

Peninsula Investment Management Company Limited

Consolidated financial statements

together with the

Independent Auditor's Report

for the year ended 31 March 2017

Peninsula Investment Management Company Limited

Consolidated financial statements together with the Independent Auditor's report
for the year ended 31 March 2017

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B S R & Associates LLP

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Independent Auditor's Report

To the Members of Peninsula Investment Management Company Limited

Report on the consolidated Ind AS financial statements

We have audited the accompanying consolidated financial statements of Peninsula Investment Management Company Limited (hereinafter referred to as "the Holding Company") and its joint venture, Peninsula Brookfield Investment Managers Private Limited (the Holding Company and its joint venture together referred to as "the Group"), which comprise the Consolidated balance sheet as at 31 March 2017, the Consolidated statement of profit and loss (including other comprehensive income), the Consolidated cash flow statement and the Consolidated statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated state of affairs (financial position), consolidated profit or loss (financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

Independent Auditor's Report (Continued)

Peninsula Investment Management Company Limited

Auditor's responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs (financial position) of the Group as at 31 March 2017, and its consolidated loss (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Report on other legal and regulatory requirements

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (c) The Consolidated balance sheet, the Consolidated statement of profit and loss, the Consolidated cash flow statement and Consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards prescribed under section 133 of the Act;
- (e) On the basis of written representations received from the Directors as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the joint venture entity, none of the directors of the Holding Company and the joint venture entity as on 31 March 2017 is disqualified, from being appointed as a director in terms of Section 164 (2) of the Act;

Independent Auditor's Report (Continued)

Peninsula Investment Management Company Limited

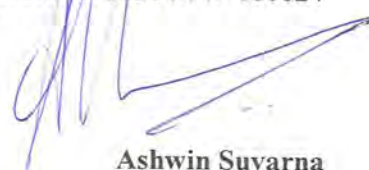
Report on other legal and regulatory requirements (Continued)

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Group does not have any pending litigations which would impact its financial position;
 - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv) The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures and relying on management representation, we report that the disclosures are in accordance with books of account maintained by the Company and its joint venture entity and as produced to us by management – Refer Note 29.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/W-100024



Ashwin Suvarna
Partner

Membership No: 109503

Mumbai
8 May 2017

Peninsula Investment Management Company Limited

Annexure A to the Independent Auditor's Report – 31 March 2017

(Referred to in our report of even date)

Report on the Internal Financial Controls under Section 143(3) (i) of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of Peninsula Investment Management Company Limited (hereinafter referred to as "the Holding Company") and its joint venture, Peninsula Brookfield Investment Managers Private Limited (the Holding Company and its Joint Venture together referred to as "the Group") as of and for the year ended 31 March 2017, we have audited the internal financial controls of the Holding Company and its joint venture for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Director's of the Holding Company and Joint Venture are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Peninsula Investment Management Company Limited

Annexure A to the Independent Auditor's Report – 31 March 2017 (Continued)

Meaning of Internal Financial Controls over Financial Reporting

The Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

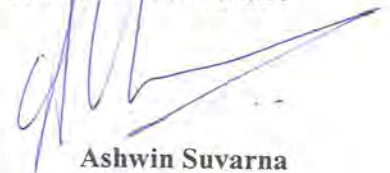
Opinion

In our opinion, the Holding Company and its joint venture has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024



Ashwin Suvarna

Partner

Membership No: 109503

Mumbai
8 May 2017

Peninsula Investment Management Company Limited

Consolidated balance sheet

as at 31 March 2017

(Amount in INR)

Particulars	Note	AS AT 31 March 2017	PSS AT 31 March 2016	PSS AT 1 April 2015
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	4	338	1,126	5,352
(b) Other intangible assets	5	-	6,079	102,542
(c) Investments in joint venture	6	75,793,993	67,812,491	63,978,674
(d) Financial assets				
(i) Investments	7	8,566,442	7,430,891	3,894,513
(ii) Other financial assets	8	199,890	199,890	144,371
(e) Other non-current assets	9	7,495,884	7,215,551	8,599,361
Total non-current assets		92,056,547	82,666,028	76,724,814
(2) Current assets				
(a) Financial assets				
(i) Investments	10	942	900,889	1,000,844
(ii) Trade receivables	11	72,993,950	72,993,950	72,993,950
(iii) Cash and cash equivalents	12	3,214,382	1,846,735	1,066,967
(iv) Other financial assets	13	8,683,018	10,963,414	17,220,882
(b) Other current assets	14	1,821	470	969
Total current assets		84,894,113	86,705,458	92,283,612
TOTAL ASSETS		176,950,660	169,371,486	169,008,426
EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	15	100,000,000	100,000,000	100,000,000
(b) Other equity				
(i) Retained earnings (including items of other comprehensive income)		(57,750,573)	(55,625,789)	(36,454,489)
Total equity		42,249,427	44,374,211	63,545,511
(2) Non-current liabilities				
(a) Borrowings	16	110,850,000	110,850,000	97,350,000
(b) Provision for employee benefits	17	-	-	51,167
(c) Deferred tax liabilities (net)	26	-	-	11,449
(d) Other non-current liabilities	18	23,169,579	13,220,337	5,098,375
Total Non-current liabilities		134,019,579	124,070,337	102,510,991
(3) Current liabilities				
(a) Financial liabilities				
(i) Trade payables	19	465,480	662,677	2,509,691
(b) Other current liabilities	20	216,175	264,261	439,674
(c) Short-term provisions	21	-	-	2,559
Total current liabilities		681,655	926,938	2,951,924
Total liabilities		134,701,233	124,997,275	105,462,915
TOTAL EQUITY AND LIABILITIES		176,950,660	169,371,486	169,008,426

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For BSR & Associates LLP
Chartered Accountants
Firm's Registration No. 116231W/W-100024

Ashwin Suvarna
Partner
Membership No. 109503

For and on behalf of the Board of Directors of
Peninsula Investment Management Company Limited
CIN : U67110MH2005PLC158070

Rajeev Piramal
Managing Director
DIN : 00044983

Mahesh Gupta
Director
DIN : 00046810

Prashant Sagwekar
Chief Financial Officer

Bharat Sanghvi
Company Secretary
ACS No. 10204

Mumbai
Date: 08 MAY 2017

Mumbai
Date: 08 MAY 2017

Peninsula Investment Management Company Limited

Consolidated statement of profit and loss

for the year ended 31 March 2017

(Amount in INR)

Particulars	Note	For the year ended 31 March 2017	For the year ended 31 March 2016
Other income	22	2,164,443	1,901,464
Total income		2,164,443	1,901,464
Employee benefits expenses	23	-	278,419
Finance costs	24	9,978,640	9,118,840
Depreciation and amortization expenses	4 & 5	6,867	100,689
Other expenses	25	2,285,223	1,795,382
Total expenses		12,270,730	11,293,330
Loss before tax and share of profit / (loss) from joint venture		(10,106,287)	(9,391,866)
Share of profit/(loss) from joint venture (net of tax)		7,889,327	(9,180,969)
Profit / (loss) before tax		(2,216,960)	(18,572,834)
Tax expense:			
Current tax		-	-
Deferred tax	26	-	11,449
Loss for the year		(2,216,960)	(18,561,385)
Share in other comprehensive income (net of tax) from joint venture		92,176	(484,915)
Total comprehensive income for the year		(2,124,784)	(19,046,300)
Earnings per equity share of par value Rs. 10 each (31 March 2016 Rs.10 each)	27		
Basic		(0.22)	(1.86)
Diluted		(0.22)	(1.86)

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

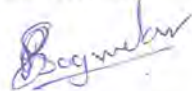
Firm's Registration No. 116231 W/W-100024


Ashwin Suvarna
Partner

Membership No: 109503

For and on behalf of the Board of Directors of
Peninsula Investment Management Company Limited
CIN : U67110MH2005PLC158070


Rajeev Piramal
Managing Director
DIN : 00044983


Prashant Sagwekar
Chief Financial Officer

Mumbai
Date: 08 MAY 2017


Mahesh Gupta
Director
DIN : 00046810


Bharat Sanghvi
Company Secretary
ACS No: 10204

Mumbai
Date: 08 MAY 2017

Peninsula Investment Management Company Limited

Consolidated statement of changes in equity

for the year ended 31 March 2017

for the year ended 31 March 2017

A. Equity share capital

Balance at the beginning of the reporting period	Changes in equity share capital during the reporting period	Balance at the end of the reporting period
100,000,000	-	100,000,000

B. Other equity

Particulars	Other equity					Items of OCI Movement of Other comprehensive income items	Total equity
	Capital Reserve	Securities Premium Account	Reserves & Surplus Deemed Equity	Retained earnings	Total		
Balance at 1 April 2015	-	-	-	52,381,590	52,381,590	-	52,381,590
Financial assets at FVTPL - net change in fair value	-	-	-	33,513	33,513	-	33,513
Loan from Peninsula Land Limited	-	-	88,833	-	88,833	-	88,833
Share of loss from investment in joint venture	-	-	-	(88,958,426)	(88,958,426)	-	(88,958,426)
Restated balance at the beginning of the reporting period	-	-	88,833	(36,543,322)	(36,454,489)	-	(36,454,489)
Changes in equity share capital during the year	-	-	-	-	-	-	-
Loss for the year	-	-	-	(9,380,417)	(9,380,417)	-	(9,380,417)
Other comprehensive income for the year	-	-	-	-	-	-	-
Share of loss from investment in joint venture	-	-	-	(9,180,969)	(9,180,969)	-	(9,180,969)
Other comprehensive income for the year	-	-	-	-	-	-	-
(a) Remeasurement of defined benefit plan - gratuity (net of tax)	-	-	-	-	-	(294,987)	(294,987)
(b) Remeasurement of defined benefit plan - leave encashment (net of tax)	-	-	-	-	-	(189,928)	(189,928)
Total comprehensive income for the year	-	-	-	(55,104,707)	(55,015,874)	(484,915)	(55,500,789)
Balance at 31 March 2016	-	-	88,833	(55,104,707)	(55,015,874)	(484,915)	(55,500,789)
Prior period errors	-	-	-	(125,000)	(125,000)	-	(125,000)
Restated balance at the beginning of the reporting period	-	-	88,833	(55,229,707)	(55,140,874)	(484,915)	(55,625,789)
Changes in equity share capital during the year	-	-	-	-	-	-	-
Loss for the year	-	-	-	(10,106,287)	(10,106,287)	-	(10,106,287)
Share of profit from investment in joint venture	-	-	-	7,889,327	7,889,327	-	7,889,327
Share in other comprehensive income from investment in joint venture	-	-	-	-	-	-	-
(a) Remeasurement of defined benefit plan - gratuity (net of tax)	-	-	-	-	-	55,816	55,816
(b) Remeasurement of defined benefit plan - leave encashment (net of tax)	-	-	-	-	-	36,360	36,360
Total comprehensive income for the year	-	-	-	(2,216,960)	(2,216,960)	92,176	(2,124,784)
Balance at 31 March 2017	-	-	88,833	(57,446,668)	(57,357,835)	(392,739)	(57,750,573)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For BSR & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Anshu Suvarna

Partner

Membership No: 109503

For and on behalf of the Board of Directors of Peninsula Investment Management Company Limited

CIN : U67110MH2005PLC158070

Rajeev Pirathal

Managing Director

DIN : 00044983

Prashant Sagwekar

Chief Financial Officer

Mahesh Gupta

Director

DIN : 00046810

Bharat Sanghvi

Company Secretary

ACS No: T0204

Mumbai

Date:

Mumbai

Date:

Peninsula Investment Management Company Limited

Statement of cash flows

for the year ended 31 March 2017

(Amount in INR)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Cash flow from operating activities		
Loss before tax	(2,216,960)	(18,572,834)
Adjustments		
Share of (profit)/ loss from joint venture	(7,889,327)	9,180,969
Depreciation and amortization	6,867	100,689
Provision for diminution in value of current investments	900,000	100,000
Income from investments	(1,171,570)	(1,502,804)
Financial assets at FVTPL - net change in fair value	(962,950)	(288,651)
Interest accrued but not due on borrowings	29,398	25,373
Prior period items	(125,000)	-
	(11,429,543)	(10,957,259)
Working capital adjustments		
Increase in liabilities	9,799,560	5,895,436
Increase in loans and advances	2,095,633	6,969,728
	465,650	1,907,906
Income Tax paid (Net of income tax refund)	(96,921)	616,530
Net cash flows from operating activities	368,730	2,524,436
Cash flow from investing activities		
Investment during the year	(172,654)	(16,747,472)
Redemption proceeds received from mutual fund	81,037	164,199
Income received from investments	1,090,534	1,338,605
Net cash flows from investing activities	998,917	(15,244,667)
Cash flow from financing activities		
Proceeds from redeemable preference shares	-	13,500,000
Net cash flows from financing activities	-	13,500,000
Net increase in cash and cash equivalents	1,367,647	779,768
Cash and cash equivalents at the beginning of the year	1,846,735	1,066,967
Cash and cash equivalents at the end of the year	3,214,382	1,846,735
Reconciliation of cash and cash equivalents with the Balance Sheet		
Cash and bank balances as per Balance Sheet [Note 11]	3,214,382	1,846,735
Cash and cash equivalents as restated as at the year end	3,214,382	1,846,735

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements"

The notes referred to above form an integral part of the financial statements
As per our report of even date attached.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Ashwin Suvarna
Partner

Membership No: 042554

For and on behalf of the Board of Directors of
Peninsula Investment Management Company Limited
CIN : U67110MH2005PLC158070

Rajeev Piramall
Managing Director
DIN : 00044983

Prashant Sagwekar
Chief Financial Officer

Mahesh Gupta
Director
DIN : 00046810

Bharat Sanghvi
Company Secretary
ACS No: 10204

Mumbai

Date: 08 MAY 2017

Mumbai

Date: 08 MAY 2017

Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

1. Background

Peninsula Investment Management Company Limited ('the Company') was incorporated on 15 December 2005. The principle objective of the Group is to originate, acquire, manage, monitor and dispose portfolio investments of Investment Manager to PReF Indigo Scheme, a scheme of Peninsula Realty Fund ('Fund') based on an investment management agreement between the Group and Peninsula Trustee Limited ('Trustee Company') dated 13 March 2006 pursuant to amended from time to time.

2. Basis of consolidation

Equity accounted investees

The Group's interests in equity accounted investees comprise interests in joint ventures.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures is accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Group's financial statements up to and for the year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Group's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 35.



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

3. Basis of preparation (*Continued*)

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest rupees, unless otherwise indicated.

C. Current/ Non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in its normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in its normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

D. Basis of measurement

The statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability present value of	Fair value of plan assets less defined benefit obligations





Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

3. Basis of preparation (*Continued*)

F. Measurement of fair values (*Continued*)

Financial instruments

Investments and other financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses is recorded in profit or loss.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

All equity investments other than investment in joint venture are measured at fair value. The Group's management has elected to present fair value gains and losses on equity investments in profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

3. Basis of preparation (*Continued*)

F. Measurement of fair values (*Continued*)

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (refer note 36).

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the statement of profit and loss which is as follows:

Class of Fixed Asset	Useful life (years)
Computer Software	3
Computers	3
Office equipment	5
Furniture and fixture	10

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Intangible assets

Intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

3. Basis of preparation (*Continued*)

F. Measurement of fair values (*Continued*)

Property, plant and equipment (*Continued*)

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, is recognised in profit or loss as incurred.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated..

In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

3. Basis of preparation (*Continued*)

F. Measurement of fair values (*Continued*)

Property, plant and equipment (*Continued*)

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Provisions (other than for employee benefits)

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

3. Basis of preparation (*Continued*)

F. Measurement of fair values (*Continued*)

Revenue

Rendering of services

Management fees

Management fees (net of service tax) are recognised on an accrual basis in accordance with the terms of an investment management agreement between the Company and Trustee Company. The Company has not charged management fees to the fund w.e.f 1 April 2014 vide board resolution dated 19 September 2014.

Dividend income

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Income from investment

Income from investment is accounted in accordance with contribution agreement.

Advisory fees

Advisory fees are recognised on an accrual basis in accordance with terms of agreement between the Company and co-investees.

Professional fees

Professional fees are recognised on an accrual basis in accordance with terms of agreement.

Carrying fee

Carrying fee is recognized on an accrual basis in accordance with terms of agreement.

Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

3. Basis of preparation (*Continued*)

F. Measurement of fair values (*Continued*)

Revenue (*Continued*)

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Trade receivable and trade payable

Trade receivable are recognised at carrying cost which considered to be same as their fair values due to their short term nature.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Trade payable represents liabilities for goods and services provided to the Company prior to the end of the financials year which are unpaid.

Lease payment

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line Basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

as at 31 March 2017

(Amount in INR)

4 Property, plant and equipment

Reconciliation of carrying amount

	Plant and equipment- computer	Furniture and fixtures	Office equipment	Total
Cost or deemed cost (gross carrying amount)				
Balance at 1 April 2015	1,010,641	17,874	16,761	1,045,276
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 31 March 2016	1,010,641	17,874	16,761	1,045,276
Balance at 1 April 2016	1,010,641	17,874	16,761	1,045,276
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 31 March 2017	1,010,641	17,874	16,761	1,045,276
Accumulated depreciation				
Balance at 1 April 2015	1,007,203	15,960	16,761	1,039,924
Depreciation for the year	3,438	788	-	4,226
Balance at 31 March 2016	1,010,641	16,748	16,761	1,044,150
Balance at 1 April 2016	1,010,641	16,748	16,761	1,044,150
Depreciation for the year	-	788	-	788
Balance at 31 March 2017	1,010,641	17,536	16,761	1,044,938
Carrying amounts (net)				
At 1 April 2015	3,438	1,914	-	5,352
At 31 March 2016/ 1 April 2016	-	1,126	-	1,126
At 31 March 2017	-	338	-	338



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued) as at 31 March 2017

(Amount in INR)

5 Intangibles

Reconciliation of carrying amount

	Computer Software	Total
Cost or deemed cost (gross carrying amount)	-	-
Balance at 1 April 2015	2,701,446	2,701,446
Additions	-	-
Disposals	-	-
Balance at 31 March 2016	2,701,446	2,701,446
Balance at 1 April 2016	2,701,446	2,701,446
Additions	-	-
Disposals	-	-
Balance at 31 March 2017	2,701,446	2,701,446
Accumulated depreciation		
Balance at 1 April 2015	2,598,904	2,598,904
Depreciation for the year	96,463	96,463
Balance at 31 March 2016	2,695,367	2,695,367
Balance at 1 April 2016	2,695,367	2,695,367
Depreciation for the year	6,079	6,079
Balance at 31 March 2017	2,701,446	2,701,446
Carrying amounts (net)		
At 1 April 2015	102,542	102,542
At 31 March 2016/ 1 April 2016	6,079	6,079
At 31 March 2017	-	-





Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

as at 31 March 2017

for the year ended 31 March 2017

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
9 Other non-current assets			
Advance payment of income tax (net of provision for tax as at 31 March 2017 Rs. 25,384,971; 31 March 2016: Rs.25,384,971)	5,942,686	5,845,766	6,462,296
Service tax credit receivable	1,553,197	1,369,785	2,137,066
	<u>7,495,884</u>	<u>7,215,551</u>	<u>8,599,361</u>
10 Current investment			
Units in Venture Capital Fund			
10 (Previous year : 10) Class C Units of Rs. 100,000 each of PReF Indigo, a Scheme of Peninsula Realty Fund	1,000,000	1,000,000	1,000,000
Less: Diminution in value of investments	(1,000,000)	(100,000)	-
	<u>-</u>	<u>900,000</u>	<u>1,000,000</u>
Investment in mutual funds			
9.284 (31 March 2016: 8.813) ICICI Prudential daily dividend scheme, floating rate plan	942	889	844
	<u>942</u>	<u>900,889</u>	<u>1,000,844</u>
11 Trade receivables			
Unsecured, considered good	72,993,950	72,993,950	72,993,950
Doubtful	-	-	-
	<u>72,993,950</u>	<u>72,993,950</u>	<u>72,993,950</u>
Loss allowance			
Unsecured, considered good	-	-	-
Doubtful	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net trade receivables	<u>72,993,950</u>	<u>72,993,950</u>	<u>72,993,950</u>
Non-current	-	-	-
Current	72,993,950	72,993,950	72,993,950
	<u>72,993,950</u>	<u>72,993,950</u>	<u>72,993,950</u>
Of the above trade receivables includes :			
Total trade receivable from related parties (refer note 27)	72,993,950	72,993,950	72,993,950
Loss allowance	-	-	-
Net trade receivables	<u>72,993,950</u>	<u>72,993,950</u>	<u>72,993,950</u>
12 Cash and cash equivalents			
Balance with banks:			
In current account	3,206,377	1,844,143	1,058,717
Cash in hand	8,005	2,592	8,250
	<u>3,214,382</u>	<u>1,846,735</u>	<u>1,066,967</u>
13 Other financial assets			
Advances recoverable in cash or in kind			
- Related party (refer note 27)	8,669,917	10,950,313	17,209,529
- Others	13,101	13,101	11,353
	<u>8,683,018</u>	<u>10,963,414</u>	<u>17,220,882</u>
14 Other current assets			
Prepaid expenses	1,821	470	969
	<u>1,821</u>	<u>470</u>	<u>969</u>



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

as at 31 March 2017

(Amount in INR)

Particular	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
15 Share Capital			
a Authorised :			
100,00,000 (Previous Year: 100,00,000) equity shares of Rs. 10 each	100,000,000	100,000,000	100,000,000
16,00,000 (Previous Year: 16,00,000) redeemable cumulative non convertible Preference shares of Rs. 100 each	160,000,000	160,000,000	160,000,000
TOTAL	260,000,000	260,000,000	260,000,000
b Issued and Subscribed and Paid up:			
10,00,000 (Previous Year: 10,00,000) equity shares of Rs. 10 each, fully paid up	100,000,000	100,000,000	100,000,000
TOTAL	100,000,000	100,000,000	100,000,000
c Reconciliation of number of equity shares outstanding at the beginning and end of the year :			
Outstanding at the beginning of the year	100,000,000	100,000,000	100,000,000
Equity shares issued during the year	-	-	-
Equity shares bought back during the year	-	-	-
Outstanding at the end of the year	100,000,000	100,000,000	100,000,000

d Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. At the time of winding up or liquidation, all the shareholders have equal rights on the assets and liabilities of the company.

e Equity shares in the company held by its holding company

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Peninsula Holdings and Investments Private Limited - Holding Company	7,500,000	75,000,000	7,500,000	75,000,000	7,500,000	75,000,000
Peninsula Holdings and Investments Private Limited jointly with Urvi A. Piramal	1,000	10,000	1,000	10,000	1,000	10,000

f Shareholders holding more than 5% equity shares in the company is set out below:

	As at 31 March 2017			As at 31 March 2016			As at 1 April 2015		
	No. of Shares	No of shares	%	No. of Shares	No of shares	%	No. of Shares	No of shares	%
Peninsula Holdings and Investment Private Limited	7,501,000	75	75	75	7,501,000	75	7,501,000	75	75
Mahesh S. Gupta	500,000	5	5	5	500,000	5	500,000	5	5
Mrs. Urvi A. Piramal	1,000,000	10	10	10	1,000,000	10	1,000,000	10	10

g No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

as at 31 March 2017

for the year ended 31 March 2017

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
16 Borrowings			
Proceeds from issue of redeemable cumulative non convertible preference shares	110,850,000	110,850,000	97,350,000
Less: Transaction costs	-	-	-
Carrying amount	110,850,000	110,850,000	97,350,000
Terms / rights attached to preference shares			
The Company has issued Redeemable, Cumulative, Non-convertible Preference Shares of face value Rs. 100/- each carrying dividend at the rate of 9% p.a. The preference shareholders shall have priority over equity shareholders of the Company in the payment of dividend or repayment of capital. The preference shares are redeemable at face value and will be redeemable within period of 15 years from the date of allotment at such time as the Board may deem fit.			
17 Long-term provisions			
Provision for employee benefits			
Gratuity	-	-	46,746
Compensated absences	-	-	4,421
	-	-	51,167
18 Other non-current liabilities			
Interest on preference shares	23,169,579	13,220,337	4,126,870
Liability for transfer of employees to related party	-	-	971,505
	23,169,579	13,220,337	5,098,375
19 Trade payables			
Total outstanding dues of micro and small enterprises (refer note 36)	87,635	-	-
Total outstanding dues of creditors other than micro and small enterprises	377,845	662,677	2,509,691
	465,480	662,677	2,509,691
20 Other current liabilities			
Employee benefits payable	1,474	1,474	239,456
Interest accrued but not due on borrowings	214,701	185,303	159,930
Statutory dues payables	-	44,474	40,288
Income received in advance	-	33,010	-
	216,175	264,261	439,674
21 Short term provisions			
Provision for employee benefits			
Gratuity	-	-	2,044
Compensated absences	-	-	515
	-	-	2,559



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued) for the year ended 31 March 2017

(Amount in INR)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
22 Other income		
Income from investments	1,171,570	1,502,804
Financial assets at FVTPL - net change in fair value	962,950	288,651
Interest on income tax refunds	-	37,569
Miscellaneous income	29,923	72,440
	<u>2,164,443</u>	<u>1,901,464</u>
23 Employee benefit expenses		
Salaries and wages	-	258,241
Contribution to provident and other funds	-	20,178
Staff welfare expenses	-	-
	<u>-</u>	<u>278,419</u>
24 Finance costs		
Dividend on redeemable preference shares classified as financial liabilities measured at amortised cost	9,949,242	9,093,467
Interest accrued but not due on borrowings	29,398	25,373
	<u>9,978,640</u>	<u>9,118,840</u>
25 Other expenses		
Rates and taxes	59,524	13,500
Payment to auditors		
- Audit fees	200,000	200,000
- Reimbursement of expenses	3,000	3,000
Legal and professional charges	970,150	1,070,325
Provision for diminution in value of current investments	900,000	100,000
Directors sitting fees	-	200,000
Miscellaneous expenses	152,549	208,557
	<u>2,285,223</u>	<u>1,795,382</u>



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

26 Income tax

A (a) Movement in deferred tax balances

Particulars	Net balance 1 April 2016	Recognised in profit or loss	Recognised in OCI	Other	Net	31 March 2017	
						Deferred tax asset	Deferred tax liability
Depreciation on property, plant and equipment	-	-	-	5,781	-	-	-
Provision on dividend distribution tax	-	-	-	6,937,113	-	-	-
Provision on investment	-	-	-	298,700	-	-	-
Unabsorbed tax losses	-	-	-	1,446,146	-	-	-
Deferred tax assets / (liabilities)	-	-	-	8,687,741	-	-	-
Set off tax	-	-	-	-	-	-	-
Net deferred tax assets / (liabilities)	-	-	-	8,687,741	-	-	-

Movement in deferred tax balances

Particulars	Net balance 1 April 2015 INR	Recognised in profit or loss INR	Recognised in OCI INR	Other INR	Net INR	31 March 2016	
						Deferred tax asset INR	Deferred tax liability INR
Depreciation on property, plant and equipment	(11,449)	11,449	-	8,694	-	-	-
Provision on dividend distribution tax	1,275,203	-	-	4,092,924	-	-	-
Provision on investment	-	-	-	30,900	-	-	-
Unabsorbed tax losses	1,057,714	-	-	1,409,578	-	-	-
Deferred tax assets / (liabilities)	2,321,468	11,449	-	5,542,096	-	-	-
Set off tax	-	-	-	-	-	-	-
Net deferred tax assets / (liabilities)	2,321,468	11,449	-	5,542,096	-	-	-

Note

In absence of sufficient future taxable income, the Company has not recognised deferred tax asset as at 31 March 2017 (Previous year: Rs. Nil)



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

26 Income tax (Continued)

B Tax losses carried forward of the Company

	31 March 2017	Expiry date	31 March 2016	Expiry date
Expire	4,841,467	2023-25	4,561,740	2023-24
Never Expire	-	-	-	-

C Reconciliation of effective tax rate

	31 March 2017	31 March 2016
Loss before tax after share of profit/ (loss) from joint venture	(2,216,960)	(18,572,834)

The Group's domestic tax rate is 29.87%.

On account of brought forward tax losses and absence of sufficient future taxable income, effective tax rate will be Nil.



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

27 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holder of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holder of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Loss attributable to Equity holder of company

Particulars	2017	2016
Loss attributable to equity holder of the Company	(2,216,960)	(18,561,385)
Loss attributable to equity holder of the Company	(2,216,960)	(18,561,385)

ii. Weighted average number of ordinary shares

Particulars	2017	2016
Issued ordinary shares at 1 April	10,000,000	10,000,000
Effect of shares issued	-	-
Weighted average number of shares at 31 March for basic EPS	10,000,000	10,000,000
Effect of dilution	-	-
Weighted average number of shares at 31 March for diluted EPS	10,000,000	10,000,000
Basic and diluted earnings per share		
	2017	2016
Basic earnings per share (in Rs.)	(0.22)	(1.86)
Diluted earnings per share (in Rs.)	(0.22)	(1.86)



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

28 Related party relationships, transactions and balances

List of related parties and transactions during the year:

a. Controlling entity - ultimate holding company

(i) Peninsula Land Limited

b Holding company

(i) Peninsula Holdings and Investments Private Limited

c Joint ventures

(i) Peninsula Brookfield Investment Managers Private Limited

d Fellow subsidiary

(i) Peninsula Trustee Limited

e Entity under common control

(i) Peninsula Realty Fund - Scheme PReF Indigo a scheme of Peninsula Realty Fund

(ii) Peninsula Brookfield India Real Estate Fund

f Key management personnel

(i) Mr. Rajeev A Piramal

g Key management personnel of parent company

(i) Urvi Ashok Piramal

(ii) Subhashchandra Madanlal Kashimpuria

(iii) Mahesh Shrikrishna Gupta

(iv) Rajendar Kumar Rewari

Related Party transactions other than those with key management personnel

	Transaction value		Balance outstanding		
	Year Ended 31 March 2017	Year Ended 31 March 2016	31 March 2017	31 March 2016	31 March 2015
Advances recoverable in cash or in kind					
Peninsula Realty Fund	2,513,174	6,473,315	7,805,757	10,318,931	16,792,246
Peninsula Brookfield India Real Estate Fund	216,149	212,721	818,107	601,958	389,237
Peninsula Brookfield Investment Managers Private Limited	16,629	15,511	46,053	29,424	13,913
Peninsula Trustee Limited	-	-	-	-	14,133
Trade receivables					
Peninsula Realty Fund	-	-	72,993,950	72,993,950	72,993,950
Investments made					
Peninsula Brookfield Investment Managers Private Limited					
- Equity shares	-	-	7,981,503	-9,665,884	-88,809,426
- Preference shares	-	-75,309,726	67,812,491	77,478,374	152,788,100
Peninsula Brookfield India Real Estate Fund			8,566,442	7,430,891	3,894,513
- Investment in units	2,643,291	4,504,500			
- Redemption in units	2,470,690	1,256,773			
Distribution income received during year					
Peninsula Brookfield India Real Estate Fund	1,171,518	1,502,760	-		
Other financial assets					
Peninsula Brookfield India Real Estate Fund			199,890	199,890	144,371
Issue of preference shares					
Peninsula Land Limited	-	13,500,000			
Borrowings from					
Peninsula Land Limited			110,850,000	110,850,000	97,350,000
Finance cost					
Peninsula Land Limited	9,949,242	9,093,467	23,169,579	13,220,337	4,126,870
Interest accrued but not due on borrowings					
Peninsula Land Limited	29,398	25,373	214,701	185,303	159,930





Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

30 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents.

The Company's adjusted net debt to equity ratio at 31 March 2017 was as follows.

	As at 31 March 2017	As at 31 March 2016
Total liabilities	134,701,233	124,997,275
Less : Cash and cash equivalents	3,214,382	1,846,735
Adjusted net debt	131,486,851	123,150,540
Total equity	42,249,427	44,374,211
Adjusted net debt to adjusted equity ratio	3.11	2.78

31 Employee Benefits

Since there are no employees as at 31 March 2017 and 31 March 2016, disclosure on employee benefits is not provided.



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

32. Operating segments

Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available.

The Group operates in only one business segment viz. fund management to Peninsula Realty Fund and all of its operations are in India. Accordingly, the financial statements are reflective of the information required by IND AS 108 Operating segments..

33. Explanation of transition to Ind AS

As stated in Note 2, these are the Group's first financial statements prepared in accordance with Ind AS. For the year ended 31 March 2016, the Group had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 3 have been applied in preparing these financial statements for the year ended 31 March 2017 including the comparative information for the year ended 31 March 2016 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2015.

In preparing its Ind AS balance sheet as at 1 April 2015 and in presenting the comparative information for the year ended 31 March 2016, the Group has adjusted amounts reported previously financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Group in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

Optional exemptions availed

Property plant and equipment, intangible assets and investment properties

As per Ind AS 101 an entity may elect to measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date.

The elections above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost);

- i) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition

As permitted by Ind AS 101, the Group has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets.



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

33. Explanation of transition to Ind AS (*Continued*)

Mandatory exceptions

a. Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Group's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below

- Fair valuation of financial instruments carried at FVTPL
- Impairment of financial assets based on the expected credit loss model

b. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable

Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at has been done retrospectively except where the same is impracticable.



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

34 Financial instruments – Fair values and risk management

i. Accounting classification and fair values

31 March 2017	FVTPL	FVTOCI	Carrying amount			Total	Level 1	Fair value		Level 3	Total
			Amortised Cost	Other financial assets - amortised Cost	Other financial liabilities			Level 2			
Financial assets measured at fair value											
Non-current investments	8,566,442	-	-	-	-	8,566,442	-	-	-	8,566,442	8,566,442
Current investments	942	-	-	-	-	942	942	-	-	-	942
Financial assets not measured at fair value											
Other non-current financial assets	-	-	-	199,890	-	199,890	-	-	-	-	-
Trade receivables	-	-	-	72,993,950	-	72,993,950	-	-	-	-	-
Other current financial assets	-	-	-	8,683,018	-	8,683,018	-	-	-	-	-
Investments in joint venture	-	-	-	75,793,993	-	75,793,993	-	-	-	-	-
	8,567,383	-	-	157,670,852	-	166,238,235	942	-	-	8,566,442	8,567,383
Financial liabilities measured at fair value											
Other non-current liabilities	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value											
Borrowings	-	-	-	-	110,850,000	110,850,000	-	-	-	-	-
Other non-current liabilities	-	-	-	-	23,169,579	23,169,579	-	-	-	-	-
Trade payables	-	-	-	-	465,480	465,480	-	-	-	-	-
Other current liabilities	-	-	-	-	216,175	216,175	-	-	-	-	-
	-	-	-	-	134,701,233	134,701,233	-	-	-	-	-



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

34 Financial instruments – Fair values and risk management (Continued)

31 March 2016	FVTPL	FVTOCI	Amortised Cost	Carrying amount Other financial assets - amortised Cost	Other financial liabilities	Total	Level 1	Level 2	Fair value Level 3	Total
Financial assets measured at fair value										
Non-current investments	7,430,891	-	-	-	-	7,430,891	-	-	7,430,891	7,430,891
Current investments	900,889	-	-	-	-	900,889	889	-	900,000	900,889
Financial assets not measured at fair value										
Other non-current financial assets	-	-	-	199,890	-	199,890	-	-	-	-
Trade receivables	-	-	-	72,993,950	-	72,993,950	-	-	-	-
Other current financial assets	-	-	-	10,963,414	-	10,963,414	-	-	-	-
Investments in joint venture	-	-	-	67,812,491	-	67,812,491	-	-	-	-
	9,231,780	-	-	151,969,745	-	161,201,525	889	-	9,230,891	9,231,780
Financial liabilities measured at fair value										
Other non-current liabilities	-	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value										
Borrowings	-	-	-	-	110,850,000	110,850,000	-	-	-	-
Other non-current liabilities	-	-	-	-	13,220,337	13,220,337	-	-	-	-
Trade payables	-	-	-	-	662,677	662,677	-	-	-	-
Other current liabilities	-	-	-	-	264,261	264,261	-	-	-	-
	-	-	-	-	124,997,275	124,997,275	-	-	-	-



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

34 Financial instruments – Fair values and risk management (Continued)

1 April 2015	FVTPL	FVTOCI	Amortised Cost	Carrying amount Other financial assets - amortised Cost	Other financial liabilities	Total	Level 1	Level 2	Fair value Level 3	Total
Financial assets measured at fair value										
Non-current investments	3,894,513	-	-	-	-	3,894,513	-	-	3,894,513	3,894,513
Current investments	1,000,844	-	-	-	-	1,000,844	844	-	1,000,000	1,000,844
Financial assets not measured at fair value										
Other non-current financial assets	-	-	-	144,371	-	144,371	-	-	-	-
Trade receivables	-	-	-	72,993,950	-	72,993,950	-	-	-	-
Other current financial assets	-	-	-	17,220,882	-	17,220,882	-	-	-	-
Investments in joint venture	-	-	-	63,978,674	-	63,978,674	-	-	-	-
	4,895,357	-	-	154,337,878	-	159,233,236	844	-	4,894,513	4,895,357
Financial liabilities measured at fair value										
Other non-current liabilities	-	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value										
Borrowings	-	-	-	-	97,350,000	97,350,000	-	-	-	-
Other non-current liabilities	-	-	-	-	5,098,375	5,098,375	-	-	-	-
Trade payables	-	-	-	-	2,509,691	2,509,691	-	-	-	-
Other current liabilities	-	-	-	-	439,674	439,674	-	-	-	-
Short-term provisions	-	-	-	-	2,559	2,559	-	-	-	-
Provision for employee benefits	-	-	-	-	51,167	51,167	-	-	-	-
Deferred tax liabilities (net)	-	-	-	-	11,449	11,449	-	-	-	-
	-	-	-	-	105,462,915	105,462,915	-	-	-	-



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

34 Financial instruments – Fair values and risk management (Continued)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Non-current investments	This investment relates to investment in units of Peninsula Brookfield India Real Estate Fund. The said investment is valued on the basis of Net asset value. Net asset value is derived by deducting fair value of assets from liabilities of the fund. Such value is used to calculate NAV applicable to each unit in the fund.
Current investments	This investment is related to Mutual fund. The said investment is valued on the basis of Net asset value as informed by the fund.
Other non-current liabilities	This amount payable to Peninsula Land Ltd. Valuation is done based on effective interest rate method over the expected tenure of loan

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued) for the year ended 31 March 2017

(Amount in INR)

34 Financial instruments – Fair values and risk management (Continued)

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

Impairment

The ageing of trade receivables that were not impaired was as follows.

	Carrying amount	
	31 March 2017	31 March 2016
Neither past due nor impaired	-	-
Past due 1-30 days	-	-
Past due 31-90 days	-	-
Past due 91-120 days	-	-
	72,993,950	72,993,950
	<u>72,993,950</u>	<u>72,993,950</u>

Management believes that the unimpaired amounts that are past due by more than 60 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Based on management's assessment of the trade receivables, the Company expects to receive/recover all the amounts.

Cash and cash equivalents

The Company holds cash and cash equivalents of INR 3,214,382 at 31 March 2017 (31 March 2016: INR 1,846,735). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

Investment in units of Peninsula Brookfield India Real Estate Fund ("the Fund")

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Based on the management assessment, the Company does not expect significant impact on the repayment of units.

Investment in units of Peninsula Realty Fund ("the Fund")

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company has made investments in the Fund as per SEBI requirement. Company is also acting as Fund manager to the Fund. Based on the management assessment, the Company has made provision on these investment in current year.



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

34 Financial instruments – Fair values and risk management (Continued)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents. Besides this the Company can call for capital if required.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

			Contractual cash flows			
31 March 2017	Carrying amount	Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	465,480	465,480	465,480	-	-	-
31 March 2016	Carrying amount	Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	662,677	662,677	662,677	-	-	-



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

34 Financial instruments – Fair values and risk management (Continued)

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to interest rate risk and the market value of our investments.

Currency risk

The functional currency of the Company is Indian Rupee. The company does not have any exposure in foreign currency and hence, currency risk is not material.



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued) for the year ended 31 March 2017

(Amount in INR)

35 Explanation of transition to Ind AS

A Reconciliation of equity

Particulars	As at date of transition 1 April 2015			As at date of transition 31 March 2016		
	Previous GAAP	Adjustment on transition to Ind AS	Ind AS	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
ASSETS						
(1) Non-current assets						
(a) Property, plant and equipment	5,352	-	5,352	1,126	-	1,126
(b) Other intangible assets	102,542	-	102,542	6,079	-	6,079
(c) Investments in joint venture	152,937,100	(88,958,426)	63,978,674	166,436,800	(98,624,309)	67,812,491
(d) Financial assets						
(i) Investments	3,861,000	33,513	3,894,513	7,108,727	322,164	7,430,891
(ii) Other financial assets	144,371	-	144,371	199,890	-	199,890
(e) Other non-current assets	8,599,361	-	8,599,361	7,215,551	-	7,215,551
Total non-current assets	165,649,726	(88,924,913)	76,724,814	180,968,173	(98,302,145)	82,666,028
(2) Current assets						
(a) Financial assets						
(i) Investments	1,000,844	-	1,000,844	900,889	-	900,889
(ii) Trade receivables	72,993,950	-	72,993,950	72,993,950	-	72,993,950
(iii) Cash and cash equivalents	1,066,967	-	1,066,967	1,846,735	-	1,846,735
(iv) Other financial assets	17,220,882	-	17,220,882	10,963,414	-	10,963,414
(b) Other current assets	969	-	969	470	-	470
Total current assets	92,283,612	-	92,283,612	86,705,458	-	86,705,458
TOTAL ASSETS	257,933,339	(88,924,913)	169,008,426	267,673,631	(98,302,145)	169,371,486
EQUITY AND LIABILITIES						
(1) Equity						
(a) Equity share capital	197,350,000	(97,350,000)	100,000,000	210,850,000	(110,850,000)	100,000,000
(b) Other equity						
Retained earnings (including items of other comprehensive income)	52,381,590	(88,836,080)	(36,454,489)	42,737,896	(98,363,685)	(55,625,789)
Total equity	249,731,590	(186,186,080)	63,545,511	253,587,896	(209,213,685)	44,374,211
(2) Non-current liabilities						
(a) Borrowings	-	97,350,000	97,350,000	-	110,850,000	110,850,000
(b) Provision for employee benefits	51,167	-	51,167	-	-	-
(c) Deferred tax liabilities (net)	11,449	-	11,449	-	-	-
(d) Other non-current liabilities	5,098,375	-	5,098,375	13,220,337	-	13,220,337
Total Non-current liabilities	5,160,991	97,350,000	102,510,991	13,220,337	110,850,000	124,070,337
(3) Current liabilities						
(a) Financial liabilities						
(i) Trade payables	2,509,691	-	2,509,691	537,677	(25,000)	662,677
(b) Other current liabilities	528,507	(88,833)	439,674	327,721	(63,460)	264,261
(c) Short-term provisions	2,559	-	2,559	-	-	-
Total current liabilities	3,040,757	(88,833)	2,951,924	865,398	61,540	926,938
Total liabilities	8,201,748	97,261,167	105,462,915	14,085,735	110,911,540	124,997,275
TOTAL EQUITY AND LIABILITIES	257,933,338	(88,924,913)	169,008,426	267,673,631	(98,302,145)	169,371,486

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued) for the year ended 31 March 2017

(Amount in INR)

35 Explanation of transition to Ind AS (Continued)

B Reconciliation of total comprehensive income for the year ended 31 March 2016

Particulars	For the year ended 31 March 2016		Ind AS
	Previous GAAP*	Adjustment on transition to Ind AS	
Other income	1,612,813	288,651	1,901,464
Total income	1,612,813	288,651	1,901,464
Employee benefits expenses	278,419	-	278,419
Finance costs	-	9,118,840	9,118,840
Depreciation and amortization expenses	100,689	-	100,689
Other expenses	1,795,382	-	1,795,382
Total expenses	2,174,490	9,118,840	11,293,330
Loss before tax	(561,676)	(8,830,189)	(9,391,866)
Tax expense:			
Current tax	-	-	-
Deferred tax	11,449	-	11,449
Loss for the year	(550,227)	(8,830,189)	(9,380,417)
Loss before tax and share of profit / (loss) from joint venture	-	(9,180,969)	(9,180,969)
Other comprehensive income, net of tax	-	(484,915)	(484,915)
Total comprehensive income for the year	(550,227)	(18,496,073)	(19,046,300)

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

Notes to the reconciliations

- The Company has made investment in units of Peninsula Brookfield India Real Estate Fund. The said investment is fair valued based on the Net Asset Value (NAV) issued by the Fund. These changes have been given effect in 'Investment' and 'Other Equity' in opening balance sheet and 'Other income' in comparative and current financial year.
- The Company has issued 9% Redeemable Cumulative Non Convertible Preference shares of Rs.100 each to Peninsula Land Limited, the said shares have been reclassified under 'Borrowing' under Ind AS. Correspondingly, dividend has been reclassified as 'Finance cost' in the financial statements
- The Company has interest free loan payable to Peninsula Land Limited. The said amount has been discounted using effective interest rate under Ind AS
- The Company has entered joint arrangement with other investor for investment in Peninsula Brookfield Investment Managers Private Limited. The said arrangement has been classified as Joint Venture under Ind AS. The consolidation has been made based on equity method as compared to AS 27 'Financial Reporting of Interests in Joint Ventures' followed under previous GAAP, wherein proportionate share of assets and liabilities was considered for consolidation purpose.



Peninsula Investment Management Company Limited

Notes to consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

36 Equity accounted investees

Joint venture

Peninsula Brookfield Investment Managers Private Limited (PBIMPL) is joint arrangement in which the Group owns 49.67% interest.

It is engaged in the business of providing Investment manager services to Alternative Investment Funds. PBIMPL is structured as separate legal entity and the Group has interest in the net assets of PBIMPL. PBIMPL is structured as separate legal entity and the Group has interest in the net assets of PBIMPL. Accordingly, the Group has classified its interest in PBIMPL as joint venture.

In accordance with the agreement under which PBIMPL is established, the Group and other investors in the joint venture have agreed to make additional contributions in proportion to their interests to make up any losses, if required.

The following table summarizes the financial information of PBIMPL and the Group's interest in PBIMPL.

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Interest in joint venture	74,669,882	66,688,375	62,960,087
	74,669,882	66,688,379	62,960,087
Percentage ownership interest	49.67%	49.67%	49.67%
Non-current assets	115,869,264	114,412,575	88,528,216
Current assets (including cash and cash equivalents)	54,769,023	37,194,194	60,089,383
31 March 2017: INR 1,86,43,717, 31 March 2016: INR 1,42,86,339/-, 1 April 2015: INR 4,11,71,567)			
Non-current liabilities	(3,521,572)	(3,976,796)	(4,443,770)
(non-current financial liabilities other than trade payables and other financial liabilities and provisions – 31 March 2017: INR NIL, 31 March 2016: INR Nil, 1 April 2015: INR Nil)			
Current liabilities	(16,774,670)	(13,358,069)	(17,408,554)
(current financial liabilities other than trade payables and other financial liabilities and provisions – 31 March 2017: INR 2,04,78,231/-, 31 March 2016: INR 25,25,252/-, 1 April 2015: INR 69,65,064)			
Net assets	150,342,045	134,271,905	126,765,276
Group's share of net assets (49.667%)	74,669,882	66,688,379	62,960,087
Carrying amount of interest in joint venture	74,669,882	66,688,379	62,960,087
Revenue	78,051,170	51,461,607	32,535,309
Depreciation and amortisation	(225,857)	(304,964)	(326,383)
Expenses	(54,756,337)	(77,546,771)	(127,314,434)
Income tax expense	(7,184,426)	7,904,955	61,580,287
Profit	15,884,551	(18,485,172)	(33,525,220)
Other comprehensive income	185,589	(976,339)	-
Total comprehensive income	16,070,140	(19,461,510)	(33,525,220)
Group's share of Profit (49.667%)	7,889,327	(9,180,969)	(16,650,859)
Group's share of OCI (49.667%)	92,176	(484,915)	-
Group's share of total comprehensive income (49.667%)	7,981,503	(9,665,884)	(16,650,859)

In years ended 31 March 2017 and 31 March 2016, the Group did not receive dividends from the joint venture



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2017

(Amount in INR)

37. Contingent Liability and capital commitment

The Group has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. Based on such assessment, the Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Particulars	31 March 2017	31 March 2016
Capital Commitment	702,000	702,000
Dividend distribution tax	2,127,554	1,944,555

In case of joint venture, there is commitment of unpaid call on its investment in funds amounting to Rs.3,000,000 as at 31 March 2017 (31 March 2016: Rs. 3,000,000).

38. Due to Micro and small suppliers

	31 March 2017	31 March 2016
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	87,635	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the statutory auditors of the Group.



Peninsula Investment Management Company Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2017

(Amount in INR)

39. Subsequent event

The Group has evaluated subsequent events, as defined under IND AS 10 "Events after the reporting period" through 8 May 2017 and no material subsequent event have been identified.

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.: 116231W/W-100024



Ashwin Suvarna

Partner

Membership No: 109503

For and on behalf of the Board of Directors of
Peninsula Investment Management Company Limited

CIN : U67110MH2005PLC158070



Rajeev Piramal

Managing Director

DIN : 00044983



Mahesh Gupta

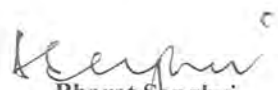
Director

DIN : 00046810



Prashant Sagwekar

Chief Financial Officer



Bharat Sanghvi

Company Secretary

ACS No: 10204

Mumbai

Date: 08 MAY 2017

Mumbai

Date: 08 MAY 2017