32,49,95,000 (Thirty Two Crores Forty Nine Lacs Ninety Five Thousand) Equity Shares of Rs. 2/- each aggregating to Rs.64,99,90,000/- (Rupees Sixty Four Crores Ninety Nine Lacs Ninety Thousand only) and 1,000 (One Thousand) - 5% Cumulative Redeemable Preference Shares of Rs. 10/- each aggregating to Rs. 10,000/- (Rupees Ten Thousand only) and is proposed to be increased to Rs.75,00,00,000/- (Rupees Seventy Five Crores only) divided into 37,49,95,000 (Thirty Seven Crores Forty Nine Lacs Ninety Five Thousand) Equity Shares of Rs. 2/- each aggregating to Rs. 74,99,90,000/- (Rupees Seventy Four Crores Ninety Nine Lacs Ninety Thousand only) and 1,000 (One Thousand) - 5% Cumulative Redeemable Preference Shares of Rs. 10/- each aggregating to Rs. 10,000/- (Rupees Ten Thousand only). The proposed increase in Authorised Share Capital of the Company is to accommodate the issue of further shares.

None of the Directors are concerned or interested in the above mentioned resolution except to the extent of their shareholding in the Company.

The Board recommends the Ordinary Resolution as set out under Item No. 8 in the accompanying Notice for approval of the shareholders.

Item No. 9

In terms of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, the Foreign Institutional Investors (FIIs) / SEBI approved sub-account of FIIs can, in aggregate hold upto 24% of the paid up equity share capital of the Company. The said Regulations further provide that the limit of 24% may be increased upto the sectoral cap / statutory ceiling, as applicable, by the Indian Company concerned by passing a resolution by its Board of Directors followed by passing of a Special Resolution to that effect by its shareholders at a general meeting.

With a view to improve the free float available for FIIs, the Board of Directors have approved the proposal to increase the limit of FIIs holding from 24% to 40%, subject to the approval of the shareholders.

None of the Directors are concerned or interested in the above mentioned resolution.

The Board recommends the Special Resolution as set out under Item No. 9 in the accompanying Notice for approval of the shareholders.

By Order of the Board

K. Nath
Company Secretary

Registered Office :

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

Mumbai : 24th June, 2009

Additional information on Directors recommended for re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)**Mr. D. M. Popat****Date of Birth**18th December, 1933**Date of Appointment**11th September, 1970**Qualification**

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

Profile and Expertise

Since 1969, Mr. D. M. Popat is a Partner of M/s. Mulla & Mulla & Craigie Blunt & Caroe, Solicitors and Advocates Firm and currently, he is 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 a Committee Member and former Vice President of Bombay incorporated Law Society. He was on the Senate of University of Bombay and a member of its Board of Studies in Law. He has been for several years, and continues to be a member of the Managing Committee of Indian Merchants' Chamber ("IMC") and of the Executive Committee of ICC-India. He was, for several years, Chairman of IMC's Committee on Law : Review, Reforms & Rationalisation. He has been, for several years and continues to be Chairman of the IMC's Court of Arbitration and Conciliation Committee. He has expertise in Corporate Laws, Real Estate, Arbitration and Foreign Collaboration matters.

Shareholding in the Company

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

Directorship and committee memberships (excluding Peninsula Land Limited)**Directorships**

Continental Air Services Private Limited

Hindustan Construction Company Limited

The Hindoostan Spinning & Weaving Mills Company Limited

The Ruby Mills Limited

Chairman of Board Committees

None

Member of Board Committees

None

**Mr. Jaydev Mody****Date of Birth**9th June, 1955**Date of Appointment**23rd January, 2002**Qualification**

Mr. Jaydev Mody is a Graduate in Arts from the University of Bombay.

Profile and Expertise

Mr. Mody is a well known businessman. He has more than 20 years of experience in the field of real estate development and has been instrumental in building and developing Crossroads, one of the first shopping malls of international standards in India. He has been instrumental in development of several large residential complexes, office complexes and retail destinations in and around Mumbai.

Shareholding in the Company

Mr. Jaydev Mody holds 27,280 equity shares of the Company.

Directorship and committee memberships (excluding Peninsula Land Limited)**Directorships**

AAA Real Land Developers Private Limited
 AAA Township Private Limited
 Aarti Management Consultancy Private Limited
 Aditi Management Consultancy Private Limited
 Aero Ports & Infrastructure Projects Private Limited
 Alibagh Farming and Agriculturist Company Private Limited
 Anjoss Trading Private Limited
 Arrow Textiles Limited
 Ashok Piramal Management Corporation Limited
 Bayside Properties Private Limited
 Bayside Property Developers Private Limited
 Bayside Realty Private Limited
 Blackpool Realty Private Limited
 Clover Realty and Infrastructure Private Limited
 Cromwell Tools (India) Private Limited
 Crossroads Shoppertainment Private Limited
 Delta Corp Limited (formerly known as Arrow Webtex Limited)
 Delta Magnets Limited (formerly known as G. P. Electronics Limited)
 Delta Real Estate Consultancy Private Limited
 Freedom Aviation Private Limited
 Freedom Registry Limited (formerly known as Amtrac Management Services Limited)
 Highland Resorts Private Limited
 Highpoint Agro Star Private Limited
 Intertrade Mercantile Company Private Limited
 J M Livestock Private Limited

J M Property Management Private Limited
 J M Real Estates Private Limited
 Jayem Realty Solutions Private Limited
 L and T – Crossroads Private Limited
 Newplaza Multitrade Private Limited
 Outreach Mercantile Company Private Limited
 Pavurotti Finance and Investment Private Limited
 Peninsula Investment Management Company Limited
 Peninsula Mega-City Development Private Limited
 Peninsula Pharma Research Centre Private Limited
 Peninsula Project Management Private Limited
 Peninsula SA Realty Private Limited
 Peninsula Townships Development Private Limited
 Piramyd Retail and Merchandising Private Limited
 PLL Delta Hotels Private Limited
 Providence Educational Academy Private Limited
 Richtime Realty Private Limited
 Riteline Exports Private Limited
 Seastar Trading Company Private Limited
 Topzone Mercantile Company Private Limited
 West Star Agro–Realties Private Limited
Chairman of Board Committees
 Delta Magnets Limited - Shareholders' / Investors' Grievance Committee
 Delta Corp Limited - Shareholders' / Investors' Grievance Committee
 Arrow Textiles Limited - Shareholders' / Investors' Grievance Committee
Member of Board Committees
 Delta Magnets Limited - Audit Committee

**Mr. Amitabha Ghosh****Date of Birth**30th August, 1930**Date of Appointment**1st November, 2003**Qualification**

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

Profile and Expertise

Mr. Ghosh has expertise in Finance, Banking and Administration extending over a period of six decades by virtue of his associations with important institutions and committees. He has held senior positions like Chairman and Managing Director of Allahabad Bank, Dy. Governor of Reserve Bank of India, Governor of Reserve Bank of India, Chairman of Reserve Bank of India Services Board. He was on the Board of important institutions like Reserve Bank of India, Industrial Development Bank of India, National Institute of Banking Management, EXIM Bank and also served as Chairman of Deposit Insurance Corporation. He headed and was also a member of important committees set up by Government of India and Reserve Bank of India in the area of Finance, Banking and Exchange Control Operations, etc. He had the distinction of participating as a panelist as well as addressing several important programmes organized by international bodies like IMF, SEANZA, UNCTAD, etc.

Shareholding in the Company

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

Directorship and committee memberships (excluding Peninsula Land Limited)**Directorships**

Centenary Leasing Company Private Limited
 Joonktollee Tea & Industries Limited
 Kesoram Industries Limited
 Mysore Cements Limited
 Orient Paper & Industries Limited
 Palit Consultancy Private Limited
 Sahara Hospitality Limited
 Sahara India Life Insurance Company Limited
 Sahara Infrastructure & Housing Limited
 Sahara Prime City Limited
 Shree Cement Limited
 Shreyas Relay System Limited
 Shreyas Shipping & Logistics Limited
 Xpro India Limited
 Zenith Fibers Limited

Chairman of Board Committees

Mysore Cements Limited - Audit Committee
 Orient Paper & Industries Limited - Audit Committee
 Sahara Prime City Limited - Audit Committee
 Shreyas Shipping & Logistics Limited - Audit Committee

Member of Board Committees

Joonktolle Tea & Industries Limited - Audit Committee
 Kesoram Industries Limited - Audit Committee
 Mysore Cements Limited - Share Transfer & Shareholders' / Investors' Grievances Committee
 Sahara India Life Insurance Company Limited - Audit Committee



DIRECTORS' REPORT

DIRECTORS' REPORT

ANNUAL REPORT 2008 - 09

Dear Shareholders

1. The Directors have pleasure in presenting their 137th Annual Report and the Audited Accounts for the year ended 31st March, 2009 together with the Auditor's Report thereon.

2. Financial Results

Rs. in Lakhs

Particulars	For the year ended 31 st March, 2009	For the year ended 31 st March, 2008
Total Income	59,595.36	36,337.32
Profit before Extraordinary & Prior Period Items	19,751.49	16,505.64
Extraordinary & Prior Period Items	1,600.77	1,711.00
Profit before Tax	18,150.72	14,794.65
Less : Tax	3,198.89	1,815.74
Profit after Tax	14,951.83	12,978.90
Profit Brought Forward from Previous Year	13,656.94	19,513.42
Adjustment of loss & transaction with Dawn Mills	-	(11,299.67)
Net Profit available for appropriation	28,608.77	21,192.64
Appropriation :		
Transfer to General Reserve	1,496.00	1,300.00
Transfer to Debenture Redemption Reserve	2,492.00	3,447.00
Proposed Dividend on Preference Shares	0.01	0.01
Proposed Dividend on Equity Shares	2,512.81	2,233.61
Distribution Tax Thereon	427.05	379.60
Dividend to Shareholders of Dawn Mills	-	150.00
Distribution Tax Thereon	-	25.49
Profit carried to the Balance Sheet	21,680.90	13,656.94

3. Dividend

Preference Shares

The Board of Directors have recommended dividend of Re. 0.50 per Preference Share of Rs. 10/- each for the year ended 31st March, 2009.

Equity Shares

The Board of Directors have recommended dividend of Re. 0.90 per Equity Share of Rs. 2/- each for the year ended 31st March, 2009.

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. 2,939.86 lakhs.

4. Operations of the Company

During the year, the Company had earned revenue of Rs. 59,595 lakhs for the year as compared to Rs. 36,337 lakhs for the previous year ended 31st March, 2008.

Profit after tax was Rs. 14,952 lakhs as against Rs.12,979 lakhs in the previous year.

5. 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.



6. Corporate Governance

As required by Clause 49 of the Listing Agreement, a Report on Corporate Governance is appended together with 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, SEBI Regulations and the applicable regulations under the Listing Agreement entered with the Stock Exchanges. A copy of the said certificate is appended to this Report.

7. Directorate

During the year, Mr. H. M. Kothari ceased to be the Director of the Company with effect from 30th January, 2009. The Board wishes to place on record its sincere appreciation and gratitude for the invaluable contribution made by him during his tenure with the Company.

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

8. Auditors

The Auditors, M/s. Haribhakti & Co., retire at this Annual General Meeting and are eligible for re-appointment. The Board recommends their re-appointment as Auditors to audit the accounts of the Company for the financial year 2009-2010.

9. 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.

10. 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 Subsidiary Companies, 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 and the related detailed information 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")

Renato is a registered Non Banking Financial Company with Reserve Bank of India. During the year ended 31st March, 2009, Renato's total revenue from the financial and investment activities was Rs.74.70 lakhs as against the previous year's revenue of Rs.86.47 lakhs. The profit after tax for the current year was Rs.3.25 lakhs as against Rs.2.26 lakhs for the previous year ended 31st March, 2008.

Planetview Mercantile Company Private Limited ("Planetview")

Planetview is in the business of Real Estate Development. During the year ended 31st March, 2009, Planetview had not generated any income and the project expenses were transferred to work in progress. Planetview had incurred a loss of Rs.2.50 lakhs during the previous year.

Peninsula Trustee Limited ("PTL")

PTL is in the business of managing various Real Estate Funds. During the year ended 31st March, 2009, PTL had earned a total revenue of Rs.4.53 lakhs and profit of Rs.3.51 lakhs. The corresponding figures of total revenue and loss for the previous year was Rs.0.72 lakhs and Rs.2.45 lakhs respectively.

Peninsula Mega Properties Private Limited ("PMPPL")

During the year ended 31st March, 2009, PMPPL had incurred a loss of Rs.0.18 lakhs. The corresponding figure of loss for the previous year was Rs.0.11 lakhs.

Peninsula Pharma Research Centre Private Limited ("PPRCPL")

PPRCPL is in the business of Real Estate Development. During the year ended 31st March, 2009, PPRCPL earned total revenue of Rs.1.25 lakhs which was adjusted against the project expenses. The balance amount of expenses was transferred to work in progress. The corresponding figures of total revenue and loss for the previous year was Rs.NIL, as the project expenses were transferred to work in progress.

Peninsula Investment Management Company Limited ("PIMCL")

PIMCL is mainly rendering investment advisory services. During the year ended 31st March, 2009, PIMCL earned total revenue of Rs. 421.89 lakhs and profit of Rs.37.60 lakhs. The corresponding figures of total revenue and loss for the previous year was Rs.128.72 lakhs and Rs.130.90 lakhs respectively.

Peninsula Facility Management Services Private Limited ("PFMS")

PFMS is mainly rendering maintenance and housekeeping services to various properties. During the year ended 31st March, 2009, PFMS earned total revenue of Rs. 1,930.51 lakhs and incurred loss of Rs.262.65 lakhs. The corresponding figures of total revenue and loss for the previous year was Rs.767.66 lakhs and Rs.134.88 lakhs respectively.

Inox Mercantile Company Private Limited ("Inox")

Inox is in the business of Real Estate Development. During the year ended 31st March, 2009, Inox had not generated any income and the project expenses were transferred to work in progress. Inox had incurred a loss of Rs.2.50 lakhs during the previous year.

City Parks Private Limited ("City Parks")

City Parks is in the business of Real Estate Development in Pune. During the year ended 31st March, 2009, City Parks had earned a total revenue of Rs.0.05 lakhs and incurred a loss of Rs.10.48 lakhs. The corresponding figures of total revenue and profit after tax for the previous year was Rs.346.26 lakhs and Rs.189.83 lakhs respectively.

Champs Elysee Enterprises Private Limited ("Champs Elysee")

During the year ended 31st March, 2009, Champs Elysee had incurred a loss of Rs. 0.37 lakhs as against Rs. 7.35 lakhs during the previous year.

Peninsula Mega Township Developers Private Limited ("PMTDPL")

PMTDPL is undertaking the Real Estate Development project in Nashik. During the year ended 31st March, 2009, PMTDPL had incurred loss of Rs.0.73 lakhs as against Rs.0.83 lakhs during the previous period.

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

RR Mega Property is undertaking the Real Estate Development project in Hyderabad. During the year under review, the Company had not generated any income and the project expenses were transferred to work in progress.

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

During the year ended 31st March, 2009, the Scheme of Arrangement of Demerger of Leasing Division of Watco Engineering Company Private Limited (Watco) into RR Real Estate, was approved by Hon'ble High Court at Bombay. The appointed date of demerger was 1st April, 2007. With effect from the appointed date, all the assets and liabilities of the Leasing Business of Watco were recorded in the books of RR Real Estate at their book value. As a consideration towards the demerger, the shareholders of Watco were allotted 65,000, 1% Non Cumulative Redeemable Preference Shares of Rs.10/- each of RR Real Estate. The difference between the preference shares allotted and the value of net assets of Leasing Business of Watco was debited to Goodwill Account. During the year ended 31st March, 2009, RR Real Estate earned total revenue of Rs. 197.40 lakhs and incurred profit after tax of Rs.4.29 lakhs. The corresponding figures of total revenue and loss for the previous year was Rs. NIL and Rs. 0.06 lakhs respectively.

Boom Realty Private Limited ("Boom")

Boom has been incorporated on 29th February, 2008 and become subsidiary of the Company on 3rd July, 2008. During the year ended 31st March, 2009, Boom had incurred a loss of Rs.0.03 lakhs as against the loss of Rs.0.02 lakhs for the previous period.

**Takenow Property Developers Private Limited ("Takenow")**

Takenow has been incorporated on 29th February, 2008 and become subsidiary of the Company on 29th April, 2008. During the year ended 31st March, 2009, Takenow had incurred a loss of Rs.0.05 lakhs as against the loss of Rs.0.05 lakhs for the previous period.

11. Fixed Deposits

8 Fixed Deposits amounting to Rs. 0.86 lakhs matured on or before 31st March, 2009 and were unclaimed due to lack of instructions from depositors.

12. Directors' Responsibility Statement

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

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- ii) your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and its profit for the year ended on that date;
- iii) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) your Directors have prepared the Annual Accounts for the year ended 31st March, 2009 on a going concern basis.

13. Employee Stock Option Scheme

During the year under review, the Company had granted 7,70,000 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.

14. Group for Inter se Transfer of Shares

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

15. 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.

16. Foreign Exchange earning and outgo

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

17. 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 : 24th June, 2009

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, 2009.

	Grant 3 rd October, 2006	Grant 25 th October, 2007	Grant 6 th June, 2008
Options granted	11,25,000	1,17,500	7,70,000
The pricing formula	The options were granted at a consideration of Rs. 70/- per option.		
Options vested	2,09,564	2,500	NIL
Options exercised and the total number of shares arising as a result of exercise of options	NIL	NIL	NIL
Options Lapsed	7,11,650	1,07,500	NIL
Variation of terms of options	NIL	NIL	NIL
Money realized by exercise of options	NIL	NIL	NIL
Total number of options in force	4,13,350	10,000	7,70,000
Employee wise 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 the options granted during the period 2006-2007 i. Mr. Rajesh Jaggi - Managing Director ii. Mr. Giridhar Rajagopalan - Vice President - Projects iii. 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 year 2007-2008.	Only Mr. Rajesh Jaggi, Managing Director has received a grant amounting to 5% or more of options granted during the year 2008-2009.
(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	NIL	NIL	NIL



<p>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"</p>	<p>Rs. 5.36</p>		
<p>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.</p>	<p>Had the Company followed fair value method for accounting the cost of stock options, the employee compensation expense for the year would have been higher by Rs. 101.00 lacs. Consequently, profit after tax would have been lower by Rs.101.00 lacs and the basic EPS would have been Rs.5.32 per share and diluted EPS would have been Rs.5.32 per share.</p>		
<p>Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock on the grant date.</p>	<p>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 - Rs. 61.28</p>	<p>Risk free Interest Rate - 7.7% Expected life - 3 years Volatility - 36.20% Dividend Yield - 0.71% Market price of share at the time of grant - Rs. 131.30</p>	<p>Risk free Interest Rate - 7.25% Expected life - 3 years Volatility - 45.26% Dividend Yield - 1.28% Market price of share at the time of grant - Rs. 71.50</p>
<p>Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock on the grant date.</p>	<p>Weighted average exercise price of options is Rs. 70/- Weighted average fair value of options is Rs. 33.08</p>		

ANNEXURE - "B"

GROUP COMPANIES

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

- Ms. Urvi A. Piramal
- Mr. Harshvardhan A. Piramal
- Mr. Rajeev A. Piramal
- Mr. Nandan A. Piramal
- Topstar Mercantile Private Limited
- Omega Multitrade Private Limited
- Supertime Trading Private Limited
- Onestar Mercantile Company Private Limited
- Ashok Piramal Group Real Estate Trust
- Ashok Piramal Group Textiles Trust





MANAGEMENT DISCUSSION & ANALYSIS REPORT

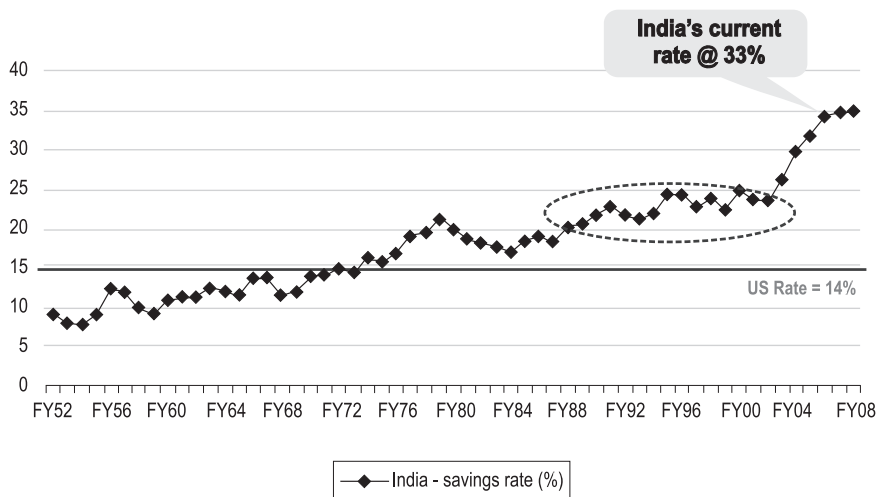
1. Economic overview

The Indian economy has exhibited remarkable resilience to global recessionary forces and according to experts, is expected to pick up faster than the rest of the world (along with China) once a revival begins. The country's GDP is estimated to have grown at 6.7% in 2008-09. This is despite all global projections that had estimated a sub-6% growth for Asia's third largest economy. Given the growth and the rise in the rupee against the dollar, India is once again a trillion dollar economy. Per capita income has crossed Rs. 3000 per month for the first time ever at Rs. 37,490 per annum.

This growth has come in a year which has witnessed an uncertain political environment, stringent banking norms, high borrowing costs, a global slump, slashed exports and moderated domestic demand. FIIs withdrew capital to conserve cash. The rupee depreciated sharply against the dollar. According to government data, inflation dipped to minus 1.3% for the week-ended June 20, 2009, the lowest level in the last three decades, reflecting a decrease in demand.

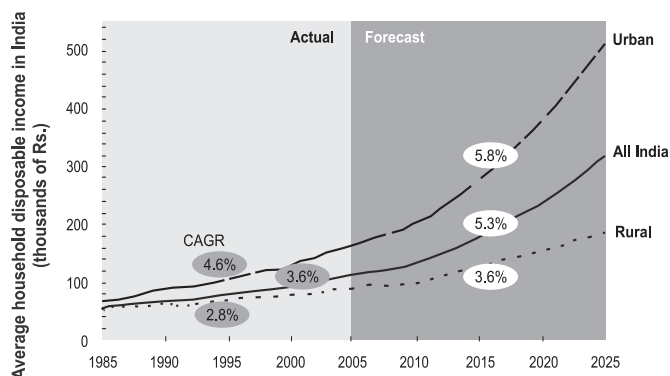
A quarterly survey conducted by the RBI and released in May 2009 projects India's GDP to grow at 7.5% over a 10-year period. This growth is expected to ride on the back of domestic demand rather than overseas business, propelled by the strong fundamentals of the economy. Over 60% of India's billion plus population is below the age of 25, contributing to rising incomes. Approximately 45% of the country's population will be urban by 2050, up from the current 30%, leading to strong demand for housing. These factors coupled with a favourable political environment are likely to boost the economy as well as the real estate sector in the coming years.

High household savings rate



Source: Credit Suisse Analysis

Rising disposable income ensures a healthy domestic market



Source: McKinsey, "The Bird of Gold: The Rise of India's Consumer Market"

2. Industry overview

The global financial crisis and the resultant slowdown in the global economy during the year have halted industrial and business expansion. The subsequent drying up of liquidity has led to an overall slowdown in the real estate sector in India. There was a sales slowdown across all asset classes. Demand in the real estate sector remained grim, primarily due to low consumer confidence. This can be attributed to an uncertain political environment in the country as well as an unfavourable economic scenario. High levels of inflation led to the government increasing interest rates. This led to the drying up of liquidity available for businesses to expand, leading to a slowdown in the commercial real estate demand. The increase in the cost of finance also led to a drop in residential real estate demand.

According to a report released by UBS Investment Research in April 2009, unsold inventory with developers in major residential real estate destinations in India is still high at around 18% of the properties being promised for delivery over the next 12 months. The inventory situation is not limited to the residential space. Recent data from Jones Lang Lasalle REIS on supply and vacancy for office space in Delhi and Mumbai indicates that office vacancy rates are very high. However, analysts and industry experts believe that long term prospects of the real estate sector in India remain promising.

According to ASSOCHAM, the domestic real estate market is estimated to be approximately USD 15 billion, of which FDI contributions are expected to be less than USD 4 billion. The share of FDI in real estate is expected to increase manifold in the coming years with the gradual relaxation of ceiling in construction space permitted to foreign investors. The country's growing young population, rapid urbanization, growth in industry and services and rapid development of tourism are factors that will propel real estate demand in the long term.

A number of reforms introduced by the Government in recent years have contributed to the scorching pace of development of this sector in the past and will facilitate future growth. These include:

- Repealing the Urban Land (Ceiling and Regulation) Act, 1976 by a large number of Indian States
- Allowing FDI upto 51% in single brand retail outlets and 100% in cash and carry
- In April 2008, the Securities and Exchange Board of India (SEBI) announced amendments to the SEBI (Mutual Funds) Regulations 1996 permitting the launch of Real Estate Mutual Funds (REMFs) in India. REMFs are required to invest at least 35% of the net assets of the scheme directly in real estate (in ready-to-use property that assures rental income and capital appreciation) not stating the maximum investment limit
- Real Estate Investment Trusts (REITs) have been allowed entry into India. REITs cater to the capital requirement of the real estate sector as it enables the company easy access to funds and preferable exit options

Residential Segment

Residential real estate comprises 65% of total real estate market in India. Increasing population, rising income levels of a growing middle class along with the increase in the number of nuclear families, modern attitudes to home ownership (the average age of a new home owner in 2006 was 32 years compared to 45 years in 1996) and a change of attitude amongst the young working population from that of 'save and buy' to 'buy and repay' are factors that have contributed to the growth of the residential segment in the country. The demand for premium apartments with contemporary amenities and integrated townships has also witnessed a significant increase over the past few years.

Global recession in the past year has had a significant impact on demand in this segment. Luxury and premium residential properties' sales have been the most adversely affected. Given the execution risk on properties which are currently under development, buyers are opting for ready flats as against properties under construction. This is because many real estate players are over leveraged and are finding it difficult to raise new finance to complete ongoing projects. However, in recent times, a significant correction in property prices and a lowering of interest rates has led to a slight increase in demand.

Commercial Segment

The rapid growth of the Indian economy has had a cascading effect on the demand for commercial property to help meet the needs of business, such as modern offices and business centres. Growth in commercial office space requirement is driven predominantly by the burgeoning outsourcing and Information Technology (IT) industry especially in places like Bangalore, Mumbai, Chennai, Hyderabad, Pune, Kolkata and the National Capital Region (NCR). FMCG, telecom and Banking, Financial Services & Insurance (BFSI) are some of the other growth drivers. IT/ITES and financial services together account for more than 85% of the total commercial real estate demand. Demand for commercial space and the resultant demand for residential space has started percolating into Tier II and Tier III cities like Mysore, Kochi, Mohali, Jaipur and Indore as well.

According to a report published by Cushman & Wakefield, the first six months of 2008 witnessed commercial office space supply over and above space uptake in the seven major cities in India, validating the temporary slump in the economy and in the realty sector at large. A correction in the market has been seen in Tier I cities in the 20-40% range since their peak in 2008.

Retail Segment

The retail sector in India is in the growth phase. India's vast and rapidly growing middle class and its virtually untapped organized retail industry are key attractions for global retail giants wanting to enter newer markets. The retail boom has percolated to Tier II and Tier III cities of India as well. It is no wonder then that India is ranked # 2 in the Global Retail Development Index 2008.

While domestic as well as foreign retailers are looking to aggressively invest in the sector, the soaring rentals of malls and the excessive supply of retail space built in anticipation of huge projected demand combined with the economic slowdown have turned retailers cautious, with many stalling their immediate expansion plans or altering their business strategy to enter value retailing, for instance. Lease rentals have been re-negotiated across the country and there is also a shift in the retailers' business model towards revenue share agreements with developers, shifting part of the risk on the developer.

Special Economic Zones (SEZs) and IT Parks

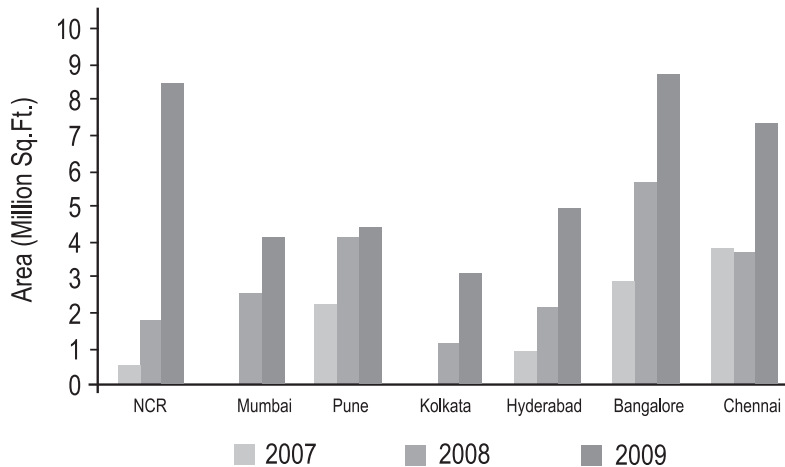
SEZs are specially delineated duty-free enclaves deemed to be foreign territories with respect to Indian Customs controls, duties and tariffs. SEZs by virtue of their size are expected to be a significant new source of real estate demand in the future. With 100% FDI permitted in SEZs, this segment is roping in several big players for its development. As on 15th January 2009, 568 SEZs have been formally granted approvals by the Government for development.



However, many of these 568 projects are held up at the land-buying stage due to stiff opposition from farmers unwilling to sell their land. Land acquisition is an expensive and slow process. Due to the downturn, many developers and companies are re-evaluating their decision to go ahead with SEZ projects.

In the last five years, there has been tremendous growth in the number of IT parks in the country that are geared to meet the requirements of the knowledge industry. Located in key IT and ITES markets like Bangalore, Hyderabad, Chennai and Gurgaon, these setups offer world-class infrastructure, multi-tenanted intelligent buildings, large sprawling campuses, etc. The facilities are tailor-made to the customer’s requirements.

IT/SEZ supply in the top 7 cities of India

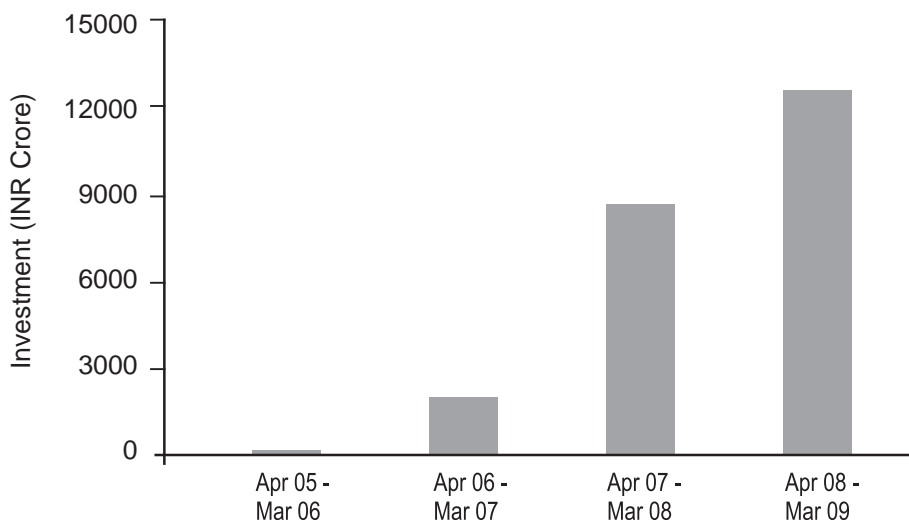


Source: Cushman & Wakefield Research

Going global

With significant investment opportunities emerging in this industry, a large number of international real estate players have entered the country. Prominent global players like Carlyle, Blackstone, Morgan Stanley, Trikona, Warbus Pincus, HSBC Financial Services, Americorp Ventures, Barclays and Citigroup among others have all checked into the Indian realty market. FDI inflows into the sector are estimated to be over Rs. 12,500 crores in 2008-09. This is no surprise as India is one of the very few countries exhibiting growth in a grim global economy. Latent domestic demand will propel India to recover faster than other nations. Simultaneously, many Indian realtors are also making a name for themselves in the international market through significant investments in foreign countries. Despite the current lull, analysts predict that the coming years will see the demand for all segments of the real estate sector grow at a high rate.

FDI inflow in Housing and Real Estate sector



Source: Dipp.nic.in

3. Business overview

Peninsula Land Limited is a fully integrated, real estate development and management company with a significant presence in varied asset classes. With specific brands in each asset class that the Company is operational in (Ashok for residential, Peninsula for commercial and Crossroads for retail), Peninsula Land has established a reputation for itself in the industry for superlative work, i.e. innovative design, cutting-edge technology, superior quality and on-time execution.

One of the first real estate companies to be listed on the stock exchanges, Peninsula Land has a rich history of completed projects offering superior results. Despite the recession in the current year, the Company has exhibited significant growth with a healthy bottom line and top line and visible cash flows. In a year of uncertainty, Peninsula Land has successfully managed to execute projects with the help of a competent leadership team that has experience and expertise across the entire value chain- from conceptualization to marketing of projects.

The Company currently has projects (under construction and in pipeline) in Mumbai, Pune, Nasik, Goa and Hyderabad. As of March 2009, the Company has developed and sold 2.24 million sq. ft. Another 31.23 million sq. ft. is in the pipeline in various stages of development.

Overview of the Company’s projects

Completed Projects		
Project Name	Type	Location
Crossroads	Retail Mall	Mumbai
Peninsula Corporate Park	Commercial	Mumbai
Palm Beach Project	Residential	Mumbai
Kanjur Marg	Low income housing	Mumbai
Peninsula Centre	Commercial	Mumbai

Projects under execution

Project Name	Type	Location	Features
Ashok Towers	Residential	Mumbai	<ul style="list-style-type: none"> Premium Residential Complex spread over 18 acres Comprises of three 30 storey towers and one 50 storey tower Offers a range of fully furnished studio apartments, 2,3,4,5 BHK apartments, garden duplex homes as well as penthouses having world class amenities Estimated development potential is approx. 1 million sq. ft.
Ashok Gardens(***)	Residential	Mumbai	<ul style="list-style-type: none"> Premium Residential Complex spread over 12 acres with breathtaking sea views Comprises of six towers of 22 and 23 storey buildings with three wings each Offers 2, 3, 4 and 5 BHK apartments, having world class amenities Estimated development potential is approx. 7 lakh sq. ft.
Peninsula Technopark (***)	IT Park	Mumbai	<ul style="list-style-type: none"> IT Park with development potential of approx. 9 lakh sq. ft.
Peninsula Business Park	Commercial	Mumbai	<ul style="list-style-type: none"> State-of-the-art Commercial Centre enriched with landscaped gardens and water bodies Comprises of two towers of 21 storeys each Planned development is of approx. 1.2 million sq. ft.,
Centre Point	Commercial	Mumbai	<ul style="list-style-type: none"> State-of-the-art Commercial Centre Offers world-class finishing, attractive frontage with showroom space as well as provision for basement car parking Development potential is of approx. 1 lakh sq. ft.

*** The development rights 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 this project. In accordance with the agreement, the Company has undertaken the entire development, execution and marketing of the project, for which the Company is entitled to a 22% revenue share.

Projects in Pipeline

Project Name	Type	Location
Goa SEZ - Biotech Park (Verna)	Biotech Park	Goa
Goa SEZ - Gems & Jewellery Park (Verna)	Gems & Jewellery Park	Goa
Goa SEZ - Biotech Park (Sancoale)	Biotech Park	Goa
Goa Betim - Residential	Residential	Goa
Pune - Residential	Residential	Pune
Nasik - Residential	Residential	Nasik
Nasik - Group Housing	Group Housing	Nasik
Hyderabad	IT Park	Hyderabad

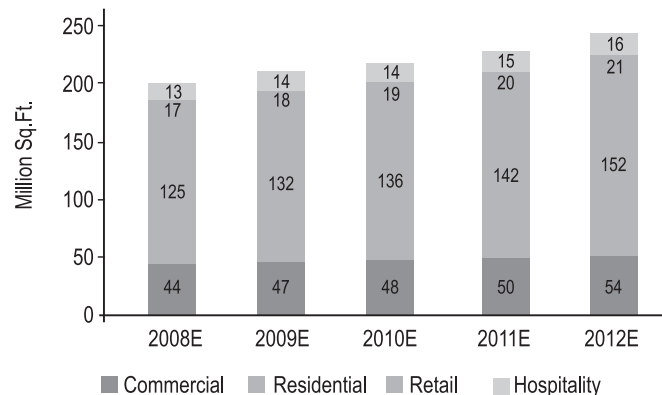
4. Opportunities

The Indian economy is expected to perform well in the coming years with growth driven by domestic factors along with the expected improved global economic scenario. Despite the recent downturn in the realty sector, analysts believe that this is not an indication of a long-term slowdown. The strong fundamentals of the economy coupled with domestic demand across all asset classes are expected to renew demand and growth in the real estate sector.

According to Cushman & Wakefield research estimates, the pan-India cumulative demand projection for the real estate sector across commercial, residential, retail and hospitality segments is estimated to be 1,098 million sq. ft. by the year 2012. The top 7 cities in India (NCR, Bangalore, Hyderabad, Chennai, Mumbai, Pune and Kolkata) are expected to account for nearly 80% of this pan-India demand.

Going forward, substantial demand is projected in the asset classes in which the Company operates in. Peninsula Land has sufficient land bank as well as the execution capability to maximize the opportunity ahead. The Company has exhibited strong growth in the current year and will continue to focus on growth in the coming years, thus offering strong value proposition to all its stakeholders.

Demand projection - pan India



Source: Cushman & Wakefield Research

**Residential Segment**

The total demand estimated for the residential segment for the period 2008-2012 is approximately 687 million sq. ft., of which nearly 77% is accounted for by the top seven cities. This segment is expected to continue to drive demand, accounting for nearly 63% of the total space demand. NCR surpasses all other cities with respect to the demand, followed by Bangalore and Chennai.

Residential demand is expected to pick up as interest rates lower and the economy improves. There is a huge latent residential demand at mid-income and low-income group levels at right prices. In fact, it is estimated that close to 50% of the Indian population will be living in urban areas by 2041. Collaborations are also taking place amongst developers and venture capital funds for the development of integrated townships.

Peninsula Land is committed to completing its ongoing projects on schedule. The Company looks forward to significantly enhancing its presence in this segment and is well poised to maximize the projected opportunity in the coming years. For projects that the Company intends to launch in the near future outside Mumbai, Peninsula Land is well-poised to create developments that match with the highest demand potential.

Commercial Segment

Commercial real estate demand is essentially driven by the performance of the economy. Infrastructure developments, an inherent talent pool and state-level policies that encourage investment are also some factors that boost demand. A revival in demand in this segment is expected on the backs of improvement in sundry industries like BFSI, IT/BPO, Automotive, Pharma, etc.

According to NASSCOM's 'Perspective 2020' report, several global megatrends in economic, demographic, business, social and environment will create new opportunities for the IT/ITES industry by 2020 in new verticals like public sector, healthcare, media and utilities; new customer segments like small and medium businesses and new geographies like BRIC, GCC, Japan and Rest of the World. The new opportunities will result in export revenues of USD 175 billion by 2020. By 2020, India is expected to emerge amongst the top 3 global innovation hubs with a focus on clinical research, mobile applications and energy-efficiency / climate change solutions. In addition, harnessing Information Communication Technology (ICT) based solutions will help drive inclusive growth by uplifting 30 million citizens every year. All this bodes well for commercial real estate demand in the country.

As the market conditions become more favourable, the Company plans to move ahead full throttle in executing its existing land inventory. With the rationalization of land prices in prime areas, the Company is focusing on acquiring land in Tier 1 cities and central locations for commercial activity. This is especially true in the case of Mumbai and Pune, where the Company is strong. This segment is going to be a major focus area for Peninsula Land going forward. The Company is well prepared to take advantage of the demand potential and intends to grow its presence significantly in this asset class.

Retail Segment

The retail segment is expected to constitute 95 million sq. ft. of the total demand till 2012. Demographics including resident consumer age profile, dominant consumer occupation, spending capacity, etc as well as macro policy decisions such as allowing FDI in single brand retailing and cash-and-carry formats are the key demand drivers for growth in retail in the country. According to Ernst & Young estimates, the share of organized retail in India is likely to increase to USD 30 billion by 2010, offering an immense opportunity for retailers to consider expansion plans in this growing sector. NCR followed by Mumbai are expected to exhibit the most demand till 2012.

The Company intends to limit its presence in retail projects to its mixed use formats to the extent it is necessary to make the primary format successful. In a mixed use project, the format itself creates an environment which is conducive for retail to thrive.

SEZs

According to government estimates, exports worth Rs. 99,689 crores were made from existing SEZs in 2008, 50% more than in the previous year. Investments worth Rs. 1.09 trillion have been committed till date and 387,439 jobs have been generated. Given this track record, investment in SEZs will only increase going forward especially for upcoming sectors such as biotechnology.

While the Company has acquired land for SEZs in areas which are suitably located and show immense potential for development and growth, these projects in Goa are currently under litigation. Peninsula Land is awaiting the decision of the courts before deciding on a future course of action. The Company is open to exploring options in other high growth segments to put this land bank to optimal use and generate the best return on investment.

5. Outlook

The opportunities in real estate are aplenty and will only multiply in the coming years. Peninsula Land believes that given its expertise and experience, it is well placed to leverage these opportunities. Given the above, it is safe to say that the future of the Company looks very promising. Despite the recession, the Company has demonstrated strong growth in the current year and remains focused on delivering the same in the future. Thus, Peninsula Land is confident of delivering high value to all its stakeholders.

Going forward, the Company is committed to developing 31.23 million sq. ft of real estate in addition to the 2.24 million sq. ft. already developed and sold. Out of this, approximately 1.2 million sq. ft. has been developed in 2008-09 in the heart of south Mumbai, one of the most prime and valuable real estate areas in the world. Approximately 2.2 million sq. ft. will be developed in 2009-10 and around 2 million sq. ft. will be developed in 2010-11. Peninsula Land has always followed the policy of buying executable land bank. Pre-selling and execution focus are an integral part of the Company's strategy.

As land prices in prime areas become more affordable, the Company is well poised to fully leverage its strength in cities like Mumbai and Pune where it is exceptionally strong, while exploring opportunities in other Tier 1 cities and central locations. Peninsula Land believes this is just the beginning. The best is yet to come.

6. Risks and concerns

The Company is operating in an extremely competitive environment. As it gets into the expansion mode, it is poised to exploit several new opportunities. The Company ensures that the risks it undertakes are commensurate with better returns. Through strategic focus, forward thinking and contingency planning, the Company has devised a Risk Management Policy to control risks involved in all corporate activities in order to maximize opportunities and minimize adversities.

**Economic Risk**

The business is substantially affected by the prevailing economic conditions in India.

Factors that may adversely affect the Indian economy and in turn the business include rise in interest rates, inflation, rupee appreciation, changes in tax, trade, fiscal and monetary policies, scarcity of credit etc. However, given the resilience of the economy in the face of recession, strong fundamentals including favourable demographics, rapid urbanization, high savings rate, increasing domestic demand across all asset classes, etc. the Company does not expect to be significantly affected by this risk in the long term.

The current economic and political environment has had an impact on some of the segments in which Peninsula Land had planned its projects. The Company is exploring and considering other suitable options for these projects such as group housing and residential schemes that show demand potential.

Regulatory Risk

If the Company is unable to obtain required approvals and licenses in a timely manner, the business and operations may be adversely affected.

Peninsula Land requires certain approvals, licenses, registrations and permissions for operating the business. The Company may encounter delays in obtaining these requisite approvals, or may not be able to obtain such approvals at all. This would affect the schedule of development and sale or letting of projects could be substantially disrupted.

However, given the fact that the Government, both at a national and state level, is trying to ease the way for real estate developers to accelerate growth of infrastructure in the country and since all industry projections suggest that it will continue to do so in the future, the Company does not expect this risk to affect it materially in the coming years.

Competition Risk

This risk arises from more players wanting a share in the same pie.

The boom in the real estate sector before the global downturn attracted a large number of domestic and international players into the business. However, Peninsula Land has established phenomenal goodwill in the market through its brands Ashok, Peninsula and Crossroads. The Company has set benchmarks in the segments of residential, commercial and retail development. It is all set to achieve the pinnacles of success in other asset classes as well. Besides, given the Company's expertise and experience in the industry, sound financials and a highly qualified and experienced management team, Peninsula Land does not expect to be significantly affected by this risk.

Price Risk (Raw Materials)

The business is affected by the rise and fall in the prices of requisite raw materials. Prices of these commodities are highly volatile in nature.

However, given the Company's considerable experience in the industry and good relationships with vendors, Peninsula Land is able to plan effectively and keep the associated risks to a minimum. The Company times the market to take advantage of the best pricing available to reduce material acquisition cost. Extensive rate analysis is conducted as per market conditions and accordingly existing contracts are renegotiated with vendors.

Labour Risk

The business is labour-intensive and thus, the Company is exposed to the vagaries of the work force.

All of the Company's units enjoy cordial industrial relations. The Company has not experienced any work stoppages on account of significant labour disruptions during its operational history and thus, it believes its exposure to this risk is limited.

Human Resource Risk

Hiring and retention of talent can pose a significant challenge for the Company.

The Company has a proficient policy to recruit the best talent available in the industry. Requisite training is provided to the recruited talent to enhance their skills and experience. The Company also has a performance based compensation policy including an 'Employee Stock Option Plan'. Given the above, the Company believes it has sufficient mitigation in place to counter this risk.

Execution Risk

Any delay in the execution of projects can strain the Company's cash flow and may affect growth.

The Company has more than a decade of experience in the real estate industry. It has the knowledge and the expertise to deliver projects. The Company is well aware of all the processes and regulations involved. Peninsula Land has taken adequate measures to ensure timely completion of all its projects. Judicious investment in land bank and pre-selling are key steps to guarantee the same. The Company's strong fundamentals and good fiscal health also enable the Company to sufficiently mitigate this risk.

Till recently, the Company's Mumbai projects were delayed on account of various factors such as regulatory approvals, manpower availability, availability of funds, etc. The Company has taken specific measures to overcome regulatory delays. Now, it also has a highly experienced and focused execution team in place. With the improvement in the market scenario, liquidity has also eased. Slab cycles of many projects have been reduced by half or more. Thus, the Company does not expect to be significantly affected by this risk anymore.

7. Discussion on Financial Performance

Income: The Company recorded total income of Rs 61,740.15 lakhs, as compared to Rs 37,483.52 lakhs for 2007-08, a growth of 64.71%.

EBIDTA: The Company's EBIDTA stood at Rs. 19,960.55 lakhs against Rs. 16,833.63 lakhs in 2007-08, an increase of 18.58%.



PAT: The Profit After Tax (PAT) of the Company increased from Rs. 13107.95 lakhs in 2007-08 to Rs. 14723.57 lakhs, an increase of 12.33%.

Overall, the Company is on a strong growth path and its efforts to improve efficiency, productivity and profitability will improve overall returns.

8. Internal Control Systems and their Adequacies

In any industry, the processes and internal control systems play a critical role in the health of a company. Peninsula Land's well defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies, applicable laws, regulations and protection of resources. Moreover, the Company continuously upgrades these systems in line with the best available practices.

The internal control system is supplemented by extensive internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. The Management Information System provides timely and accurate information for effective control. ERP has been implemented to further strengthen the Company's internal systems. A specialized quality department has also been created. Rigorous business planning as well as expense, capital and manpower budgeting processes ensure that progress is monitored against targets, and control is exercised on all major expenses, so that actual spending is in accordance with the budgets.

9. Material Developments in Human Resources (HR)

Human resources are an integral and important part of any organization. Peninsula Land recognizes the importance of human capital and values it highly. The Company has put in place sound policies for the growth and progress of its employees. Individual Performance Management Systems have been implemented to encourage merit and enhance innovative thinking. Roles and Responsibilities are clearly defined at all levels.

The Company aims to become a preferred employer and employ best-in-class talent. To facilitate the same, it has a well drawn recruitment policy and a performance-based compensation policy including an "Employee Stock Option Plan", which enables the employees to develop a sense of ownership with the organization. Peninsula Land recognizes the importance of providing training and development opportunities to its people to enhance their skills and experience, which in turn enables the Company to achieve its business objectives. Training programmes are aimed at developing industry specific knowledge, management development as well as general corporate and soft skills.

As on 31st March 2009, Peninsula Land had 286 employees on its payrolls, exhibiting over 13% YoY growth.

10. 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 ("Board")

2.1 Composition and size of the Board

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

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

Category	Name of Directors	Designation	No. of shares held as on 31 st March, 2009
Promoter Directors	Ms. Urvi A. Piramal Mr. Rajeev A. Piramal	Executive Chairperson Executive Vice Chairman	2,53,13,900 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 (Retired) Mr. H. M. Kothari * Mr. Sudhindar Khanna	Director Director Director Director Director Director Director	NIL 500 500 5,535 NIL N.A. NIL

* ceased to be Director w.e.f. 30th January, 2009



2.2 Directors Profile

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



Ms. Urvi A. Piramal

As Chairperson of Ashok Piramal Group, Ms. Urvi A. Piramal, 56 years of age, oversees a professionally managed business group in India. She is the guiding force behind the Group's sustained and profitable growth and in bringing the group companies closer to realizing her vision of touching the lives of one in five people around the globe. She has a Bachelor of Science degree and has attended the Advance Management Program at Harvard Business School.

She joined the Group's Textile division in 1984 and modernized the operations while focusing on higher levels of quality and productivity. Ms. Piramal plays a leading role in envisioning and formulating the Group's strategies in real estate, textiles, engineering and entertainment businesses. The Group's real estate foray has been driven by her foresight and her sharp business acumen has played an immeasurable role in placing Peninsula Land Limited as one of the top real estate companies in India. She has been a member of Technology and Quality Improvement Committee of IMC since its inception in 1994, and also the Chairperson of Supply Chain & Retail Business (Internal Trade) Committee (04-05).

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

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



Mr. Rajeev A. Piramal

Mr. Rajeev A. Piramal, Executive Vice Chairman of the Company is 32 years of age and holds a BBA (Bachelor in Business Administration) from Baldwin Wallace College, Cleveland, USA. Mr. Piramal is the strategist for the real estate business which spans various construction segments from residential to commercial, retail to IT Parks and SEZ projects. He is also involved in planning and execution of the projects. Under Mr. Piramal's guidance, Peninsula Land Limited has grown from a Mumbai based to multiple locations real estate economy. As an expert in the real estate business, Mr. Piramal leads a strong team of managers with a mission of creating, adding and delivering premium value to all stakeholders.

His zest for innovation and expertise in managing retail, commercial and residential projects has seen Peninsula Land Limited grow from 4 million sq. ft. in 2006 to around 40 million sq. ft. He firmly believes that quality and timely execution of projects are the major key factors leading to success in the real estate business. His vision is to widen the Company's geographic presence and diversify projects and raise the bar for real estate projects in India.

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 was featured in top 50 Young Achievers selected by one of the India's largest circulated business magazine, India Today.



Mr. Mahesh S. Gupta

Mr. Mahesh S. Gupta, Group Managing Director of the Company is 52 years of age. Mr. Gupta has an Honours Degree in B.Com; L.L.B (Gen.), Fellow Member of The Institute of Chartered Accountants of India and also of The Institute of Company Secretaries of India. He has an outstanding academic record and is a rank holder and a silver medalist in Company Secretaries Final Examination. As Group Managing Director of the Ashok Piramal Group, 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 & Textiles Limited), Engineering (Miranda Tools Private Limited, PMP Components Private Limited, PMP Bakony Wiper Systems Limited and PAL International s.r.o.). 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

Mr. Rajesh Jaggi, Managing Director of the Company is 39 years of age and a Management professional from Babson Graduate School of Business, Boston. Mr. Rajesh Jaggi is responsible for the direction and performance of the real estate business of the Ashok Piramal Group viz. Peninsula Land Limited, Peninsula Realty Fund and Peninsula Facility Management Services Private Limited. Under Mr. Jaggi's leadership, Peninsula Land has extended its reach from solely a Mumbai based developer to having a significant presence across western and southern India. The Company has diversified from Commercial, Residential and Retail to SEZ, Townships and IT Parks. He has been instrumental in transacting assets totaling to 3 million sq. ft., acquisition of land having developed area of around 30 million sq. ft. He is currently spearheading the development of around 40 million sq. ft. Mr. Jaggi has over twelve years of experience in every sector of the real estate business, from sourcing new ventures, construction management, facility management, marketing and sales. In real estate since 1996, Mr. Jaggi's previous experience as Executive Director at Orbit Group of Companies has equipped him with the knowledge and operational skills required to make a difference in the real estate sector.

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



Mr. Jaydev Mody

Mr. Jaydev Mody, Non Executive Non Independent Director of the Company is 52 years of age. Mr. Jaydev Mody is a well known businessman. He has more than 20 years of experience in the field of real estate development and has been instrumental in building and developing Crossroads, one of the first shopping mall of international standards in India. He has been instrumental in development of several large residential complexes, office complexes and retail destinations in and around Mumbai.



Mr. Amitabha Ghosh

Mr. Amitabha Ghosh, Non Executive Independent Director and Chairman of the Audit Committee of the Company is 78 years of age. Mr. Amitabha Ghosh holds a Bachelor degree in Commerce and is a member of The Institute of Chartered Accountants of India and a Fellow member of Indian Institute of Bankers. Mr. Ghosh has expertise in Finance, Banking and Administration extending over a period of six decades by virtue of his associations with important institutions and committees. He has held senior positions like Chairman and Managing Director of Allahabad Bank, Dy. Governor of Reserve Bank of India, Governor of Reserve Bank of India, Chairman of Reserve Bank of India Services Board. He was on the Board of important institutions like

Reserve Bank of India, Industrial Development Bank of India, National Institute of Banking Management, EXIM Bank and also served as Chairman of Deposit Insurance Corporation. He headed and was also a member of important committees set up by Government of India and Reserve Bank of India in the area of Finance, Banking and Exchange Control Operations, etc. He had the distinction of participating as a panelist as well as addressing several important programs organized by international bodies like IMF, SEANZA, UNCTAD, etc.

Ms. Bhavna Doshi

Ms. Bhavna Doshi, Non Executive Independent Director of the Company is 55 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 (ICAI) and serves on its various Committees including Accounting Standards Board, Auditing and Assurance Standards Board, Research 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 and Accounting Standards Committee. She is also member of Corporate Governance Committee of Confederation of Indian Industry. 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 headquartered at New York and has also served on the Government Accounting Standards Advisory Board of the Comptroller and Auditor General of India.

Mr. C. M. Hattangdi

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 position of Marketing Director of pharmaceuticals and agricultural business in India and Vice President - Agricultural business in Phillipines. He joined Parke Davis as Chairman and Managing Director from 1977 to 1988. He joined in 1988 Nicholas Laboratories India Limited, now Piramal Healthcare Limited as Managing Director and continued till June 1998. He was inducted on the Board of this Company in February 1993.

Mr. D. M. Popat

Mr. D. M. Popat, Non Executive Independent Director of the Company is 75 years of age. Since 1969, Mr. D. M. Popat is a Partner of M/s. Mulla & Mulla & Craigie Blunt & Caroe, Solicitors and Advocates Firm and currently, he is 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 a Committee Member and former Vice President of Bombay incorporated Law Society. He was on the Senate of University of Bombay and a member of its Board of Studies in Law. He has been for several years, and continues to be a member of the Managing Committee of Indian Merchants' Chamber ("IMC") and of the Executive Committee of ICC-India. He was, for several years, Chairman of IMC's Committee on Law : Review, Reforms & Rationalisation. He has been, for several years and continues to be Chairman of the IMC's Court of Arbitration and Conciliation Committee. He has expertise in Corporate Laws, Real Estate, Arbitration and Foreign Collaboration matters.



Lt. Gen. Deepak Summanwar

Lt. Gen. Deepak Summanwar, Non Executive Independent Director of the Company is 62 years of age. Lt. Gen. Deepak Summanwar holds a Post Graduate Diploma in Marketing with distinction and also has a post graduate degree in Business Administration with specialization in Finance from Vrije University of Brussels. In addition, he has graduated from the Defence Services Staff Colleges, Wellington and got a Masters Degree in Defence and Strategic studies from Madras University. He has successfully completed the Higher Command course from the Army War College, Mhow, this course is equated with a M. Phil in Strategy and Management by the Ahillia Devi University, Indore.

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

He is currently on the Board of The Waterbase Limited, the largest Aquaculture Company in India and is engaged in various other advisory services. He is also an associate of Burrill Green and Co. of UK and PICA Corporation of US.



Mr. Sudhindar Khanna

Mr. Sudhindar Khanna, Non Executive Independent Director of the Company is 56 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 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 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 currently Chairman and Managing Director of IEP Fund Advisors Private Limited, a private equity fund with offices in Mumbai and New York.



2.3 The details of directorship of the Company's Directors in other Limited Companies and subsidiaries of Public Limited Companies as on 31st March, 2009 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 • Delta Magnets Limited (formerly known as 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 • Champs Elysee Enterprises Private Limited • City Parks Private Limited • Delta Corp Limited (formerly known as Arrow Webtex Limited) • Inox Mercantile Company Private Limited • Peninsula Investment Management Company Limited • Peninsula Pharma Research Centre Private Limited • Planetview Mercantile Company Private Limited • Peninsula Mega Properties Private Limited • Peninsula Mega Township Developers Private Limited • RR Mega Property Developers Private Limited • RR Real Estate Development Private Limited • Takenow Property Developers Private Limited
3	Mr. Mahesh S.Gupta	<ul style="list-style-type: none"> • Ashok Piramal Management Corporation Limited • Boom Realty Private Limited • Ceat Limited • Champs Elysee Enterprises Private Limited • City Parks Private Limited • Delta Corp Limited (formerly known as Arrow Webtex Limited) • Delta Magnets Limited (formerly known as G. P. Electronics Limited) • Morarjee Textiles Limited • Peninsula Investment Management Company Limited • Peninsula Pharma Research Centre Private Limited • Renato Finance & Investments Private Limited • RPG Life Sciences Limited
4	Mr. Rajesh Jaggi	<ul style="list-style-type: none"> • Boom Realty Private Limited • Champs Elysee Enterprises Private Limited • City Parks Private Limited. • Delta Corp Limited (formerly known as Arrow Webtex Limited) • Highstreet Cruises & Entertainment Private Limited • Inox Mercantile Company Private Limited

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		<ul style="list-style-type: none"> • Peninsula Investment Management Company Limited • Peninsula Mega Township Developers Private Limited • Planetview Mercantile Company Private Limited • RR Mega Property Developers Private Limited • RR Real Estate Development Private Limited • Takenow Property Developers Private Limited
5	Mr. Jaydev Mody	<ul style="list-style-type: none"> • Arrow Textiles Limited • Ashok Piramal Management Corporation Limited • Delta Corp Limited (formerly known as Arrow Webtex Limited) • Delta Magnets Limited (formerly known as G. P. Electronics Limited) • Freedom Registry Limited (formerly known as Amtrac Management Services Limited) • J M Real Estates Private Limited • Jayem Realty Solutions Private Limited • Peninsula Investment Management Company Limited • Peninsula Pharma Research Centre Private Limited • Richtime Realty Private Limited
6	Mr. Amitabha Ghosh	<ul style="list-style-type: none"> • Joonkoollee Tea & Industries Limited • Kesoram Industries Limited • Mysore Cements Limited • Orient Paper & Industries Limited • Sahara Hospitality Limited • Sahara India Life Insurance Company Limited • Sahara Infrastructure & Housing 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. Popat	<ul style="list-style-type: none"> • Hindustan Construction Company Limited • The Hindoostan Spinning & Weaving Mills Company Limited • The Ruby Mills Limited
10	Lt. Gen. Deepak Summanwar	<ul style="list-style-type: none"> • The Waterbase Limited
11	Mr. Sudhindar Khanna	<ul style="list-style-type: none"> • Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited • My Home Industries Limited • United Spirits Limited



2.4 Board Meetings and Attendance:

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

Name	Category	Relationship with other directors	Attendance		No. of Board / Committees (other than Peninsula Land Limited) as at 31.03.2009		
			Board Meetings	A.G.M. (held on 13.08.2008)	No. of other directorships	Committees	
						Chairperson / Chairman	Member
Ms. Urvi A. Piramal	Executive Chairperson	Mother of Mr. Rajeev A. Piramal and Sister of Mr. Jaydev Mody	5	No	5	1	-
Mr. Rajeev A. Piramal	Executive Vice Chairman	Son of Ms. Urvi A. Piramal	4	No	13	1	1
Mr. Mahesh S. Gupta	Group Managing Director	None	5	Yes	12	3	4
Mr. Rajesh Jaggi	Managing Director	None	5	Yes	12	-	1
Mr. Jaydev Mody	Non-Executive Non-Independent Director	Brother of Ms. Urvi A. Piramal	3	No	10	3	1
Mr. Amitabha Ghosh	Independent Director	None	5	No	13	4	4
Ms. Bhavna Doshi	Independent Director	None	3	Yes	2	1	2
Mr. C. M. Hattangdi	Independent Director	None	5	Yes	1	-	-
Mr. D. M. Papat	Independent Director	None	5	Yes	3	-	-
Lt. Gen. Deepak Summanwar	Independent Director	None	3	Yes	1	-	1
Mr. H. M. Kothari *	Independent Director	None	None	No	NA	NA	NA
Mr. Sudhindar Khanna	Independent Director	None	4	No	3	1	-

* ceased to be Director w.e.f. 30th January, 2009

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 during the financial year 2008-2009 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	28.04.2008	11	10
2	06.06.2008	12	9
3	21.07.2008	12	9
4	16.10.2008	12	8
5	30.01.2009	11	11

2.6 Board Procedures

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

The meetings are generally held in Mumbai.

2.7 Details of Directors being re-appointed

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

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

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

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

3. Audit Committee

3.1 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 3 Directors, all of whom are Independent Directors namely Mr. Amitabha Ghosh (Chairman), Ms. Bhavna Doshi and Mr. C. M. Hattangdi. They all have expert knowledge of Finance and Accounting. The Managing Director, Group CFO, Chief Financial Officer and Company Secretary are permanent invitees for the meetings. The Statutory Auditors and the Internal Auditors are also invited for the meetings. The Company Secretary functions as Secretary to the Committee. The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.



The Chairman of the Audit Committee could not attend the last Annual General Meeting due to some unforeseen circumstances, Ms. Bhavna Doshi, member of the Audit Committee was present at the last Annual General Meeting to answer all shareholders queries.

During the financial year 2008-2009, the Audit Committee met 5 (five) times on 28th April, 2008, 6th June, 2008, 21st July, 2008, 16th October, 2008 and 30th January, 2009. The attendance details are given below:-

Name of the Director	Designation	No. of meetings during the year	
		Held	Attended
Mr. Amitabha Ghosh	Chairman	5	5
Ms. Bhavna Doshi	Member	5	3
Mr. C. M. Hattangdi	Member	5	5

3.2 Terms of reference

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. to review with the management, the financial statements at the end of the quarter, half year and the annual financial statements before submission to the Board for approval, focusing particularly on:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
3. to recommend to the Board the appointment, re-appointment, replacement, removal of the statutory auditors, the audit fee, any question of resignation or dismissal and payment to statutory auditors for any other services rendered by them;
4. to discuss with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern (in absence of management, wherever necessary);
5. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

6. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems and discuss the same periodically with the statutory auditors prior to the Board making its statement thereon;
7. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
8. discussion with internal auditors any significant findings and follow up there on;
9. reviewing the findings of any internal 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, submitted by the management;
 - c. Management letters / letters of internal control weakness issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weakness; and
 - e. The appointment, removal and terms of remuneration of the Internal Auditor.

4. Remuneration Committee

4.1 Composition, Meeting and Attendance

The Remuneration Committee comprises of 4 (four) Directors of which 3 (three) are Independent Directors, namely, Mr. D. M. Popat (Chairman), Mr. C. M. Hattangdi and Mr. Amitabha Ghosh and one Executive Director, namely Ms. Urvi A. Piramal. During the financial year 2008 - 2009, the Remuneration Committee met once on 6th June, 2008 to recommend increase in salary of the Executive Directors, commission to Executive and Independent Directors, revision in salary of the Managing Director and to consider the grant of Employee Stock Option and other related issues thereto. The details are given below :-

Name of the Director	Designation	No. of meetings during the year	
		Held	Attended
Mr. D. M. Popat	Chairman	1	1
Mr. H. M. Kothari *	Member	1	None
Mr. C. M. Hattangdi	Member	1	1
Mr. Amitabha Ghosh	Member	1	1
Ms. Urvi A. Piramal	Member	1	1

* ceased to be Director w.e.f. 30th January, 2009



4.2 Terms of Reference & Remuneration Policy

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

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

5. Investors' Grievance Committee

5.1 Composition, Meeting and Attendance

The Committee comprises of one Non-Executive Independent Director i.e. Mr. C. M. Hattangdi, Chairman and one Executive Director i.e. Ms. Urvi A. Piramal. During the financial year 2008-2009, the Investors' Grievance Committee met 4(four) times on 6th June, 2008, 21st July, 2008, 16th October, 2008 and 30th January, 2009. The attendance details are given below :

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

5.2 Terms of Reference

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

5.3 Details of Shareholders' Complaints

The Company had received 11 Complaints during the year ended 31st March, 2009 which were replied to the satisfaction of the shareholders. There were no outstanding complaints as on 31st March, 2009.

5.4 Company Secretary & Compliance Officer.

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

6. Remuneration of Directors

6.1 Remuneration paid to Non-Executive Directors 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 Committees thereof. During the year 2008-2009, commission for the year ended 2008 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 paid and commission payable during the year are given below:

Name of the Director	Sitting Fees (Rs.)	Commission (Rs.)
Mr. Jaydev Mody	40,000/-	—
Mr. Amitabha Ghosh	1,30,000/-	7,00,000/-
Ms. Bhavna Doshi	70,000/-	7,00,000/-
Mr. C. M. Hattangdi	1,30,000/-	7,00,000/-
Mr. D. M. Popat	80,000/-	5,00,000/-
Lt. Gen. Deepak Summanwar	40,000/-	4,00,000/-
Mr. H. M. Kothari *	Nil	—
Mr. Sudhindar Khanna	60,000/-	4,00,000/-

* ceased to be Director w.e.f. 30th January, 2009

6.2 Remuneration paid to the Executive Directors of the Company

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

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

The details are summarized below:

Name of the Director	Designation	Salary & Allowances (Rs.)	Company's contribution to Provident Fund and Superannuation Fund (Rs.)	Commission (Rs.)
Ms. Urvi A. Piramal	Executive Chairperson	2,31,40,637/-	48,60,000/-	2,25,00,000/-
Mr. Rajeev A. Piramal	Executive Vice-Chairman	1,34,50,000/-	35,64,000/-	1,50,00,000/-
Mr. Mahesh S. Gupta	Group Managing Director	1,71,66,390/-	45,36,000/-	1,50,00,000/-
Mr. Rajesh Jaggi	Managing Director	1,83,80,000/-	16,20,000/-	1,00,00,000/-

During the year, 7,50,000 stock options of face value of Rs. 2/- each were granted to Mr. Rajesh Jaggi, Managing Director of the Company at a price of Rs.70/-. The stock options will vest over a period of one to three years from the date of grant and are exercisable over a period of 3 years from the respective dates of vesting.

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 7,70,000 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
2005-06	134 th AGM	29 th December, 2006	11.00 a.m.	Walchand Hirachand Hall Indian Merchants' Chamber Building Churchgate Mumbai 400 020
2006-07	135 th AGM	21 st September, 2007	3.00 p.m.	
2006-07	EGM	22 nd October, 2007	3.00 p.m.	
2007-08	136 th AGM	13 th August, 2008	3.00 p.m.	

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):

AGM	Date of AGM	Special Resolution
134 th AGM	29 th December, 2006	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 : To pay commission to Non-Executive Directors of the Company as per the provisions of Section 309 of the Companies Act, 1956.
135 th AGM	21 st September, 2007	No Special Resolution was passed.
136 th AGM	13 th August, 2008	Resolution No. 9 : Alteration of Articles of Association of the Company.

EGM	Date of EGM	Special Resolution
EGM	22 nd October, 2007	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. At present, there is no proposal for passing any Special Resolution through Postal Ballot.

8. Disclosures

8.1 Statutory Compliance, Penalties and Strictures

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

8.2 Materially significant related party transactions

The transactions between the Company and the Directors and Companies in which the directors are interested are disclosed in Note No. 17 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, 2009. 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

As a successful business conglomerate, our responsibility extends beyond making profits and maximizing shareholder-wealth. At the Ashok Piramal Group, we firmly believe that we need to work as wholesome entities for the good of the society and for improving the quality of life of the communities we serve.

We want to create opportunities for the not-so-privileged people by empowering them to enrich their lives. All our CSR initiatives are self-sustaining models and can be easily replicated. We involve and engage not only the communities but also our employees to create sustainable models that will bring tangible changes to the society and environment.

To ensure the interest of all stakeholders concerned, We have developed a strategy which calls for sustainable development models based on triple bottom line approach: People Planet and Profit. Our focus areas are education, health, water conservation, sustained livelihood and environment. These initiatives are people centered, which we are trying to implement through community development projects, which will be aligned with Millennium Development Goal.



We have initiated the process of community development model in Bagar village-Jhunjhunu district, which would be replicated at our other location/sites. With the view of holistic development specialize health camp was organized to cater the needs of health issue of the community. In order to prevent health problems and strengthen health care facilities rural health project is being designed, which would focus mainly on women and child health to reduce mother-child mortality rate. We are setting up need based vocational skill training center, which will equip the rural youth with different potential skills and also empower them to sustain their life. Considering global warming issue we have started awareness programme at corporate and sites so the management and employee should act more responsibly to reduce the cause of climate change.

At our residential project at Ashok Towers in Mumbai, we started a day care for the children of construction workers. Children as small as 3 months old were looked after at the crèche when their parents were away at work. About 90 children were enrolled at the centre where they were provided three meals in a day and also engaged in education.

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 have been included in the Annual Report.

10. General Shareholder Information

10.1. 137th Annual General Meeting

Date	Time	Venue
10 th August, 2009	3.00 p.m.	Walchand Hirachand Hall, Indian Merchants' Chamber Building, Churchgate, Mumbai 400 020.

10.2. Financial Calendar for the Year 2009 -2010

Financial year	1 st April, 2009 to 31 st March, 2010
Payment of Dividend	The final dividend, if declared by the shareholders at the Annual General Meeting shall be paid / credited on or before 9 th September, 2009 i.e. within 30 days from the date of declaration.
Book Closure Dates	Monday, 3 rd August, 2009 to Monday, 10 th August, 2009 (both days inclusive) to determine the entitlement of shareholders to receive the dividend as may be declared for the year ended 31 st March, 2009.

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

30 th June, 2009	:	By 31 st July, 2009
30 th September, 2009	:	By 31 st October, 2009
31 st December, 2009	:	By 31 st January, 2010
Year ending 31 st March, 2010	:	By 30 th June, 2010
Annual General Meeting for the year ending 31 st March, 2010	:	By September, 2010

10.3. Dividend History

Sr. No.	Financial year	Dividend per share (Rs.)	Date of Declaration (Annual General Meeting)	Date of payment (Date of Dividend Warrant)
1	2005 - 2006 (15 months period)	2.50	29 th December, 2006	2 nd January, 2007
2	2006 - 2007 (9 months period)	3.00	21 st September, 2007	24 th September, 2007
3	2007 - 2008 (12 months period)	0.80	13 th August, 2008	14 th August, 2008

The face value of the equity shares was sub-divided from Rs. 10/- per share to Rs. 2/- per share effective from 23rd October, 2007. The dividend for the financial year 2005-2006 and 2006-2007 was declared on face value of Rs. 10/- per share and the dividend for the financial year 2007-2008 was declared on face value of Rs. 2/- per share.

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 2009 - 2010 have been paid within the due date.

10.8 Stock Market Data

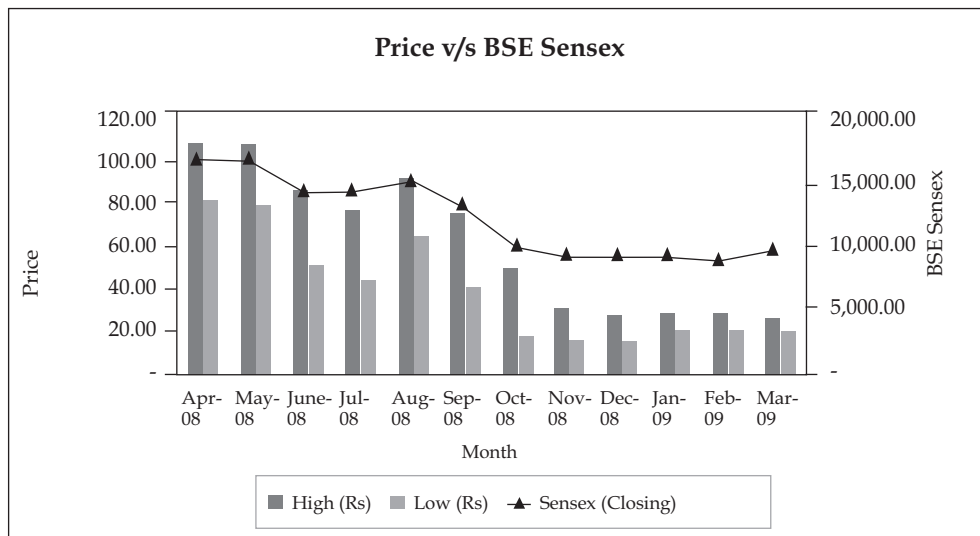
The high / low of the market price of the shares of the Company is given below :

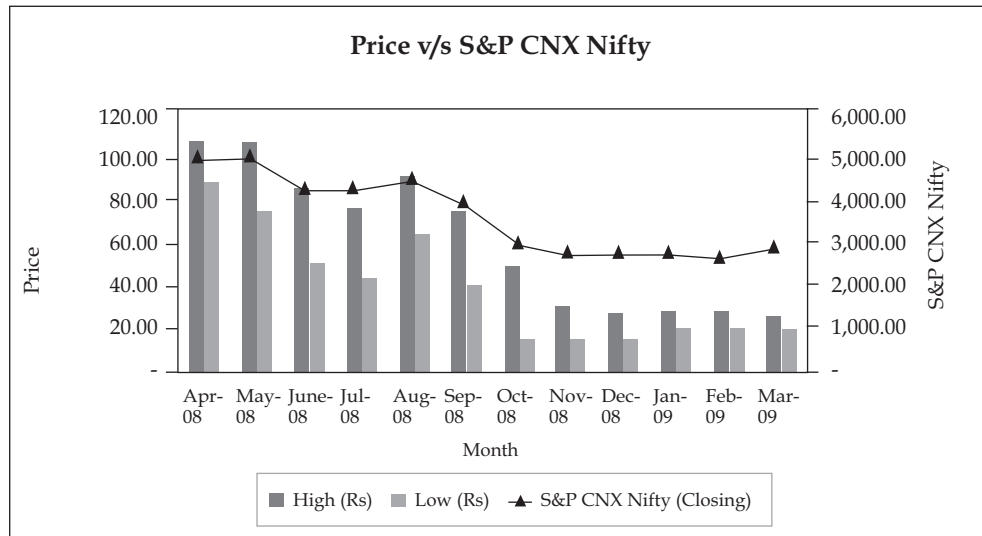
Month	Bombay Stock Exchange Limited (BSE)				National Stock Exchange of India Limited (NSE)			
	High (Rs.)	Low (Rs.)	Monthly volume	Sensex (Closing)	High (Rs.)	Low (Rs.)	Monthly volume	S&P CNX NIFTY (Closing)
April, 2008	112.95	81.00	10006627	17,287.31	113.00	88.00	20355730	5,165.90
May, 2008	110.80	78.70	5637927	16,415.57	110.80	77.80	10098190	4,870.10
June, 2008	82.80	50.10	3536796	13,461.60	82.85	50.50	5324712	4,040.55
July, 2008	74.60	46.00	6358514	14,355.75	76.10	46.00	8207500	4,332.95
August, 2008	87.80	64.25	4274997	14,564.53	88.00	63.50	6769221	4,360.00
September, 2008	72.90	41.00	2310806	12,860.43	72.80	42.00	4805053	3,921.20
October, 2008	48.00	16.25	2761546	9,788.06	48.40	16.20	3831411	2,885.60
November, 2008	29.60	15.20	3076780	9,092.72	29.85	15.25	4243293	2,755.10
December, 2008	26.80	16.00	6483228	9,647.31	26.80	15.85	8226643	2,959.15
January, 2009	27.90	20.00	1956152	9,424.24	27.50	19.80	2823298	2,874.80
February, 2009	26.90	18.10	4793202	8,891.61	26.50	18.00	7186150	2,763.65
March, 2009	22.10	17.50	1663878	9,708.50	22.15	17.30	2071165	3,020.95

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

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

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





10.9 Distribution of shareholding as on 31st March, 2009

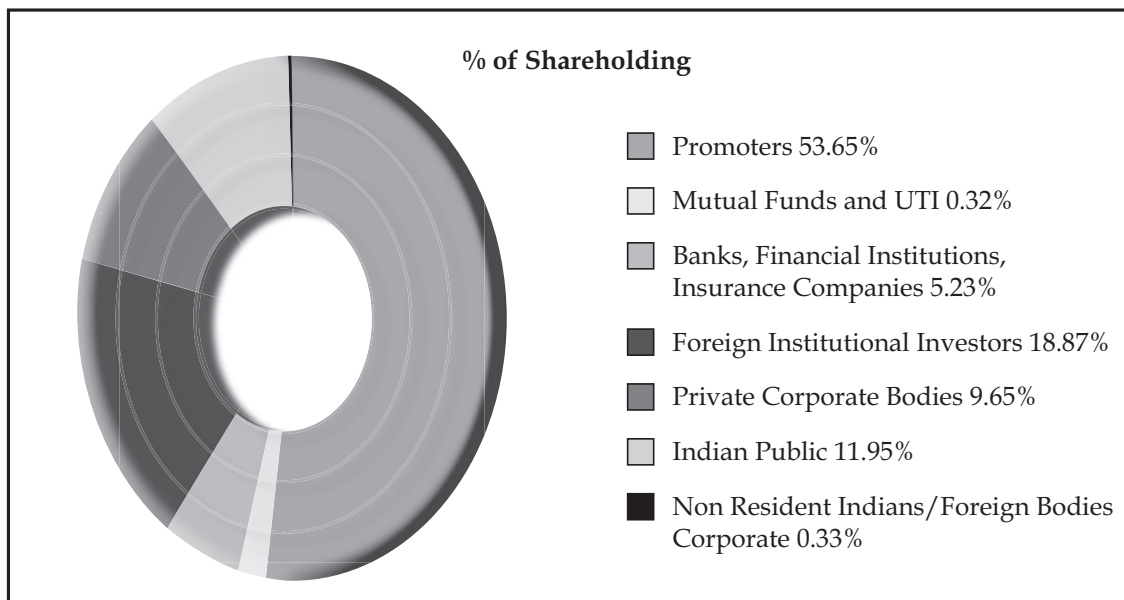
Slab of shareholding	No. of shareholders	% of shareholders	No. of shares	% of shares held
1 to 5000	60225	98.70	22211838	7.96
5001 to 10000	423	0.69	3042460	1.09
10001 to 20000	182	0.30	2640253	0.95
20001 to 30000	74	0.12	1843594	0.66
30001 to 40000	24	0.04	841551	0.30
40001 to 50000	14	0.02	654831	0.23
50001 to 100000	22	0.04	1481233	0.53
100001 & Above	53	0.09	246485460	88.28
	61017	100.00	279201220	100.00

10.10 Shareholding Pattern as on 31st March, 2009

	Category	No. of shares held	% of shares held
A	Promoters Holding		
1	Indian promoters	149793087	53.65
	Foreign promoters	—	—
2	Persons acting in concert	—	—
	Sub-total (1 + 2)	149793087	53.65



	Category	No. of shares held	% of shares held
B	Non Promoters Holding		
3	Institutional Investors		
a	Mutual Funds and UTI	902295	0.32
b	Banks, Financial Institutions, Insurance Companies (Central / State Govt., Institutions / Non Govt. Institutions)	14607666	5.23
c	Foreign Institutional Investors	52688382	18.87
	Sub-total (3)	68198343	24.42
4	Others		
a	Private Corporate Bodies	26958701	9.65
b	Indian Public	33329470	11.95
c	Non Resident Indians	671569	0.24
d	Foreign Bodies Corporate	250050	0.09
	Sub-total (4)	61209790	21.93
	Grand total (1 + 2 + 3 + 4)	279201220	100.00



10.11 Share Transfers (Physical Form)

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

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

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

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

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

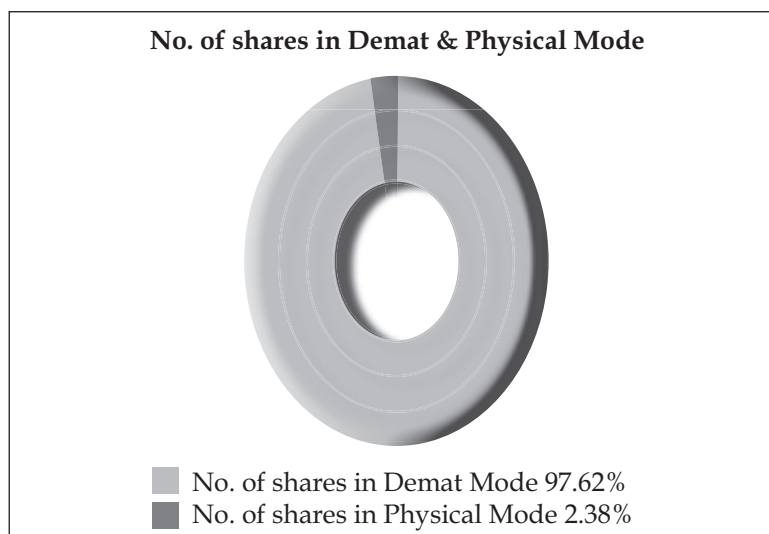
10.12 Dematerialization of shares and liquidity

As at 31st March, 2009, 27,25,52,595 Equity Shares representing 97.62% of the Company's paid-up Equity Share Capital have been dematerialized.

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

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

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





10.13 Share Transfer Agent

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

Nashik Processing Unit Freedom Registry 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 Freedom Registry Limited
 005, Ground Floor, Peninsula Centre
 Dr. S. S. Rao Road, Parel, Mumbai 400 012.
 Tel : (022) - 2410 5685
 Fax: (022) - 6661 8788

10.14 Investor Helpdesk

Share transfers, dividend payments and all other investor related activities are attended to and processed at the office of the Share Transfer Agent, Freedom Registry Limited (formerly known as Amtrac Management Services Limited).

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

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

10.15 Investor Correspondence

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

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

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

Name	E-mail ID	Telephone No.	Fax No.
Mr. Bharat Sanghavi Chief Financial Officer	info@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

10.16 Plant Location

The Company has no manufacturing plant.

10.17 Outstanding GDRs / ADRs / Warrants or any Convertible Instruments

There are no outstanding convertible warrants / instruments.

10.18 Status of Compliance with Non Mandatory Requirements

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

11. Code for Prevention of Insider Trading

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

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

To,

The Members of Peninsula Land Limited

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

I, Rajesh Jaggi, Managing Director of Peninsula Land Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2009

Rajesh Jaggi
Managing Director

Mumbai : 8th May, 2009

**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 conditions of corporate governance by Peninsula Land Limited ("the Company") for the year ended 31st March, 2009, as stipulated in Clause 49 (revised) of the Listing Agreement of the said Company with the Stock Exchange(s) in India.

The compliance of 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 / Investor's 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

Place : Mumbai
Date : 8th May, 2009

SECRETARIAL COMPLIANCE CERTIFICATE

A N N U A L R E P O R T 2 0 0 8 - 0 9

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 there under, 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, 2009. 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 there under 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 there under to be filed with the Registrar of Companies and other authorities have been duly complied with.
3. The Board of Directors is duly constituted by the Company and consists of 11 members. During the year under review, the Company had appointed Lt. Gen. Deepak Summanwar as an Independent Director with effect from 6th June, 2008 and Mr. H. M. Kothari resigned as a Director with effect from 30th January, 2009.

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.

4. The Annual General Meeting (AGM) for the financial year 2007-08 was held on 13th day of August, 2008. The resolutions passed thereat were duly recorded in minutes books maintained for the purpose. The Articles of Association of the Company was amended by passing a Special resolution at the AGM. 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 5 times during the year under review.
 - Investors' Grievance Committee: The Committee had met 4 times during the year under review.
 - Remuneration Committee: The Committee had met once during the year under review. The Committee Meeting held on 6th June, 2008 had considered the increase in the salary of Executive Directors with effect from 1st April, 2008, payment of commission to Non-Executive Directors, revision in remuneration of Managing Director and grant of 7,70,000 options under ESOP Scheme to Senior Executives of the Company.
 - Besides the above, the Company has also non-mandatory committees like Committee of Directors (Borrowings), Committee of Directors (Bank Account), Committee of Directors (QIP), Committee of Directors (Postal Ballot) and Management Committee.

- Minutes of the above meetings were properly recorded.
6. 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.
 7. Declaration and payment of dividend for the previous financial year was made during the year under review and amount lying in unclaimed dividend account has been transferred to the Investor Education and Protection Fund as per the requirements of the Act.
 8. 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, 2009.
 9. 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, 2009. The Company had, wherever required, obtained the necessary approvals as per the requirements of the Act.
 10. The Company has not accepted any fresh Fixed Deposits. The Dividend declared had 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.
 11. 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 Takeovers) 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 the time limit from 31st March, 2009 and also from the book closure date for the purpose of payment of dividend.
 12. The Company has introduced an ESOP Scheme and has granted 7,70,000 Stock options to the Senior Executives of the Company during the year under review in accordance with the provisions of SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. And 1,23,275 number of options of face value of Rs.2/- each which were granted earlier had lapsed during the year ended 31st March, 2009.
 13. 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.
 14. 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 shareholders with regard to any purchase or sale in excess of requisite percentage of the paid up share capital to the respective Stock Exchanges.
 15. The Company has instituted the codes for Directors and Senior Executives of the Company and has complied with the Code of Conduct for Directors and other Senior Executives as required under Clause 49 of the Listing Agreement.

For V. Sundaram & Co.

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

Mumbai
Dated : 8th May, 2009





AUDITOR'S REPORT

AUDITOR'S REPORT

A N N U A L R E P O R T 2 0 0 8 - 0 9

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, 2009, 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. Those standards require 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 in 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. 16 of Schedule - 14 to Accounts.
 - (e) On the basis of the written representations received from the Directors of the Company as on 31st March, 2009, 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, 2009 from being appointed as a director in term of 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 31st March, 2009;



(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

Chetan Desai

Partner

Membership No. 17000

Place: Mumbai

Date: 8th May, 2009

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 year 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.161.73 Crores. The maximum amount involved during the year was Rs.447.13 Crores and the closing balance of the loan was Rs.446.56 Crores, covered in the register maintained under Section 301 of the Companies Act, 1956.

AUDITOR'S REPORT

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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 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 at 31st March, 2009, except as shown 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	12.27	A.Y 2006-07	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, 2009, 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. During the year, the Company has not raised any money through public issue.
30. 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

Chetan Desai
Partner
Membership No. 17000

Place: Mumbai

Date: 8th May, 2009

PENINSULA CHAMBERS





FINANCIALS

BALANCE SHEET

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AS AT 31ST MARCH, 2009

	Schedule	As at March 31, 2009		As at March 31, 2008	
		Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	5,589.66		5,589.66	
Reserves & Surplus	2	1,00,155.70		88,143.74	
			1,05,745.36		93,733.40
Loan Funds					
Secured Loans	3	34,315.86		27,075.21	
Unsecured Loans		-		12.44	
			34,315.86		27,087.65
Deferred Tax (Net)					
Deferred Tax Liability		2,072.22		2,563.86	
Less: Deferred Tax Asset		197.07	1,875.15	1,032.24	1,531.62
			1,41,936.37		1,22,352.67
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	5,369.49		4,998.45	
Less: Depreciation		874.52		560.33	
Net Block			4,494.97		4,438.12
Capital Work -in- Progress			721.79		516.87
Investments	5		22,690.01		34,421.44
Current Assets, Loans & Advances					
Inventories	6	21,779.22		27,975.48	
Sundry Debtors		19,131.03		3,865.96	
Cash & Bank Balances		14,666.84		9,474.72	
Other Current Assets		462.38		470.08	
Loans & Advances		64,362.37		51,669.04	
		1,20,401.84		93,455.28	
Less: Current Liabilities & Provisions	7	10,940.48		16,648.05	
Net Current Assets			1,09,461.36		76,807.23
Miscellaneous Expenditure					
(Deferred Revenue expenditure to the extent not written off)			4,568.24		6,169.00
			1,41,936.37		1,22,352.67
Accounting Policies	13				
Notes To The Financial Statements	14				

As per our report of even date.

For Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner

Mumbai : 8th May 2009

For and on behalf of Board of Directors

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

Bharat Sanghavi *Chief Financial Officer*

K. Nath *Company Secretary*

Directors

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

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	2008-09		2007-08	
		Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
INCOME					
Income from Operations		54,165.04		34,527.75	
Interest Income (Net)	8	4,525.53		1,008.55	
Other Income	9	904.79		801.02	
Total Income			59,595.36		36,337.32
EXPENDITURE					
Cost of Realty Sales		34,111.28		15,045.05	
Operating Expenses	10	2,682.68		2,607.59	
Staff Cost	11	2,668.11		1,929.02	
Depreciation		381.80		250.02	
Total Expenditure			39,843.87		19,831.68
Profit Before Extraordinary & Prior Period Items			19,751.49		16,505.64
Extra ordinary & Prior Period Items	12		(1,600.77)		(1,711.00)
Profit / (Loss) Before Tax			18,150.72		14,794.64
Income Tax		2,801.36		1,682.89	
MAT Credit entitlement		-		(1,330.70)	
Deferred Tax		343.53		1,405.83	
Fringe Benefit Tax		54.00	3,198.89	57.72	1,815.74
Profit For The Year After Tax			14,951.83		12,978.90
Profit / (Loss) Brought Forward from Previous Year			13,656.94		19,513.42
Profit / (Loss) of Dawn Mills 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			28,608.77		21,192.65
Transfer to General Reserves		1,496.00		1,300.00	
Transfer to Debenture Redemption Reserve		2,492.00		3,447.00	
Proposed Dividend on Preference Shares		0.01		0.01	
Distribution Tax thereon (Rs.85/- P.Y. Rs.85/-)		-		-	
Proposed Dividend on Equity Shares		2,512.81		2,233.61	
Distribution Tax Thereon		427.05		379.60	
Dividend to Shareholders of Dawn Mills (2006-07)		-		150.00	
Distribution Tax Thereon		-		25.49	
Balance Carried To Balance Sheet			6,927.87		7,535.71
			21,680.90		13,656.94
Earning per Share of Rs. 2/- each - Basic (before extraordinary & prior period items)			5.93		6.05
Earning per Share of Rs. 2/- each - Basic (After extraordinary & prior period items)			5.36		5.35
Earning per Share of Rs. 2/- each - Diluted (before extraordinary & prior period items)			5.93		6.04
Earning per Share of Rs. 2/- each - Diluted (After extraordinary & prior period items) (Refer Sr. No.19 of Schedule 14)			5.36		5.34
Accounting Policies	13				
Notes to the Financial Statements	14				

As per our report of even date.

For Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner

Mumbai : 8th May 2009

For and on behalf of Board of Directors

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

Bharat Sanghavi *Chief Financial Officer*

K. Nath *Company Secretary*

Directors

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

SCHEDULES TO BALANCE SHEET

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	March 31, 2009		March 31, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
1. SHARE CAPITAL				
Authorised:				
32,49,95,000 (32,49,95,000) Equity Shares of Rs.2/- each	6,499.90		6,499.90	
1,000 (1,000) 5% Cumulative Redeemable Preference Shares of Rs. 10/- each	0.10		0.10	
		6,500.00		6,500.00
Issued, Subscribed and Paidup				
27,92,01,220 (27,92,01,220) Equity Shares Rs.2/- each fully paid-up		5,584.02		5,584.02
- Includes 13,33,20,055 (13,33,20,055) Equity shares of Rs.2/- each issued pursuant to Schemes of Arrangement for consideration other than cash.				
- Includes 5,67,50,000 (5,67,50,000) Equity shares of Rs.2/- each issued through Qualified Institutional Placement (QIP)				
- Also includes 4,82,87,635 (4,82,87,635) Equity 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
1,000 (1,000) 5% Cumulative Redeemable Preference Shares of Rs.10/- each pursuant to Scheme of Arrangement for consideration other than cash				
- Preference shares are redeemable on the expiry of ten years from the date of allotment, with an option for the Company for early redemption but not before 18 months from the date of allotment		0.10		0.10
		5,589.66		5,589.66
2. RESERVES AND SURPLUS				
Capital Reserve		185.03		185.03
Capital Redemption Reserve		17.25		17.25
Share Premium				
As per last Balance Sheet	64,032.31		14,730.92	
Issue of Shares through QIP	-		51,625.00	
Less: Expenses for QIP	-	64,032.31	2,323.61	64,032.31
Debenture Redemption Reserve				
As per last Balance Sheet	3,447.00		-	
Transferred from Profit and Loss Account	2,492.00	5,939.00	3,447.00	3,447.00
General Reserve				
As per last Balance Sheet	6,805.21		4,367.17	
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 : Transferred from Profit and Loss Account	1,496.00	8,301.21	1,300.00	6,805.21
Profit and Loss Account				
As per Annexed Profit and Loss Account		21,680.90		13,656.94
		1,00,155.70		88,143.74

SCHEDULES TO BALANCE SHEET

	March 31, 2009		March 31, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
3. LOAN FUNDS				
Secured Loan				
From Financial Institutions (Term Loan)	16,311.00		6,779.36	
From Bank (Term Loan)	5,504.86		7,795.85	
25(25)13% Secured (Non-Convertible Redeemable Debenture) of Rs 50 lakhs each	12,500.00		12,500.00	
		34,315.86		27,075.21
Unsecured Loans				
Others				12.44
		-		12.44

The Term Loans are Secured by way of Mortgage in respect of the Company's Immovable / Movable Assets. Debentures are repayable at the end of 5th year from the date of allotment (17.11.2006)

4. FIXED ASSETS

Rs. in Lakhs

Description	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 01.04.2008	Additions acquired under scheme	Additions during the year	Deductions during the year	As on 31.03.2009	Upto 01.04.2008	Additions acquired under scheme	Additions during the year	Deductions during the year	Upto 31.03.2009	As on 31.03.2009	As on 31.03.2008
Leasehold Land	13.37	-	-	-	13.37	-	-	-	-	-	13.37	13.37
Land & Building	3,973.14	-	206.10	69.89	4,109.35	313.31		203.61	13.29	503.63	3,605.73	3,659.83
Office Equipments & Computers	582.30	-	241.73	-	824.03	115.74		122.85	-	238.59	585.44	466.56
Furniture & Fixtures	173.92	-	111.00	-	284.92	24.81		37.91	-	62.72	222.20	149.11
Motor Vehicles	181.23	-	0.08	43.49	137.82	75.47		17.43	23.31	69.59	68.23	105.76
TOTAL (A)	4,923.96	-	558.91	113.38	5,369.49	529.33	-	381.80	36.60	874.52	4,494.97	4,394.63
Previous Year (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

FIXED ASSETS GIVEN ON LEASE

Rs. in Lakhs

Description	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 01.04.2008	Additions acquired under scheme	Additions during the year	Deductions* during the year	As on 31.03.2009	Upto 01.04.2008	Additions acquired under scheme	Additions during the year	Deductions during the year	Upto 31.03.2009	As on 31.03.2009	As on 31.03.2008
Office Equipments	38.19	-	-	38.19	-	20.81	-	-	20.81	-	-	17.38
Furniture Fittings	34.92	-	-	34.92	-	9.60	-	-	9.60	-	-	25.32
Vehicles	1.38	-	-	1.38	-	0.59	-	-	0.59	-	-	0.79
TOTAL (B)	74.49	-	-	74.49	-	31.00	-	-	31.00	-	-	43.49
Previous Year (B)	74.49	-	-	-	74.49	24.04	-	6.96	-	31.00	43.49	50.45
GRAND TOTAL (A+B)	4,998.45	-	558.91	187.87	5,369.49	560.33	-	381.80	67.60	874.52	4,494.97	4,438.12
Previous Year (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
Capital Work-in-progress	516.87	-	204.92	-	721.79	-	-	-	-	-	721.79	516.87
Capital Work-in-progress Previous year	-	-	516.87	-	516.87	-	-	-	-	-	516.87	-

* Written off during the year

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.

SCHEDULES TO BALANCE SHEET

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	Nos.	Face Value	March 31, 2009	March 31, 2008
		(Rupees)	Rs. in Lakhs	Rs. in Lakhs
5. INVESTMENTS (AT COST)				
SHARES OF COMPANIES (QUOTED) (Non-Trade)				
Shares in Bank of Baroda (Market value Rs. 5.86 lakhs P.Y.Rs. 7.10 lakhs)	2500	10	2.12	2.12
LONG TERM INVESTMENTS :				
SHARES OF COMPANIES (UNQUOTED)				
I) Subsidiary Companies				
Renato Finance and Investments Private Limited	1000000 (1000000)	10	100.00	100.00
Peninsula Trustee Limited	70000 (70000)	10	7.00	7.00
Peninsula Investment Management Company Limited	7500000 (7500000)	10	750.00	750.00
Champs Elysee Enterprises Private Limited	250000 (250000)	10	505.00	505.00
City Parks Private Limited	2334000 (2334000)	10	7,259.03	7,259.03
Inox Mercantile Company Private Limited	10000 (10000)	10	1.00	1.00
Peninsula Facility Management Services Private Limited	100000 (100000)	10	0.25	0.25
Peninsula Pharma Research Centre Private Limited	1000 (1000)	100	1.00	1.00
Planetview Mercantile Company Private Limited	10000 (10000)	10	1.00	1.00
RR Real Estate Development Private Limited	10000 (10000)	10	1.00	1.00
Peninsula Mega Properties Private Limited	7400 (7400)	10	0.74	0.74
Peninsula Mega Township Developers Private Limited	10000 (10000)	10	1.00	1.00
RR Mega Property Developers Private Limited	10000 (10000)	10	1.00	1.00
Boom Realty Private Limited	10000 (-)	10	1.00	-
Takenow Property Developers Private Limited	10000 (-)	10	1.00	-
II) Associate Companies				
L & T Crossroads Private Limited	9000000 (9000000)	10	1,200.00	1,200.00
Delta Hospitality Private Limited (Formerly known as Fasttrack Impex Private Limited)	260000 (260000)	10	26.00	26.00
JM Realty Management Private Limited	2500 (2500)	10	0.25	0.25
Topzone Mercantile Company Private Limited	10000 (-)		1,353.38	-
SEW Electricals Private Limited	989300 (-)	10	653.57	-
Edifice Properties Private Limited	1300000 (1300000)	10	3,999.75	3,547.66

SCHEDULES TO BALANCE SHEET

	Nos.	Face Value	March 31, 2009	March 31, 2008
		(Rupees)	Rs. in Lakhs	Rs. in Lakhs
III) Others (Non-Trade)				
JM Township & Real Estate Private Limited	1,75,000 (1,75,000)	10	17.50	17.50
Aero Ports & Infrastructure Projects Private Limited	43,750 (-)	10	4.38	-
Rockfirst Real Estate Private Limited- 18% Redeemable Optionally Convertible Debentures	34,88,450 (-)	100	3,488.45	-
Rockfirst Real Estate Private Limited -Equity Shares	14,000 (-)	10	1.40	-
Rockfirst Real Estate Private Limited -Preference Shares	10,150 (-)	100	10.15	-
The Shamrao Vithal Co operative Bank Limited	25 (25)	25	0.01	0.01
Sukh Sagar Premises Co-operative Hsg. Soc. Limited (Rs 250/- P.Y. Rs 250/-)	5 (5)	50	0.00	0.00
IMMOVABLE PROPERTIES			202.49	159.83
SHORT TERM INVESTMENTS :				
Investments in units of Mutual Funds				
UTI Liquid Cash Plan	(2921)	(1019.4500)	-	29.78
Investment in Reliance Fixed Horizon Fund VI series 2	(2,50,00,000)	(10.0000)	-	2,500.00
Investment in Reliance Liquid Fund (P.Y. 810036.550 nos of Rs 10 each)	64,35,444.335	17.0955	1,100.17	81.03
Investment in Reliance Internal Fund	(15,25,65,312)	(10.0026)	-	15,260.65
Investment in Reliance Liquid Plus Fund	(2,88,157)	(1,001.1364)	-	2,884.85
ICICI Prudential institutional Fund	(8,37,335)	(10.0005)	-	83.74
Investments in LIC MF Liquid fund (P.Y. NIL)	1,82,18,131.45	10.9800	2,000.37	-
			22,690.01	34,421.44
Repurchase value of Investment in Units of Mutual Fund			3,100.54	20,857.87

	March 31, 2009		March 31, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
6. CURRENT ASSETS, LOANS AND ADVANCES				
A) Inventories				
Work In Progress (Realty Stock)		21,779.22		27,975.48
B) Sundry Debtors				
(Unsecured, Considered Good)				
(i) Over Six Months	562.36		1,773.62	
(ii) Others	18,568.67	19,131.03	2,092.34	3,865.96
C) Cash & Bank Balance				
Cash on hand	3.38		2.44	
With Scheduled Banks - in Current accounts	2,426.69		344.28	
- in Deposit accounts	12,184.68		9,097.82	
- Unclaimed dividend accounts	52.09		30.18	
		14,666.84		9,474.72

SCHEDULES TO BALANCE SHEET

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	March 31, 2009		March 31, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
D) Other Current Assets				
Interest Receivable	318.68		150.39	
Other Claims	143.70	462.38	319.69	470.08
E) Loans & Advances				
(Unsecured, Considered Good)				
Advances Recoverable In Cash or Kind or for value to be received	7,020.90		7,878.92	
Advance Tax Less Provision	3,265.43		2,054.96	
MAT Credit entitlement	2,435.18		3,099.80	
Deposit with Public Bodies	30.10		39.13	
Loans to Subsidiaries	41,796.39		27,108.64	
Loans/Deposit with Others	9,809.07		11,479.52	
Advances To Staff and Others	5.30	64,362.37	8.07	51,669.04
		120,401.84		93,455.28
7. CURRENT LIABILITIES & PROVISIONS				
A) Current Liabilities				
Sundry Creditors				
Micro, Small and Medium Enterprises	-		-	
Others	6,253.01		5,375.61	
Other liabilities	127.16		-	
Unclaimed Dividend/Deposits				
Unclaimed Dividends	52.09		30.18	
Unclaimed Public Deposits	0.86		3.05	
(Shall be credited to Investor Education & Protection Fund to the extent as and when required)				
Interest accrued but not due	256.08		51.51	
Trade Deposits & Advances (Net of amount booked as income)	1,045.44		8,354.11	
		7,734.64		13,814.46
B) Provisions				
Proposed Dividend on Preference Shares	0.01		0.01	
Proposed Dividend on Equity Shares	2,512.81		2,233.61	
Tax Payable on Proposed Dividend	427.05		379.60	
Employees Retirement Benefit	265.97		220.37	
		3,205.84		2,833.59
		10,940.48		16,648.05

SCHEDULES TO PROFIT AND LOSS ACCOUNT

	2008-09		2007-08	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
8 INTEREST (NET)				
Interest Income (TDS Rs 1394.61 lakhs P.Y. Rs.785.39 lakhs)		6,289.91		3,773.72
Less: Interest paid				
On term loans	4,473.77		5,604.70	
Others	12.65		14.15	
	4,486.42		5,618.85	
Less: Interest cost Transferred to Work in progress	2,722.04	1,764.38	2,853.68	2,765.17
Interest Income (Net)		4,525.53		1,008.55
9 INCOME - OTHER INCOME				
Miscellaneous Income		11.13		189.35
Profit on sale of Fixed Assets		391.79		2.20
Dividend on Mutual Fund Units		499.18		609.32
Dividend on Shares (Trade)		2.49		-
Dividend on Shares (Non-Trade)		0.20		0.15
		904.79		801.02
10 OPERATING EXPENSES				
Power and Fuel		52.59		50.66
Repairs & Maintenance - Building		194.98		171.62
Repairs & Maintenance - Others		72.19		74.21
Insurance		5.45		9.38
Rent, Rates, Taxes and Water Charges		349.31		233.92
Legal & Professional Fees		439.16		397.74
Advertisement and Sales Promotion		122.30		51.00
Brokerage & Commission		29.98		489.08
Donations		36.98		6.84
Miscellaneous Expenses		702.84		685.13
Loss on Sale of Fixed Assets		12.40		6.45
Directors Commission		659.00		427.76
Directors' Fees		5.50		3.80
		2,682.68		2,607.59
11 STAFF COST (Including Managerial Remuneration)				
Salaries, Wages and Bonus		2,076.12		1439.63
Contribution to ESIS, Provident Fund Etc.		345.43		260.50
Staff & Labour Welfare		246.56		228.89
		2,668.11		1,929.02
12. EXTRA ORDINARY & PRIOR PERIOD ITEMS				
a) Extraordinary Items				
(i) Deferred Revenue Expenses Written off		(1,600.77)		(1,642.88)
(ii) Merger expenses		-		(0.77)
b) Prior Period Items				
(i) Prior Period Expenses (Net)		-		(67.35)
		(1,600.77)		(1,711.00)

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 (a) Fixed Assets

All Fixed Assets are stated at cost of acquisition less accumulated depreciation.

(b) 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.

(c) 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.

III Investments

Current investments have been valued at the lower of cost and fair market value. Long-term investments have been valued at cost, except that any permanent diminution in their value has been provided for in ascertaining their carrying amount.

IV Inventories

Inventories comprise of Realty work in progress which represents property undertaken for development and consists of costs directly attributable to such development valued at cost or net realisable value whichever is lower.

V Employee Benefits**(a) Leave Encashment**

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

(b) Retirement Benefits

The company's contribution in respect of Provident Fund and Superannuation Scheme are charged against revenue every year.

In respect of Gratuity, provision for accrued liability is determined on basis of actuarial valuation.

(c) VRS Payments

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

VI 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.

VII Foreign Exchange Fluctuations

The transactions in foreign exchange are accounted at the exchange rate prevailing on the date of transaction. 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 which are adjusted to the cost of assets.

VIII Revenue Recognition

- (a) 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.
- (b) Revenue on Development Rights is recognised on the basis of our revenue share receivable, which is derived from the actual receipts from customers.
- (c) Income from Operations include Realty Sale, Lease Rentals, Service Fees, Signages, Car Park, PMC/ Marketing Fees and Profit on Sale of Assets in the nature of Real Estate.
- (d) Interest income is recognised on time basis determined by the amount outstanding and the rate applicable. Dividend income from investments, are not recognised in the statement of Profit & Loss until a right to receive payment is established.

IX 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.

X 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.

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14 NOTES FORMING PART OF FINANCIAL STATEMENTS

- 1 The Company has granted stock options to employees under the Employees Stock Option Scheme at grant price of Rs. 70/- (face value Rs. 2/-).

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

	Current year	Previous year
Option in force at the beginning of the year (face value Rs. 2/-)	546,625	1,110,500
Add : Granted during the year	770,000	117,500
Less : Lapsed during the year	123,275	681,375
Option in force at the end of the year	1,193,350	546,625
Option vested during the year	1,28,100	110,152

- 2 Amount transferred to Debenture Redemption Reserve includes Rs. Nil (Previous year Rs.947 lakhs) created in respect of earlier years.
- 3 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.
- 4 Donation includes Rs.5.10 Lakhs (Previous Year Rs. 2.72 Lakhs) paid to political parties.
- 5 Leases

a. Assets taken on Operating Lease

The Company has taken cars on Operating Lease and lease rent amounting to Rs. 53.08 lakhs [Previous year Rs.38.85 lakhs] has been debited to Profit and Loss Account. The future minimum lease payment is as under:

	As at 31.03.2009 (Rs. in Lakhs)	As at 31.03.2008 (Rs. in Lakhs)
Not later than one year	50.22	56.73
Later than one year and not later than five years	62.05	120.31
Later than five years	-	-
Total	112.27	177.04

b. Assets given on Operating Lease

The Company has given properties on Operating Lease and lease rent amounting to Rs. 1,561.54 lakhs (Previous year Rs.1,566.01 lakhs) has been credited to Profit and Loss Account. The future minimum lease income is as under:

	As at 31.03.2009 (Rs. in Lakhs)	As at 31.03.2008 (Rs. in Lakhs)
Not later than One Year	1,579.87	1,541.65
Later than one year and not later than five years	195.85	353.04
Later than five years	-	-
Total	1,775.72	1,894.69

	As at 31.03.2009 (Rs. in Lakhs)	As at 31.03.2008 (Rs. in Lakhs)
6 (a) Contingent Liabilities Not Provided for:		
Tax assessments in appeal	1,227.17	4,063.83
(b) Capital Commitments	21.85	453.00

7 Based on the confirmations received, there were no amounts due to any creditors classified as Micro, Small and Medium Enterprises.

	Year ended 31.03.2009 (Rs. in Lakhs)	Year ended 31.03.2008 (Rs. in Lakhs)
8 (a) Miscellaneous Expenses include Auditors' remuneration (inclusive of Service Tax) in respect of:		
Statutory Auditors		
a) Audit fees	11.64	9.63
b) Tax Audit fees	6.09	3.93
c) Certification fees	7.64	1.21
d) Out of Pocket expenses	0.16	0.23
	25.53	15.00

(b) Auditors have been paid Rs.Nil (Previous Year Rs.16.85 lakhs) for certification fees in relation to issue of equity share capital through QIP which has been debited to Share premium account.

9 Managerial Remuneration

	Year ended 31.03.2009 (Rs. in Lakhs)	Year ended 31.03.2008 (Rs. in Lakhs)
A To Chairperson and Executive Directors		
a. Salaries and Allowances	666.30	438.67
b. Commission to Executive Chairperson and Wholetime Directors	625.00	407.76
c. Contribution to Provident and Superannuation Funds *	145.80	111.19
d. Other Perquisites	54.88	43.61
Total	1,491.98	1,001.23
B To Non Wholetime Directors - Commission	34.00	20.00
C Directors Fees	5.50	3.80
Total Managerial Remuneration	1,531.48	1,025.03
*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	18,150.72	14,794.64
Less : Other Income	(904.79)	(1,031.85)
	17,245.93	13,762.79

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Add: Loss on sale of Assets	12.40	6.45
Managerial Remuneration	1,531.48	1,025.03
Net Profit u/s 198/ 349 of the Companies Act, 1956	18,789.81	14,794.27
(i) Commission to Executive Chairperson & Wholetime Directors restricted to	625.00	407.76
(ii) Commission to Non Whole time Directors @1% of Net Profit u/s 349, Rs.187.90 lakhs (Previous year Rs.147.94 lakhs) restricted to	34.00	20.00

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

Mutual Fund Units Particulars	Type of scheme	Purchase (in Lakhs)		Sale (in Lakhs)	
		Units	Rs.	Units	Rs.
HDFC Cash Management Fund - Saving Plus Plan Wholesale	Daily Dividend	1,166.57	11,702.41	1,166.57	11,702.41
Reliance Liquid Plus Fund - Institutional Optional	Daily Dividend	35.40	35,441.71	38.28	38,326.56
Reliance Medium Term Fund	Daily Dividend	299.65	4,132.63	235.30	4,022.56
Reliance Liquidity Fund	Daily Dividend	1,875.83	18,764.14	1,883.93	18,845.17
Reliance Interval Fund - Quarterly Plan Series 1	Institutional Dividend	2.17	21.71	1,527.82	15,282.51
Reliance Interval Fund - Series 1	Institutional Dividend	252.76	2,529.70	252.76	2,529.50
Reliance Fixed Horizon Fund VI - Series 2	Institutional Dividend	-	-	250.00	2,500.00
Reliance Fixed Horizon Fund VIII - Series 10	Institutional Dividend	250.00	2,500.00	250.00	2,500.03
HSBC Gilt Fund	Weekly Dividend	431.35	4,316.13	431.35	4,321.05
UTI Liquid Cash Plan	Daily Income	-	0.07	0.03	29.85
LICMF Liquid Fund	Dividend Plan	182.18	2,000.37	-	-
ICICI Prudential Institutional Liquid Plan	Daily Dividend	0.57	5.71	8.94	89.44

	Year ended 31.03.2009 (Rs. in Lakhs)	Year ended 31.03.2008 (Rs. in Lakhs)
11 (a) Value of Direct Imports calculated on C.I.F.basis		
Construction Equipments	128.88	-
Glass	24.17	41.97
(b) Expenditure in Foreign Currency		
Travelling	18.65	31.66
Professional and Legal Fees	65.81	122.20
Seminar expenses	9.62	4.62
Advertisement expenses	-	5.89
(c) Foreign currency expended for professional services rendered in relation to issue of equity share capital through QIP which has been debited to Share premium account.	-	173.00



12 Income From Operations

	Year ended 31.03.2009 (Rs. in Lakhs)	Year ended 31.03.2008 (Rs. in Lakhs)
a. Realty Sales	52,312.53	32,672.47
b. Other Services	1,852.51	1,855.28
	54,165.04	34,527.75

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

	As at 31.03.2009 (Rs. in Lakhs)		As at 31.03.2008 (Rs. in Lakhs)	
Opening Work in Progress		27,975.48		22,426.82
Add: Expenses during the year				
Material Costs	7,198.20		5,382.12	
Development Expenses	12,361.54		9,999.47	
Construction Equipments	-		2.21	
Interest Expenses	2,722.04		2,853.68	
Statutory Fees	4,125.07		2,202.52	
Allocated Expenses	1,508.16		153.72	
Total Project Expenses for the year		27,915.01		20,593.71
		55,890.49		43,020.53
Less: Transferred to Closing Stock		(21,779.22)		(27,975.48)
Cost of Realty Sales (Revenue Recognised)		34,111.28		15,045.05

14. Major components of deferred tax assets and liabilities are:

	As at 31.03.2009 (Rs. in Lakhs)	As at 31.03.2008 (Rs. in Lakhs)
Deferred Tax Assets		
Unabsorbed Business Loss	106.67	480.50
Long Term Capital Loss	-	398.63
Short Term Capital Loss	-	153.11
Amount disallowed u/s 43B of Income Tax Act, 1961	90.40	-
	197.07	1,032.24
Deferred Tax Liabilities		
Accelerated Depreciation	962.98	780.92
VRS unamortised	1,109.24	1,782.94
	2,072.22	2,563.86
Net Deferred Liabilities	1,875.15	1,531.62

15 In accordance with the Accounting Standard - 16 issued by The Institute of Chartered Accountants of India, Interest of Rs.2,722.04 lakhs (previous year Rs. 2,853.68 lakhs) has been treated as Project cost and added to the stock in trade.

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16 Employee Benefits

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

Particulars	As at 31.03.2009 (Rs. in Lakhs)	As at 31.03.2008 (Rs. in Lakhs)
a. Gratuity (Funded)		
Opening Defined benefit obligation	142.94	92.95
1) Current Service cost	45.50	30.90
2) Interest on defined benefit obligation	11.43	7.44
3) Benefits paid	(11.30)	(5.02)
4) Actuarial (Gain)/Loss on Defined benefits obligation	24.36	16.66
Present value of defined benefits obligation as on 31st March, 2009	212.94	142.94
Expenses Recognised in the Statement of Profit & Loss Account for the year ended 31st March, 2009		
1) Current service cost	45.50	30.90
2) Interest on defined benefit obligation	11.43	7.44
3) Actuarial (Gain)/Loss on Defined benefits obligation	24.36	16.66
Expenses Recognised in the statement of Profit & Loss for the year ended 31st March, 2009	81.29	55.00
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%
b. Leave Encashment (Unfunded)		
Opening Defined benefit obligation	77.43	69.62
1) Current Service cost	24.51	29.19
2) Interest on defined benefit obligation	6.19	5.57
3) Benefits paid	(18.75)	(34.18)
4) Actuarial (Gain)/Loss on Defined benefits obligation	(36.36)	7.23
Present value of defined benefits obligation as on 31st March, 2009	53.02	77.43
Expenses Recognised in the Statement of Profit & Loss Account for the year ended 31st March, 2009		
1) Current service cost	24.51	29.19
2) Interest on defined benefit obligation	6.19	5.57
3) Actuarial (Gain)/Loss on Defined benefits obligation	(36.36)	7.23
Expenses Recognised in the statement of Profit & Loss for the year 31st March, 2009	(5.66)	41.99



Particulars	As at 31.03.2009 (Rs. in Lakhs)	As at 31.03.2008 (Rs. in Lakhs)
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%
c. Defined Contribution Plan		
Contribution to Provident Fund		
The Company has recognised the following amounts in Profit and Loss Account which are included under Contribution to Funds		

Particulars	Amount Rs. in Lakhs	
	Current Year	Previous Year
Employer's contribution to Provident Fund	143.19	112.32
Employer's contribution to Superannuation Fund	117.96	92.02
Employer's contribution to Employees State Insurance	0.67	1.17

NOTES

- The estimated future salary increase takes account of inflation, seniority, promotion and other retirement factors such as supply and demand in the employment market.

17 List of Related Parties and Transactions during the year

a. Controlling Companies

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

b. Subsidiary Companies

- Boom Realty Private Limited
- Champs Elysee Enterprises Private Limited
- City Parks Private Limited
- Inox Mercantile Company Private Limited
- Peninsula Facility Management Services Private Limited
- Peninsula Investment Management Company Limited
- Peninsula Mega Properties Private Limited
- Peninsula Mega Township Developers Private Limited
- Peninsula Pharma Research Centre Private Limited
- Peninsula Trustee Limited
- Planetview Mercantile Company Private Limited

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Renato Finance and Investments Private Limited
 RR Mega Property Developers Private Limited
 RR Real Estate Development Private Limited
 Takenow Property Developers Private Limited

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

Delta Hospitality Pvt Ltd (Formerly know as Fasttrack Impex Private Limited)
 JM Realty Management Private Limited
 L & T Crossroads Private Limited
 SEW Electricals Private Limited
 Topzone Mercantile Company Private Limited

d. Companies where Key Management Personnel / their relatives exercise significant influence

Freedom Registry Limited (formerly known as Amtrac Management Services Limited)
 Ashok Piramal Management Corporation Limited
 Morarjee Textiles Limited
 Onestar Mercantile Company Private Limited
 Thundercloud Technologies (India) Private Limited

e. 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

	2008-09 (Rs. in Lakhs)	2007-08 (Rs. in Lakhs)
Details of Transactions are as Follows :		
a. Sales to and recoveries from		
Companies where Key Management Personnel /their relatives exercise significant influence		
Morarjee Textiles Limited	162.39	163.75
b. Purchase and other services from		
Subsidiary Companies		
Champs Elysee Enterprises Private Limited		217.45
Peninsula Facility Management Services Private Limited	99.06	72.08
Associate Companies		
SEW Electricals Private Limited	636.15	-
Companies where Key Management Personnel / their relatives exercise significant influence		
Ashok Piramal Management Corporation Limited	30.78	27.21
Morarjee Textiles Limited	-	0.04
Freedom Registry Limited (formerly known as Amtrac Management Services Limited)	5.59	8.40

Key Management Personnel (Compensation paid)	-	865.14
c. Loan given to		
Subsidiary Companies		
Renato Finance and Investments Private Limited	-	40.00
Champs Elysee Enterprises Private Limited	0.34	0.07
City Parks Private Limited	2,946.84	278.39
Inox Mercantile Company Private Limited	3,526.46	1,720.19
Peninsula Facility Management Services Private Limited	503.93	109.97
Peninsula Pharma Research Centre Private Limited	1,129.82	543.98
Planetview Mercantile Company Private Limited	958.78	584.67
RR Real Estate Development Private Limited	2,197.90	-
Peninsula Mega Township Developers Private Limited	848.45	7,680.93
RR Mega Property Developers Private Limited	811.74	9,022.08
Peninsula Mega Properties Private Limited	0.10	0.02
Peninsula Investment Management Company Limited	27.28	7.00
Boom Realty Private Limited	800.01	-
Associate Companies		
Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)	2,410.00	700.00
JM Realty Management Private Limited	0.09	637.96
SEW Electricals Private Limited	6.34	-
Topzone Mercantile Company Private Limited	0.39	-
Companies where Key Management Personnel / their relatives exercise significant influence		
Morarjee Textiles Limited	0.09	0.12
Onestar Mercantile Company Private Limited	0.02	0.12
Ashok Piramal Management Corporation Limited	0.22	-
Freedom Registry Limited (formerly known as Amtrac Management Services Limited)	0.75	-
Thundercloud Technologies (India) Private Limited	0.15	-
RR Mega City Builders Private Limited	1.86	-
d. Loan taken from		
Piramal Healthcare Limited (formerly known as Nicholas Piramal India Limited)	-	7.68
Thundercloud Technologies (India) Private Limited	-	1.27
e. Loan repaid by		
Subsidiary Companies		
Renato Finance and Investments Private Limited	60.00	182.89
City Parks Private Limited	102.00	310.98
Peninsula Facility Management Services Private Limited	-	3.00
Peninsula Trustee Limited	17.31	0.21

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Peninsula Investment Management Company Limited	168.35	41.50
Inox Mercantile Company Private Limited	475.00	-
Peninsula Pharma Research Centre Private Limited	28.33	-
RR Real Estate Developers Private Limited	50.00	-
Peninsula Mega Township Developers Private Limited	30.67	-
RR Mega Property Developers Private Limited	79.49	-
Boom Realty Private Limited	799.85	-
Planetview Mercantile Company Private Limited	134.00	
Associate Companies		
L & T Crossroads Private Limited	1.44	0.75
Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)	-	1.24
Topzone Mercantile Company Private Limited	0.10	
Companies where Key Management Personnel / their relatives exercise significant influence		
Morarjee Textiles Limited	0.34	0.20
Thundercloud Technologies (India) Private Limited	-	1.27
Ashok Piramal Management Corporation Limited	0.20	-
Freedom Registry Limited (formerly known as Amtrac Management Services Limited)	0.75	
f. Loan repaid to		
Piramal Healthcare Limited (formerly known as Nicholas Piramal India Limited)	-	7.68
g. Interest income from		
Subsidiary Companies		
Renato Finance and Investments Private Limited	70.06	80.46
Inox Mercantile Company Private Limited	525.38	318.86
Peninsula Facility Management Services Private Limited	139.86	103.13
Peninsula Pharma Research Centre Private Limited	230.26	163.09
Planetview Mercantile Company Private Limited	158.55	102.27
City Parks Private Limited	292.87	154.83
Peninsula Mega Township Developers Private Limited	1,061.54	755.64
RR Mega Property Developers Private Limited	1,197.19	566.50
RR Real Estate Development Private Limited	179.16	-
Associate Companies		
Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)	229.97	96.27
JM Realty Management Private Limited	115.20	37.34
h. 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
Boom Realty Private Limited	1.00	-
Takenow Property Developers Private Limited	1.00	-
Associate Companies		
JM Realty Management Private Limited	22.00	0.25
SEW Electricals Private Limited	651.92	-
Topzone Mercantile Company Private Limited	1,353.38	-
i. Remuneration / Sitting Fees		
Key Management Personnel	1,491.98	1,001.23
j. Dividend Paid		
Key Management Personnel	222.24	-
k. Outstanding balances as at March 31, 2009		
Payable by Company		
Subsidiary Companies		
Peninsula Investment Management Company Limited	142.81	1.74
Associate Companies		
Freedom Registry Limited (formerly known as Amtrac Management Services Limited)	-	1.58
Receivable by Company		
Associate Companies		
JM Realty Management Private Limited	778.79	667.60
Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)	3,901.40	1,313.54
L& T Crossroads Private Limited	-	0.08
Topzone Mercantile Company Private Limited	0.39	-
SEW Electricals Private Limited	372.66	-
Companies where Key Management Personnel / their relatives exercise significant influence		
Ashok Piramal Management Corporation Limited	0.02	1.12
Morarjee Textiles Limited	288.61	164.86
RR Mega City Builders Private Limited	3.06	-
Onestar Mercantile Company Private Limited	0.13	0.13
Thundercloud Technologies (India) Private Limited	0.15	-
Subsidiary Companies		
Renato Finance and Investments Private Limited	543.85	549.67
Champs Elysee Enterprises Private Limited	52.90	52.58
City Parks Private Limited	4,364.97	1,293.62
Inox Mercantile Company Private Limited	7,048.91	3,591.67
Peninsula Facility Management Services Private Limited	1,416.51	1,025.41

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Peninsula Pharma Research Centre Private Limited	2,995.60	1,728.48
Planetview Mercantile Company Private Limited	2,062.29	1,115.93
Peninsula Mega Township Developers Private Limited	9,904.11	8,265.34
RR Mega Property Developers Private Limited	11,118.37	9,460.21
RR Real Estate Development Private Limited	2,286.46	-
Peninsula Trustee Limited	-	17.31
Peninsula Mega Properties Private Limited	2.42	2.32
Boom Realty Private Limited	0.16	-

18 Segment Reporting

The Company is engaged in Real Estate Development only and therefore, there is no reportable segment as required by Accounting Standard - 17.

Particulars	2008-09	2007-08
	(Rs. in Lakhs)	(Rs. in Lakhs)
19 Earnings Per Share (EPS)		
a. Profit/(Loss) after Tax	14,951.83	12,978.90
Less: Preference Share Dividend and Dividend Distribution Tax thereon	0.01	0.01
	14,951.82	12,978.89
b. Extraordinary Items	(1,600.77)	(1,711.00)
c. Weighted Average No of Shares		
Basic	279,201,220	242,640,428
Diluted	279,201,220	243,004,896
d. Basic EPS (Rs.) (After Extraordinary & Prior Period Items)	5.36	5.35
e. Basic EPS (Rs.)(Before Extraordinary & Prior Period Items)	5.93	6.05
f. Diluted EPS (Rs.) (After Extraordinary & Prior Period Items)	5.36	5.34
g. Diluted EPS (Rs.)(Before Extraordinary & Prior Period Items)	5.93	6.04

20 Previous year figures have been regrouped wherever necessary.

Signature to Schedules 1 to 14	For and on behalf of Board of Directors		Directors Amitabha Ghosh C.M. Hattangdi D.M. Popat Sudhinder Khanna
	Urvi A. Piramal	<i>Chairperson</i>	
	Rajeev A. Piramal	<i>Executive Vice Chairman</i>	
	Mahesh S. Gupta	<i>Group Managing Director</i>	
	Rajesh Jaggi	<i>Managing Director</i>	
	Bharat Sanghavi	<i>Chief Financial Officer</i>	
	K. Nath	<i>Company Secretary</i>	

Mumbai : 8th May 2009

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2009

	Year Ended 31 st March, 2009		Year Ended 31 st March, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) Before Tax and Extraordinary Items		19,751.49		16,505.64
Adjustments for:				
Add: Depreciation	381.80		250.02	
Interest Received/Paid (Net) (Incl. interest on Income Tax Refund)	(4,525.53)		(1,008.55)	
(Profit) / Loss on Sale of Assets (Net)	(379.39)		4.25	
Fixed assets Written off	43.48		-	
	(4,479.64)		(754.28)	
Less: Dividend Income	501.67	(4,981.31)	609.47	(1,363.75)
Operating Profit Before Working Capital Changes		14,770.18		15,141.89
Adjustments for:				
Less: (Increase) / Decrease in Trade and Other Receivables	(15,265.07)		18,707.70	
(Increase) / Decrease in Inventories	6,196.26		(5,548.66)	
(Increase) / Decrease in Loans and Advances	(11,971.49)		(28,356.60)	
Increase / (Decrease) in Trade Payables	(6,260.69)	(27,300.99)	911.70	(14,285.86)
Cash Generated from Operations		(12,530.81)		856.03
Less : Direct Tax Paid	(3,401.21)		(4,287.44)	
Extraordinary Item & Prior period (Income)/Expenses	-		(67.35)	
		(3,401.21)		(4354.79)
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 Expenditure acquired on merger	-		(1,189.05)	
Merger Expenses	-		(0.77)	
				(11,318.11)
Net Cash flow From Operating Activities (A)		(15,932.01)		(14,816.87)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(763.84)		(1891.55)	
Sale of Fixed Assets	456.15		5.79	
Purchase of Investments	(9,027.58)		(73,595.19)	
Sale of Investments	20,759.02		48,997.12	
Dividend / Interest Received (Incl. interest on Income Tax Refund)	6,623.29		4,240.35	
Net Cash flow From Investing Activities (B)		18,047.04		(2,2243.48)

CASH FLOW STATEMENT

ANNUAL REPORT 2008 - 09

	Year Ended 31st March, 2009		Year Ended 31st March, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Qualified Institutional Placements	-		875.00	
Equity shares issued to shareholders of Dawn Mills (pursuant to Amalgamation Scheme)	-		500.00	
Share Premium on QIP Proceeds (net)	-		49,301.39	
Dividend Paid	(2,211.71)		(1,388.47)	
Dividend Tax Paid	(379.60)		(240.09)	
Interest paid	(1,559.81)		(2,816.68)	
Proceeds from Borrowings	21,232.00		6,939.11	
Repayment of Borrowings	(14,003.79)		(17,024.70)	
Net Cashflow from Financing Activities (C)		3,077.09		36,145.56
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)		5,192.12		(914.79)
Cash and Cash Equivalents at the beginning of the year		9,474.72		10,389.51
Cash on Hand	3.38		2.44	
With Scheduled banks - in Current accounts	2,426.69		344.28	
- in Deposit accounts	12,184.68		9,097.82	
- Unclaimed dividend accounts	52.09		30.18	
Cash and Cash Equivalents at the end of the year		14,666.84		9,474.72

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

For and on behalf of Board of Directors

For Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner

Mumbai : 8th May, 2009

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

Bharat Sanghavi *Chief Financial Officer*

K. Nath *Company Secretary*

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

BALANCE SHEET ABSTRACT AND
COMPANY'S GENERAL BUSINESS PROFILE



I. Registration Details	05	State Code	11
Balance Sheet Date	31 03 2009		
	Date Month Year		
II Capital Raised during the year (Amount in Rs. Thousands)			
Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)			
Total Liabilities	14193637	Total Assets	14193637
Sources of Funds			
Paid up Capital	558402	Reserves & Surplus	10015570
Secured Loans	3431586	Unsecured Loans	NIL
Deferred Tax Liability (Net)	187515		
Application of Funds			
Net Fixed Assets	521676	Investments	2269001
Net Current Assets	10946136	Miscellaneous Expenditure	456824
Accumulated Losses			
IV. Performance of Company (Amount in Rs. Thousands)			
Turnover	5959536	Total Expenditure	3984387
Extraordinary Items	160077		
+ - Profit/Loss Before Tax	+ 1815072	+ - Profit/Loss After Tax	+ 1495183
Earning per share in Rs.	5.36	Dividend Rate %	45
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 Board of Directors	
For Haribhakti & Co. Chartered Accountants	Urvi A. Piramal <i>Chairperson</i>	Directors Amitabha Ghosh C.M. Hattangdi D.M. Popat Sudhindar Khanna
Chetan Desai Partner	Rajeev A. Piramal <i>Executive Vice Chairman</i>	
	Mahesh S. Gupta <i>Group Managing Director</i>	
	Rajesh Jaggi <i>Managing Director</i>	
	Bharat Sanghavi <i>Chief Financial Officer</i>	
Mumbai : 8 th May, 2009	K. Nath <i>Company Secretary</i>	

ANNEXURE

TO THE BALANCE SHEET AS AT 31st MARCH 2009

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

Particulars	Rs. in lakhs															
	31-Mar-09	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. Ltd	Peninsula Facility Management Services Pvt Ltd	Inox Mercantile Company Pvt Ltd	City Parks Pvt Ltd	Champs Elysee Enterprises Pvt Ltd	RR Real Estate Development Pvt Ltd	Peninsula Mega Township Developers Pvt Ltd	RR Mega Property Developers Pvt Ltd	Boom Realty Pvt Ltd	Takenow Property Developers Pvt Ltd
Financials as on	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09	31-Mar-09
Capital	100.00	1.00	10.00	10.00	1.00	1,000.00	10.00	1.00	233.40	25.00	7.50	1.00	1.00	1.00	1.00	1.00
Reserves & Surplus*	1.28	(3.04)	(0.97)	(1,094.67)	(2.50)	(154.00)	(42.43)	4.16	167.35	(42.43)	4.16	(1.56)	(0.13)	(0.22)	(0.22)	(0.22)
Total Assets	649.21	2,060.79	6.20	836.00	2,996.60	836.00	252.91	2,298.12	4,765.72	252.91	2,298.12	9,903.55	11,119.37	11,119.37	0.87	0.78
Total Liabilities	547.93	2,062.29	-	1,424.30	2,995.60	-	270.35	2,286.46	4,364.97	270.35	2,286.46	9,904.11	11,118.37	11,118.37	-	-
Investments	-	-	-	10.00	-	10.00	0.01	-	-	0.01	-	-	-	-	-	-
Turnover	74.70	-	4.53	1,930.51	-	421.89	-	197.40	0.05	-	197.40	-	-	-	-	-
Profit/(Loss) Before Taxation	4.63	-	3.06	(233.52)	-	44.55	(0.37)	4.29	(10.46)	(0.37)	4.29	(0.73)	-	(0.03)	(0.05)	(0.05)
Provision for Tax	1.38	-	(0.45)	29.13	-	6.96	-	-	0.02	-	-	-	-	-	-	-
Profit/(Loss) After Taxation	3.25	-	3.51	(262.65)	-	37.60	(0.37)	4.29	(10.48)	(0.37)	4.29	(0.73)	-	(0.03)	(0.05)	(0.05)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*Reserves & Surplus includes debit balance of Profit & Loss Account and Miscellaneous Expenditure not written off.



CONSOLIDATED AUDITOR'S REPORT

CONSOLIDATED AUDITOR'S REPORT

ANNUAL REPORT 2008 - 09

AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF PENINSULA LAND LIMITED

1. We have audited the attached Consolidated Balance Sheet of Peninsula Land Limited (the 'Company'), its subsidiaries and associates as at 31st March, 2009 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 statements of four subsidiaries and an associate for the year ended 31st March, 2009 which has been considered for the purpose of consolidation. We did not audit the financial statement of eleven subsidiaries and two associate companies for the year ended 31st March, 2009, whose financial statements reflect total assets of Rs.16,964 Lakhs and Rs.39,947 Lakhs and total revenue of Rs.700 Lakhs and Rs.4,359 Lakhs respectively for the year ended on that date. In case of two of the associate companies, the financial statements 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 Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - ii. in the case of the Consolidated Profit & Loss Account, of the profits for the year ended on that date; and
 - iii. in the case of Consolidated Cash Flow Statements, of the cash flows for the year ended on that date.

For Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner
Membership No. 17000

Place: Mumbai
Date: 8th May, 2009



CONSOLIDATED FINANCIALS

CONSOLIDATED BALANCE SHEET

ANNUAL REPORT 2008 - 09

AS AT 31ST MARCH, 2009

	Schedule	As at March 31, 2009		As at March 31, 2008	
		Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	5,589.66		5,589.66	
Reserves & Surplus	2	99,860.26		88,090.03	
			105,449.92		93,679.69
Loan Funds					
Secured Loans	3	34,315.86		27,075.21	
Unsecured Loans		4.08		19.23	
			34,319.94		27,094.44
Deferred Tax (Net)					
Deferred Tax Liability		2,072.22		2,578.03	
Less: Deferred Tax Asset		148.33	1,923.89	1,022.23	1,555.80
Minority Interest			296.73		286.33
			141,990.48		122,616.26
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	16,076.02		13,402.62	
Less: Depreciation		927.06		594.39	
Net Block			15,148.96		12,808.23
Capital Work -in-progress			721.79		516.87
Investments	5		14,244.73		25,985.24
Current Assets, Loans & Advances					
Inventories	6	58,731.18		54,684.35	
Sundry Debtors		19,516.04		4,037.35	
Cash & Bank Balances		14,778.76		10,234.70	
Other Current Assets		523.11		483.44	
Loans & Advances		26,169.35		25,872.49	
		119,718.44		95,312.33	
Less: Current Liabilities & Provisions	7	12,412.23		18,175.82	
Net Current Assets			107,306.21		77,136.51
Miscellaneous Expenditure (Deferred Revenue expenditure to the extent not written off)					
			4,568.79		6,169.41
			141,990.48		122,616.26
Accounting Policies	13				
Notes To The Financial Statements	14				

As per our report of even date.

For Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner

Mumbai : 8th May, 2009

For and on behalf of Board of Directors

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

Bharat Sanghavi *Chief Financial Officer*

K. Nath *Company Secretary*

Directors

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

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	2008-09		2007-08	
		Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
INCOME					
Income from Operations		56,563.02		35,736.85	
Interest Income (Net)	8	4,274.54		894.03	
Other Income	9	902.59		852.64	
Total Income			61,740.15		37,483.52
EXPENDITURE					
Cost of Realty Sales		34,111.28		15045.05	
Operating Expenses	10	4,269.09		3,256.85	
Staff Cost	11	3,399.23		2,347.99	
Depreciation		400.29		262.97	
Total Expenditure			42,179.89		20,912.86
Profit Before Extraordinary & Prior Period Items			19,560.26		16,570.66
Extraordinary & Prior Period Items	12		(1,600.77)		(1,521.13)
Profit / (Loss) before Tax			17,959.49		15,049.53
Income Tax		2,806.87		1,779.74	
MAT Credit entitlement		-		(1,330.70)	
Deferred Tax		368.10		1,430.00	
Fringe Benefit Tax		60.95	3,235.92	62.54	1,941.58
Profit for the year after Tax			14,723.57		13,107.95
Share of Associates Profit/(Loss)			(3.07)		147.87
Net Profit/(Loss) Before Minority Interest			14,720.50		13,255.82
Less: Share of Minority Interest			(10.40)		(49.94)
Net Profit			14,710.10		13,205.88
Profit / (Loss) Brought Forward from Previous Year			13,549.02		19,179.79
Net Profit Available For Appropriation			28,259.12		32,385.67
Transfer to General Reserves		1,496.00		1,300.00	
Loss of Dawn Mills		-		761.22	
Inter Company Transaction with Dawn Mills		-		10,538.44	
Transfer to Reserve Fund in terms of 45IC (1)		1.00		1.27	
Transfer to Debenture Redemption Reserve		2,492.00		3,447.00	
Proposed Dividend on Preference Shares		0.01		0.01	
Distribution Tax thereon (Rs 85/- P.Y. Rs 85/-)		0.00		0.00	
Proposed Dividend on Equity Shares		2,512.81		2,233.61	
Distribution Tax Thereon		427.05		379.60	
Dividend to Shareholders of Dawn Mills (2006-07)		-		150.00	
Distribution Tax Thereon		-		25.50	
			6,928.87		18,836.65
Balance Carried to Balance Sheet			21,330.25		13,549.02
Earning per Share of Rs. 2/- each - Basic (before extraordinary & prior period items)			5.84		6.03
Earnings per Share of Rs. 2/- each - Basic (After extraordinary & prior period items)			5.27		5.40
Earning per Share of Rs. 2/- each - Diluted (before extraordinary & prior period items)			5.84		6.02
Earnings per Share of Rs. 2/- each - Diluted (After extraordinary & prior period items) (Refer Sr. No. 19 of Schedule 14)			5.27		5.39
Accounting Policies	13				
Notes to the Financial Statements	14				

As per our report of even date.

For Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner

Mumbai : 8th May, 2009

For and on behalf of Board of Directors

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

Bharat Sanghavi *Chief Financial Officer*

K. Nath *Company Secretary*

Directors

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

SCHEDULES TO CONSOLIDATED BALANCE SHEET

ANNUAL REPORT 2008 - 09

	March 31, 2009		March 31, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
1. SHARE CAPITAL				
Authorised:				
32,49,95,000 (32,49,95,000) Equity Shares of Rs.2/- each	6,499.90		6,499.90	
1000 (1000) 5% Cumulative Redeemable Preference Shares of Rs. 10/- each.	0.10		0.10	
		6,500.00		6,500.00
Issued, Subscribed and Paid-up				
27,92,01,220 (27,92,01,220) Equity Shares Rs.2/- each Fully paid up		5,584.02		5,584.02
- Includes 13,33,20,055 (13,33,20,055) Equity shares of Rs.2/- each issued pursuant to Schemes of Arrangement for consideration other than cash.				
- Includes 5,67,50,000 (5,67,50,000) Equity shares of Rs.2/- each issued through Qualified Institutional Placement (QIP)				
- Also includes 4,82,87,635 (4,82,87,635) Equity 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
1,000 (1,000) 5% Cumulative Redeemable Preference Shares of Rs.10/- each pursuant to Scheme of Arrangement for consideration other than cash				
- Preference shares are redeemable on the expiry of ten years from the date of allotment, with an option for the Company for early redemption but not before 18 months from the date of allotment		0.10		0.10
		5,589.66		5,589.66
2. RESERVES AND SURPLUS				
Capital Reserve				
As per last Balance Sheet		185.03		185.03
Capital Redemption Reserve				
As per last Balance Sheet		17.25		17.25
Share Premium				
Balance as per last Balance Sheet	64,032.31		14,730.92	
Issue of Shares through QIP	-		51,625.00	
Less: Expenses for QIP	-	64,032.31	2,323.61	64,032.31
Debenture Redemption Reserve				
As per last Balance Sheet	3,447.00		-	
Trasfered from Profit and Loss Account	2,492.00	5,939.00	3,447.00	3,447.00
General Reserve				
As per last Balance Sheet	6,805.21		4,367.17	
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 : Transferred from Profit and Loss Account	1,496.00	8,301.21	1,300.00	6,805.21
Reserve Funds in Terms of Section 45IC(1) of RBI Act	54.21		52.94	
Add: Transfer From Profit and Loss Account	1.00	55.21	1.27	54.21
Profit and Loss Account				
As per Annexed Profit and Loss Account		21,330.25		13,549.02
		99,860.26		88,090.03

SCHEDULES TO CONSOLIDATED BALANCE SHEET

	March 31, 2009		March 31, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
3. LOAN FUNDS				
Secured Loan				
From Financial Institutions (Term Loan)	16,311.00		6,779.36	
From Bank (Term Loan)	5,504.86		7,795.85	
25(25)13% Secured (Non-Convertible Redeemable Debenture) of Rs 50 lakhs each)	12,500.00		12,500.00	
		34,315.86		27,075.21
Unsecured Loans				
Others	4.08		19.23	
		4.08		19.23

The Term Loans are Secured by way of Mortgage in respect of the Company's Immovable / Movable Assets. Debentures are repayable at the end of 5th year from the date of allotment (17.11.2006)

4. FIXED ASSETS

Rs. in Lakhs

Description	GROSS BLOCK						DEPRECIATION						NET BLOCK	
	As on 01.04.2008	Additions acquired under scheme	Additions from Subsidiaries	Additions during the year	Deductions* during the year	As on 31.03.2009	Upto 01.04.2008	Additions acquired under scheme	Additions from Subsidiaries	During the Year	Deductions during the year	Upto 31.03.2009	As on 31.03.2009	As on 31.03.2008
Intangible Assets														
Goodwill	-	-	50.24	-	-	50.24	-	-	-	-	-	50.24	-	
Goodwill on Consolidation	8,236.22	-	0.28	-	-	8,236.50	-	-	-	-	-	8,236.50	8,236.22	
Computer Software	23.83	-	-	-	-	23.83	5.85	-	7.19	-	-	13.04	10.79	
Tangible Assets														
Leasehold Land	13.37	-	-	-	-	13.37	-	-	-	-	-	13.37	13.37	
Land & Building	3,973.14	-	2,235.11	206.10	69.89	6,344.46	313.31	-	-	203.61	13.30	503.62	5,840.84	
Office Equipments & Computers	684.55	-	34.73	241.73	-	961.01	143.85	-	10.91	122.85	-	277.61	683.40	
Furniture & Fixtures	189.37	-	8.41	111.00	-	308.78	24.91	-	0.39	37.91	-	63.21	245.57	
Motor Vehicles	181.23	-	-	0.09	43.49	137.83	75.47	-	-	17.43	23.31	69.58	68.25	
TOTAL (A)	13,301.71	-	2,328.77	558.92	113.38	16,076.02	563.39	-	18.49	381.80	36.61	927.06	15,148.96	
Previous Year	11,103.06	48.65	1,053.37	1,687.57	47.65	13,845.00	275.74	35.49	12.95	243.06	3.85	563.39	13,281.61	

FIXED ASSETS GIVEN ON LEASE

Rs. in Lakhs

Description	GROSS BLOCK						DEPRECIATION						NET BLOCK	
	As on 01.04.2008	Additions acquired under scheme	Additions from Subsidiaries	Additions during the year	Deductions* during the year	As on 31.03.2009	Upto 01.04.2008	Additions acquired under scheme	Additions from Subsidiaries	During the Year	Deductions during the year	Upto 31.03.2009	As on 31.03.2009	As on 31.03.2008
Office Equipments	38.19	-	-	-	38.19	-	20.81	-	-	-	20.81	-	-	
Furniture & Fittings	34.92	-	-	-	34.92	-	9.60	-	-	-	9.60	-	25.32	
Vehicles	1.38	-	-	-	1.38	-	0.59	-	-	-	0.59	-	0.79	
TOTAL(B)	74.49	-	-	-	74.49	-	* 31.00	-	-	-	31.00	-	43.49	
Previous Year (B)	74.49	-	-	-	-	74.49	24.04	-	-	6.96	-	31.00	43.49	
GRAND TOTAL (A+B)	13,376.20	-	2,328.77	558.92	187.87	16,076.02	594.39	-	18.49	381.80	67.61	927.06	15,148.96	
Previous Year (A+B)	11,177.55	48.65	1,053.37	1,687.57	47.65	13,919.49	299.78	35.49	12.95	250.02	3.85	594.39	13,325.10	
Capital Work-in-progress	543.29	-	-	204.92	26.42	721.79							721.79	
Capital Work-in-progress Previous year	-	-	26.42	516.87	-	543.29							543.29	

* Written off during the year

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.

SCHEDULES TO CONSOLIDATED BALANCE SHEET

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	Nos.	Face Value	March 31, 2009	March 31, 2008
		(Rupees)	Rs. in Lakhs	Rs. in Lakhs
5. INVESTMENTS (AT COST)				
SHARES OF COMPANIES (QUOTED)				
Shares in Bank of Baroda (Market value Rs.5.86 lakhs P.Y. Rs. 7.10 lakhs)	2500	10	2.12	2.12
LONG TERM INVESTMENTS :				
I) Associate Companies (Refer Note No. 21 of Schedule 14)				
L & T Crossroads Private Limited	9000000 (9000000)	10	1,305.74	1,256.01
Delta Hospitality Private Limited (Formerly known as Fastrack Impex Private Limited)	260000 (260000)	10	28.46	150.09
JM Realty Management Private Limited	2500 (2500)	10	-	0.23
Topzone Mercantile Company Private Limited	10000 (-)	10	1,353.53	-
SEW Electricals Private Limited	989300 (-)	10	720.19	-
Edifice Properties Private Limited (Refer Note No.:22 of Sch. 14)	1300000 (1300000)	10	3,999.75	3,547.66
II) Others (Non-Trade)				
JM Township & Real Estate Private Limited	175000 (175000)	10	17.50	17.50
Aero Ports & Infrastructure Projects Private Limited	43750 (-)	10	4.38	-
Rockfirst Real Estate Private Limited- 18% Redeemable Optionally Convertible Debentures	3488450 (-)	100	3,488.45	-
Rockfirst Real Estate Private Limited -Equity Shares	14000 (-)	10	1.40	-
Rockfirst Real Estate Private Limited -Preference Shares	10150 (-)	100	10.15	-
The Shamrao Vithal Co operative Bank Limited	25 (25)	25	0.01	0.01
Sukh Sagar Premises Co-operative Hsg. Soc. Ltd (Rs.250/- P.Y. Rs.250/-)	5 (5)	50	0.00	0.00
Zoroastrian Bank Shares	1125 (1125)	10	0.01	0.01
IMMOVABLE PROPERTIES			202.49	159.83
SHORT TERM INVESTMENTS :				
Investments in units of Mutual Funds				
UTI Liquid Cash Plan	(2921)	(1019.4457)	-	29.78
Investment in Reliance Fixed Horizon Fund VI Series 2	(25000000)	(10)	-	2,500.00
Investment in Reliance Liquid Fund (P.Y. 810036.550 nos of Rs.10 each)	6435444.335	17.096	1,100.17	81.03
Investment in Reliance Internal Fund	(152565312)	(10.0026)	-	15,260.65
Investment in Reliance Liquid Plus Fund	(288157)	(1001.1364)	-	2,884.85
ICICI Prudential Institutional Fund	(837335)	(10.0005)	-	83.74
LIC Mutual Fund Daily Dividend Scheme	(15810)	(10.9801)	-	1.74
Investments in LIC MF Liquid fund (P.Y. NIL)	18218131	10.98	2,000.37	-
Peninsula Realty Fund Scheme Pref Indigo (P.Y. 100000 of Rs.10 each)	100000	10	10.00	10.00
			14,244.73	25,985.26
Repurchase value of Investments in Units of Mutual Fund			3,100.54	20,869.61

SCHEDULES TO CONSOLIDATED BALANCE SHEET

	March 31, 2009		March 31, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
6. CURRENT ASSETS, LOANS AND ADVANCES				
A) Inventories				
Work in Progress (Realty Stock)		58,731.18		54,684.35
B) Sundry Debtors				
(Unsecured, Considered Good)				
(i) Over Six Months	611.69		1,773.62	
(ii) Others	18,904.35		2,263.73	
		19,516.04		4,037.35
C) Cash & Bank Balance				
Cash on hand	9.78		4.42	
With Scheduled banks - in Current accounts	2,532.21		486.53	
- in Deposit accounts	12,184.68		9,697.82	
- Unclaimed dividend accounts	52.09		30.18	
- Funds In Transit	-		15.75	
		14,778.76		10,234.70
D) Other Current Assets				
Interest Receivable	379.41		157.48	
Other Claims	143.70	523.11	325.96	483.44
E) Loans & Advances				
(Unsecured, Considered Good)				
Advances Recoverable in cash or kind or for value to be received	9,091.36		8,530.89	
Advance Tax Less Provision	3,580.22		2,171.47	
MAT Credit entitlement	2,435.18		3,099.80	
Deposit with Public Bodies	31.02		43.48	
Loans/Deposit with Others	11,026.27		12,018.78	
Advances to Staff and Others	5.30	26,169.35	8.07	25,872.49
		119,718.44		95,312.33
7. CURRENT LIABILITIES & PROVISIONS				
A) Current Liabilities				
Sundry Creditors				
Micro, Small and Medium Enterprises	-		-	
Others	7,499.27		6,896.40	
Other liabilities	311.56			
Unclaimed Dividend / Deposits				
Unclaimed Dividends	52.09		30.18	
Unclaimed Public Deposits	0.86		3.05	
(Shall be credited to Investor Education Protection Fund to the extent as and when required)				
Interest accrued but not due	256.08		51.51	
Trade Deposits & Advances (Net of amount booked as income)	1,073.64		8,354.11	
		9,193.50		15,335.25
B) Provisions				
Proposed Dividend on Preference Shares	0.01		0.01	
Proposed Dividend on Equity Shares	2,512.81		2,233.61	
Tax Payable on Proposed Dividend	427.05		379.60	
Employees Retirement Benefit	278.86		227.35	
		3,218.73		2,840.57
		12,412.23		18,175.82

SCHEDULES TO CONSOLIDATED BALANCE SHEET

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	2008 - 09		2007 - 08	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
8. INTEREST (NET)				
Interest Income		6,049.52		3,659.24
Less: Interest paid				
On term loans	7,939.68		7,672.03	
Others	23.17		14.15	
	7,962.85		7,686.18	
Less: Interest cost transferred to Work in progress	6,187.87	1,774.98	4,920.97	2,765.21
Interest Income (Net)		4,274.54		894.03
9. INCOME - OTHER INCOME				
Miscellaneous Income		11.31		238.59
Profit on sale of Fixed Assets		391.79		2.20
Dividend on Mutual Fund Units		499.29		611.70
Dividend on Shares (Non-Trade)		0.20		0.15
		902.59		852.64
10. OPERATING EXPENSES				
Cost of Land (Rights) Sold		-		56.36
Power and Fuel		52.59		55.66
Repairs & Maintenance - Building		131.06		171.62
Repairs & Maintenance - Others		214.09		155.83
Insurance		5.45		9.38
Rent, Rates, Taxes and Water Charges		452.62		283.31
Legal & Professional Fees		449.89		403.94
Advertisement and Sales Promotion		123.12		64.80
Brokerage & Commission		29.98		489.08
Donations		36.98		6.84
Miscellaneous Expenses		824.77		741.78
Loss on Sale of Fixed Assets		12.40		6.45
Preliminary Expenses Written Off		0.04		5.14
Directors Commission		659.00		427.76
Common Area Maintenance Expenses		627.98		-
Directors Fees		6.60		3.94
House Keeping, Security & Car Park Services		642.52		374.96
		4,269.09		3,256.85
11. STAFF COST (Including Managerial Remuneration)				
Salaries, Wages and Bonus		2,766.77		1822.36
Contribution to ESIS, Provident Fund, etc.		356.40		283.28
Staff & Labour Welfare		276.06		242.35
		3,399.23		2,347.99
12. EXTRAORDINARY & PRIOR PERIOD ITEMS				
a) Extraordinary Items				
(i) Deferred Revenue Expenses Written off		(1,600.77)		(1,642.88)
(ii) Merger expenses		-		(0.77)
b) Prior Period Items				
(i) Prior Period (Expenses) / Income (Net)		-		122.52
		(1,600.77)		(1,521.13)

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 (a) Fixed Assets

All Fixed Assets are stated at cost of acquisition less accumulated depreciation.

(b) 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.

(c) 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.

III Investments

Current investments have been valued at the lower of cost and fair market value. Long-term investments have been valued at cost, except that any permanent diminution in their value has been provided for in ascertaining their carrying amount.

IV Inventories

Inventories comprise of Realty work in progress which represents property undertaken for development and consists of costs directly attributable to such development valued at cost or net realisable value whichever is lower.

V Employee Benefits

(a) Leave Encashment

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

(b) Retirement Benefits

The company's contribution in respect of Provident Fund and Superannuation Scheme are charged against revenue every year.

In respect of Gratuity, provision for accrued liability is determined on basis of actuarial valuation.

(c) VRS Payments

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

VI 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.

VII Foreign Exchange Fluctuations

The transactions in foreign exchange are accounted at the exchange rate prevailing on the date of transaction. 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 which are adjusted to the cost of assets.

VIII Revenue Recognition

- (a) 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.
- (b) Revenue on Development Rights is recognised on the basis of our revenue share receivable, which is derived from the actual receipts from customers.
- (c) Income from Operations include Realty Sale, Lease Rentals, Service Fees, Signages, Car Park, PMC/ Marketing Fees and Profit on Sale of Assets in the nature of Real Estate.
- (d) Interest income is recognised on time basis determined by the amount outstanding and the rate applicable. Dividend income from investments, are not recognised in the statement of Profit & Loss Account until a right to receive payment is established.

IX 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.

X 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.

14. NOTES FORMING PART OF FINANCIAL STATEMENTS

- 1 The Company has granted stock options to employees under the Employees Stock Option Scheme at grant price of Rs.70/- (face value Rs.2/- each) The details of options granted, lapsed and in force at the end of the year are as under

	Current year	Previous year
Option in force at the beginning of the year (face value Rs. 2/-)	546,625	1,110,500
Add : Granted during the year	770,000	117,500
Less : Lapsed during the year	123,275	681,375
Option in force at the end of the year	1,193,350	546,625
Option vested during the year	1,28,100	110,152

- 2 Amount transferred to Debenture Redemption Reserve includes Rs.Nil (Previous year Rs.947 lakhs) created in respect of earlier years.
- 3 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.
- 4 Donation includes Rs.5.10 lakhs (Previous Year Rs.2.72 lakhs) paid to political parties.
- 5 Leases

a Assets Taken on Operating Lease

The Company has taken cars on operating lease and lease rent amounting to Rs.92.85 lakhs (Previous year Rs.38.85 lakhs) has been debited to Profit and Loss Account. The future minimum lease payment is as under:

	As at 31.03.2009	As at 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
Not later than one year	86.90	56.73
Later than one year and not later than five years	62.05	120.31
Later than five years	-	-
Total	148.95	177.04

b Assets Given on Operating Lease

The Company has given properties on Operating Lease and lease rent amounting to Rs.1,561.54 lakhs (Previous Year Rs.1,566.01 lakhs) has been credited to Profit and Loss Account. The future minimum lease income is as under:

	As at 31.03.2009	As at 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
Not later than one year	1,579.87	1,541.65
Later than one year and not later than five years	195.85	353.04
Later than five years	-	-
	1,775.72	1,894.69

SCHEDULES TO CONSOLIDATED BALANCE SHEET

A N N U A L R E P O R T 2 0 0 8 - 0 9

6 a Contingent Liabilities not provided for:

	As at 31.03.2009	As at 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
Tax assessments in appeal	1,227.17	4,063.83

b Capital Commitments

	As at 31.03.2009	As at 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
Peninsula Land Limited	21.85	453.00
Peninsula Pharma Research Centre Private Limited	-	856.42
Inox Mercantile Company Private Limited	-	2,253.09
Planetview Mercantile Company Private Limited	-	494.76
City Parks Private Limited	472.69	422.80
	494.54	4,480.07

7 Based on the confirmations received, there were no amounts due to any creditors classified as Micro, Small and Medium Enterprises.

8 a Miscellaneous Expenses include Auditors' remuneration (inclusive of Service Tax) in respect of:

	Year Ended 31.03.2009	Year Ended 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
Statutory Auditors		
a) Audit fees	20.24	19.04
b) Tax Audit fees	6.67	4.24
c) Certification fees	8.27	1.21
d) Out of Pocket expenses	0.35	0.35
	35.53	24.84

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

9 Managerial Remuneration

	Year Ended 31.03.2009	Year Ended 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
a To Chairperson and Executive Directors		
a. Salaries and Allowances	666.30	438.67
b. Commission to Executive Chairperson and Whole time Directors	625.00	407.76
c. Contribution to Provident and Superannuation Funds *	145.80	111.19
d. Other Perquisites	54.88	43.61
Total	1,491.98	1,001.23
b To Non Whole time Directors - Commission	34.00	20.00
c Directors Fees	6.60	3.80
Total Managerial Remuneration	1,532.58	1,025.03

* 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.

SCHEDULES TO CONSOLIDATED BALANCE SHEET

	Year Ended 31.03.2009	Year Ended 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
d Computation of Net Profit u/s 198/ 349 of the Companies Act, 1956		
Profit Before Taxes	18,150.72	14,794.64
Less : Other Income	(904.79)	(1,031.85)
	17,245.93	13,762.79
Add : Loss on sale of Assets	12.40	6.45
Managerial Remuneration	1,531.48	1,025.03
Net Profit u/s 198/ 349 of the Companies Act, 1956	18,789.81	14,794.27
(i) Commission to Executive Chairperson & Whole time Directors restricted to	625.00	407.76
(ii) Commission to Non Whole time Directors @1% of Net Profit u/s 349, Rs.187.91 lakhs (Previous year Rs.147.94 lakhs) restricted to	34.00	20.00

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

Mutual Funds Units Particulars	Type of scheme	Purchase (in lakhs)		Sale (in lakhs)	
		Units	Rs.	Units	Rs.
HDFC Cash Management Fund - Saving Plus Plan Wholesale	Daily Dividend	1,166.57	11,702.41	1,166.57	11,702.41
Reliance Liquid Plus Fund - Institutional Optional	Daily Dividend	35.40	35,441.71	38.28	38,326.56
Reliance Medium Term Fund	Daily Dividend	299.65	4,132.63	235.30	4,022.56
Reliance Liquidity Fund	Daily Dividend	1,875.83	18,764.14	1,883.93	18,845.17
Reliance Interval Fund - Quarterly Plan Series 1	Institutional Dividend	2.17	21.71	1,527.82	15,282.51
Reliance Interval Fund - Series 1	Institutional Dividend	252.76	2,529.70	252.76	2,529.50
Reliance Fixed Horizon Fund VI - Series 2	Institutional Dividend	-	-	250.00	2,500.00
Reliance Fixed Horizon Fund VIII - Series 10	Institutional Dividend	250.00	2,500.00	250.00	2,500.03
HSBC Gilt Fund	Weekly Dividend	431.35	4,316.13	431.35	4,321.05
UTI Liquid Cash Plan	Daily Income	0.00	0.07	0.03	29.85
LICMF Liquid Fund	Dividend Plan	182.18	2,000.37	-	-
ICICI Prudential Institutional Liquid Plan	Daily Dividend	0.57	5.71	8.94	89.44

	Year Ended 31.03.2009	Year Ended 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
11 (a) Value of Direct Imports calculated on C.I.F.basis		
Construction Equipments	128.88	-
Glass	24.17	41.97
(b) Expenditure in Foreign Currency		
Travelling	18.65	31.66
Professional and Legal Fees	178.12	122.20
Seminar expenses	9.62	4.62
Advertisement expenses	-	5.89
(c) Foreign currency have been expended to the extent of Rs.Nil (Previous Year 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.		

SCHEDULES TO CONSOLIDATED BALANCE SHEET

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	Year Ended 31.03.2009	Year Ended 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
12 Income From Operations		
a Realty Sales	52,312.53	32,672.47
b Other Services	4,250.49	3,064.38
	56,563.02	35,736.85

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

	As at 31.03.2009		As at 31.03.2008	
	(Rs. in Lakhs)		(Rs. in Lakhs)	
Opening Work in Progress		54,684.35		26,870.58
Add : Expenses during the year				
Material Costs	7,198.20		5,382.12	
Other Development Expenses	18,195.27		29,979.00	
Construction Equipments	-		2.21	
Interest Expenses	6,187.87		5,132.38	
Statutory Fees	4,125.13		2,202.77	
Allocated Expenses	2,451.64		160.34	
Total Project Expenses for the year		38,158.11		42,858.82
		92,842.46		69,729.40
Less : Transferred to Closing Stock		(58,731.18)		(54,684.35)
Cost of Realty Sales (Revenue Recognised)		34,111.28		15,045.05

14 Major components of deferred tax assets and liabilities are:

	As at 31.03.2009	As at 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
Deferred Tax Assets		
Unabsorbed Business Loss	57.16	466.22
Short Term Capital Loss	-	153.11
Amount disallowed u/s 43B of Income Tax Act, 1961	91.17	4.24
Long Term Capital Loss	-	398.63
	148.33	1,022.23
Deferred Tax Liabilities		
Accelerated Depreciation	962.98	790.77
Amount disallowed u/s 40(a) of Income Tax Act, 1961	-	4.32
VRS unamortised	1,109.24	1,782.94
	2,072.22	2,578.03
Net Deferred Liabilities	(1,923.89)	(1,555.80)

15 In accordance with the Accounting Standard - 16 issued by The Institute of Chartered Accountants of India, Interest of Rs.6,187.87 lakhs (Previous Year Rs.4,920.97 lakhs) has been treated as Project cost and added to the stock in trade.

16 Employee Benefits

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

Particulars	As at 31.03.2009	As at 31.03.2008
	(Rs. in Lakhs)	(Rs. in Lakhs)
a Gratuity (Funded)		
Opening defined benefit obligation	152.58	95.66
1) Current service cost	52.42	32.67
2) Interest on defined benefit obligation	12.20	7.66
3) Benefits paid	(11.30)	(5.02)
Actuarial (Gain)/Loss on defined benefit obligation	25.78	14.78
Present value of defined benefit obligation as on 31 st March, 2009	231.68	145.75
Expenses recognised in the statement of Profit & Loss Account for the year ended 31st March, 2009		
1) Current service cost	52.42	32.67
2) Interest on defined benefit obligation	12.20	7.66
3) Actuarial (Gain)/Loss on defined benefit obligation	25.78	14.78
Expenses recognised in the statement of Profit & Loss Account for the year	90.39	55.11
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%
b Leave Encashment (Unfunded)		
Opening defined benefit obligation	84.35	70.74
1) Current service cost	27.50	29.56
2) Interest on defined benefit obligation	6.74	5.66
3) Benefits paid	(19.57)	(34.18)
Actuarial (Gain)/Loss on defined benefit obligation	(36.35)	9.81
Present value of defined benefits obligation as on 31 st March 2009	62.67	81.59
Expenses recognised in the statement of Profit & Loss Account for the year ended 31st March, 2009		
1) Current service cost	27.50	29.56
2) Interest on defined benefit obligation	6.74	5.66
3) Actuarial (Gain)/Loss on defined benefit obligation	(36.35)	9.81
Expenses recognised in the statement of Profit & Loss Account for the year	29.88	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%

SCHEDULES TO CONSOLIDATED BALANCE SHEET

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c Defined Contribution Plan

Contribution Provident Fund

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

Particulars	Current Year	Previous Year
	(Rs. in Lakhs)	(Rs. in Lakhs)
Employer's contribution to Provident Fund	174.12	130.32
Employer's contribution to Superannuation Fund	123.79	99.86
Employer's contribution to Employees State Insurance	2.23	1.84

NOTE :

- The Estimated future salary increase takes account of inflation, seniority, promotion and other retirement factors such as supply and demand in the employment market.

17 List of Related Parties and Transactions during the year.

a. Controlling Companies

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

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

Delta Hospitality Private Limited (formerly known as Fastrack Impex Private Limited)
 JM Realty Management Private Limited
 L & T Crossroads Private Limited
 SEW Electricals Private Limited
 Topzone Mercantile Company Private Limited

c. Companies where Key Management Personnel /their relatives exercise significant influence

Freedom Registry Limited (formerly known as Amtrac Management Services Limited)
 Ashok Piramal Management Corporation Limited
 Morarjee Textiles Limited
 Onestar Mercantile Company Private Limited
 Thundercloud Technologies (India) 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

Details of Transactions are as Follows :

Particulars	2008-09	2007-08
	(Rs. in Lakhs)	(Rs. in Lakhs)
a. Sales to and recoveries from		
Companies where Key Management Personnel / their relatives exercise significant influence		
Morarjee Textiles Limited	162.39	163.75
b. Purchase and other services from		
Associate Companies		
SEW Electricals Private Limited	636.15	-
Companies where Key Management Personnel / their relatives exercise significant influence		
Morarjee Textiles Limited	-	0.04
Ashok Piramal Management Corporation Limited	30.78	27.21
Freedom Registry Limited (formerly known as Amtrac Management Services Limited)	5.59	8.40
c. Loan given to		
Associate Companies		
Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)	2,410.00	700.00
JM Realty Management Private Limited	0.09	637.96
L & T Crossroads Private Limited	1.35	0.65
SEW Electricals Private Limited	6.34	-
Topzone Mercantile Company Private Limited	0.39	-
Companies where Key Management Personnel / their relatives exercise significant influence		
Morarjee Textiles Limited	0.09	0.12
Ashok Piramal Management Corporation Limited	0.22	-
Onestar Mercantile Company Private Limited	0.02	0.12
RR Mega City Builders Private Limited	1.86	-
Freedom Registry Limited (formerly known as Amtrac Management Services Limited)	0.75	-
Thundercloud Technologies (India) Private Limited	0.15	-
d. Loan taken from		
Piramal Healthcare Limited (formerly known as Nicholas Piramal India Limited)	-	7.68
Thundercloud Technologies (India) Private Limited	-	1.27
e. Loan repaid by		
Associate Companies		
L & T Crossroads Private Limited	1.44	0.75
Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)	-	1.24
Topzone Mercantile Company Private Limited	0.10	-

SCHEDULES TO CONSOLIDATED BALANCE SHEET

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Particulars	2008-09	2007-08
	(Rs. in Lakhs)	(Rs. in Lakhs)
Companies where Key Management Personnel /their relatives exercise significant influence		
Morarjee Textiles Limited	0.34	0.20
Thundercloud Technologies (India) Private Limited	-	1.27
Ashok Piramal Management Corporation Limited	0.20	-
Freedom Registry Limited (formerly known as Amtrac Management Services Limited)	0.75	-
f. Loan repaid to		
Piramal Healthcare Limited (formerly known as Nicholas Piramal India Limited)	-	7.68
g. Interest income from Associate Companies		
Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)	229.97	96.27
JM Realty Management Private Limited	115.20	37.34
h. Investments / Equity Share application Associate Companies		
JM Realty Management Private Limited	22.00	0.25
SEW Electricals Private Limited	651.92	-
Topzone Mercantile Company Private Limited	1,353.38	
i. Remuneration / Sitting Fees		
Key Management Personnel	1,491.98	1,001.23
j. Dividend Paid		
Key Management Personnel	222.24	-
k. Outstanding balances as at March 31, 2009		
Payable by Company		
Associate Companies		
Freedom Registry Limited (formerly known as Amtrac Management Services Limited)	1.58	1.58
Receivable by Company		
Associate Companies		
JM Realty Management Private Limited	778.79	667.60
Delta Hospitality Private Limited (formerly known as Fasttrack Impex Private Limited)	3,901.40	1,313.54
SEW Electricals Private Limited	392.54	-
L & T Crossroads Private Limited	-	0.08
Topzone Mercantile Company Private Limited	0.39	-
Companies where Key Management Personnel /their relatives exercise significant influence		
Ashok Piramal Management Corporation Limited	0.02	1.12
Morarjee Textiles Limited	288.61	167.86
RR Mega City Builders Private Limited	3.06	-
Onestar Mercantile Company Private Limited	0.13	0.13
Thundercloud Technologies (India) Private Limited	0.15	-

18 Segment Reporting

The Company is engaged in Real Estate Development only and therefore, there is no reportable segment as required by Accounting Standard AS-17.

19 Earnings Per Share (EPS)

Particulars	2008-09	2007-08
	(Rs. in Lakhs)	(Rs. in Lakhs)
a. Profit/(Loss) after Tax	14,710.00	13,107.95
Less: Preference Share Dividend and Dividend Distribution Tax thereon	0.01	0.01
	14,709.99	13,107.94
b. Extra Ordinary items	1,600.77	1,521.13
c.. Weighted Average No. of Shares		
Basic	2,79,201,220	2,42,640,428
Diluted	2,79,201,220	2,43,004,896
e. Basic EPS (Rs.) (After Extraordinary & Prior Period Items)	5.27	5.40
f. Basic EPS (Rs.)(Before Extraordinary & Prior Period Items)	5.84	6.03
g. Diluted EPS (Rs.) (After Extraordinary & Prior Period Items)	5.27	5.39
h. Diluted EPS (Rs.)(Before Extraordinary & Prior Period Items)	5.84	6.02

20 Details of Subsidiary, Associate

	Country of Incorporation	% of Voting power as on 31.03.09
a Subsidiaries		
Boom Realty Private Limited	India	100%
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 Mega Township Developers Private Limited	India	100%
Peninsula Pharma Research Centre Private Limited	India	100%
Peninsula Trustee Limited	India	70%
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%
Takenow Property Developers Private Limited	India	100%

SCHEDULES TO CONSOLIDATED BALANCE SHEET

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	Country of Incorporation	% of Voting power as on 31.03.09
b Associates		
JM Realty Management Private Limited	India	25%
Delta Hospitality Private Limited	India	26%
L & T Crossroads Private Limited	India	50%
SEW Electricals Private Limited	India	26%
Topzone Mercantile Company Private Limited	India	50%

21 Schedule of Investment in Associates

Name of Associate	Original Cost of Investment	Goodwill/ (Capital Reserve) included in the original cost of investments	Dividend	Investors Share in accumulated Profits/ Losses	Carrying Value
Delta Hospitality Private Limited (Principal Activity - Real Estate) Ownership Interest & Voting power - 26%	26.00	0.76	-	3.22	28.46
JM Realty Management Private Limited (Principal Activity - Real Estate) Ownership Interest & Voting power - 25%	0.25	0.02	-	(0.23)	-
L & T Crossroads Private Limited (Principal Activity - Real Estate) Ownership Interest & Voting power - 50%	1,200.00	390.70	-	496.44	1,305.74
SEW Electricals Private Limited (Principal Activity - Electrical Contracts) Ownership Interest & Voting power - 26%	653.57	453.20	2.50	522.31	720.18
Topzone Mercantile Company Private Limited (Principal Activity - Real Estate) Ownership Interest & Voting power - 50%	1,353.38	1,353.62	-	1,353.77	1,353.53
	3,233.20	2,198.30	2.50	2,375.51	3,407.91

Investments in Associates include goodwill of Rs.2198.29 lakhs (P.Y. Rs.391.47 lakhs) in respect of associate companies.

- 22 The investment in Edifice Properties Private Limited, is not considered for consolidation as the same is held for disposal in the imminent future.
- 23 a During the year under audit a Scheme of Arrangement of Demerger of leasing division of WATCO Engineering Company Private Limited in a subsidiary Company, RR Real Estate Development Pvt Ltd was approved by Hon'ble High Court at Bombay. The appointed date of demerger was 1st April, 2007. With effect from the appointed date, all the assets and liabilities of the leasing business of WATCO Engineering Company Private Limited were recorded by the referred subsidiary Company at their book value. As a consideration towards the demerger, the shareholders of WATCO Engineering Company Private Limited were allotted 65,000 1% Non Cumulative Redeemable Preference Shares of Rs.10/- each in the said subsidiary. The difference between the Preference Shares allotted and the value of the net assets of leasing business of WATCO Engineering Company Private Limited was debited to Goodwill Account in the books of the said subsidiary.

- b Assets acquired by the subsidiary in the above Scheme of Demerger is as follows (Book value as on appointed date)

	Amount Rs. in Lakhs
Fixed assets	2,056.56
Less:	
Unsecured Loan	2,100.30
65,000 (1%) Non Cumulative Redeemable Preference Shares of Rs. 10/- each	6.50
Goodwill	50.24

- c As a consequence of note 5 above the income of Leasing business of till effective date i.e. 3rd July 2008, has been considered in the year under audit amounting to Rs.197.40 lakhs

24 Principles of Consolidation

- a The Consolidated Financial statements are based on the Audited financial statements of the subsidiaries / associates for the period / year ended 31st March, 2009, except in case of 2 associates where unaudited financial statements have been considered. No significant transactions have occurred after the Balance Sheet date of subsidiaries.
- b The Financial statements of the Company and its subsidiaries have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. All intra group balances and have been eliminated on consolidation as per Accounting Standard AS 21 "Consolidated Financial Statements".
- c Interest charged by the holding co. to subsidiaries, have not been eliminated wherever the subsidiaries have accounted the same to realty stock Work in progress.
- d 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.
- e Minority interest in the net income and net assets of the consolidated financial statements are computed and shown separately.
- f In case of Associate Company, the Audited Financial Statements as on 31st March, 2009 have been consolidated as per Accounting Standard - AS 23 "Accounting For Investments in Associates in Consolidated Financial Statements".

- 25 Previous year figures have been regrouped wherever necessary.

Signatures to Schedules 1 to 14

For and on behalf of Board of Directors
 Urvi A. Piramal *Chairperson*
 Rajeev A. Piramal *Executive Vice Chairman*
 Mahesh S. Gupta *Group Managing Director*
 Rajesh Jaggi *Managing Director*

 Bharat Sanghavi *Chief Financial Officer*

 K. Nath *Company Secretary*

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

Mumbai : 8th May, 2009

CONSOLIDATED CASHFLOW STATEMENT

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FOR THE YEAR ENDED MARCH 31, 2009

	Year Ended 31 st March, 2009		Year Ended 31 st March, 2008	
	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		19,560.26		16,570.66
Adjustments for:				
Add : Depreciation	400.29		262.97	
Interest Received/Paid (Net) (Including interest on Income Tax Refund)	(4,274.54)		(894.03)	
Loss/(Profit) on Sale of Fixed Assets (Net)	(379.39)		4.25	
Fixed assets Written off	43.48		-	
Preliminary Expenses	0.04		-	
	(4,210.12)		(626.81)	
Less: Dividend Income	499.49		611.85	
		(4,709.61)		(1,238.66)
Operating Profit Before Working Capital Changes		14,850.65		15,332.00
Less:(Increase) / Decrease in Trade and Other Receivables	(15,478.68)		18,618.99	
(Increase) / Decrease in Inventories	(4,046.83)		(27,813.68)	
(Increase) / Decrease in Loans and Advances	629.29		(4,022.95)	
Increase / (Decrease) in Trade Payables	(6,316.72)	(25,212.94)	1,670.47	(11,547.17)
Cash Generated from Operations		(10,362.29)		3,784.83
Less :				
Direct Tax Paid	(3,611.95)		(4,398.88)	
Extraordinary Item & Prior period (Income)/Expenses	-		122.52	
		(3,611.95)		(4,276.36)
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 Expenditure acquired on merger	-		(1,187.72)	
Merger Expenses	-		(0.77)	
		-		(11,316.78)
Net Cashflow From Operating Activities (A)		(13,974.24)		(11,808.31)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(3,092.60)		(2,754.10)	
Sale of Fixed Assets	482.57		39.55	
Purchase of Investments	(6,006.28)		(7,2587.25)	
Sale of Investments	17,741.25		48,997.00	
Dividend / interest Received (including from associates)	6,329.58		4,428.57	
Net Cashflow From Investing Activities (B)		15,454.52		(21,876.11)

CONSOLIDATED CASHFLOW STATEMENT



	Year Ended 31 st March, 2009		Year Ended 31 st March, 2008	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Qualified Institutional Placements	-		875.00	
Equity shares issued to shareholders of Dawn Mills (pursuant to Amalgamation Scheme)	-		500	
Share Premium on QIP Proceeds (net)	-		49,301.39	
Dividend Paid	(2,211.71)		(1,388.47)	
Dividend Tax Paid	(379.60)		(240.09)	
Net proceeds from change in Minority stake	-		35.56	
Interest paid	(1,570.40)		(2,713.70)	
Proceeds from Borrowings	21,232.00		6,939.11	
Repayment of Borrowings	(14,006.50)		(21,203.37)	
Net Cashflow from Financing Activities (C)		3,063.79		32,105.43
Net Increase in Cash and Cash Equivalents (A)+(B)+(C.)		4,544.06		(1,578.99)
Cash and Cash Equivalents at the beginning of the year		10,234.70		11,813.69
Cash On Hand	9.78		4.42	
With Scheduled banks - in Current accounts	2,532.21		502.28	
- in Deposit accounts	12,184.68		9,697.82	
- Unclaimed dividend accounts	52.09		30.18	
Cash and Cash Equivalents at the end of the year		14,778.76		10,234.70

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

For and on behalf of Board of Directors

For Haribhakti & Co.
Chartered Accountants

Chetan Desai
Partner

Mumbai : 8th May, 2009

Urvi A. Piramal	<i>Chairperson</i>
Rajeev A. Piramal	<i>Executive Vice Chairman</i>
Mahesh S. Gupta	<i>Group Managing Director</i>
Rajesh Jaggi	<i>Managing Director</i>
Bharat Sanghavi	<i>Chief Financial Officer</i>
K. Nath	<i>Company Secretary</i>

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

FINANCIAL HIGHLIGHTS

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(Rs. in lakhs except per share data)

Particulars	2008-09	2007-08	2006-07 (9 Months)	2005-06 (15 Months)	2004-05
Gross Income	55,070	35,560	32,091	29,333	6,414
Profit after Tax	14,952	12,979	13,204	14,419	(952)
Total Assets	141,936	122,353	80,327	64,302	31,285
Shareholders' Funds	101,177	87,564	36,406	8,491	(13,996)
Borrowings	34,316	27,088	37,173	47,991	35,404
Debt Equity Ratio	0.34	0.31	1.02	5.65	-
Earnings per share (Basic) Rs.	5.36 *	5.35 *	32.65	36.51	(0.19)
Face Value per share Rs.	2.00	2.00	10.00	10.00	10.00
Equity Dividend (%)	45%	40%	30%	25%	-
Book Value per share Rs.	36.24 *	31.36 *	86.49	21.50	(71.86)

* Post Sub-division of shares