

# HARIBHAKTI & CO. LLP

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Peninsula Mega Township Developers Limited

#### Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS Financial Statements of **Peninsula Mega Township Developers Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Ind AS Financial Statements").

#### Management's Responsibility for the Ind AS Financial Statements

The 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 Ind AS Financial Statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 Ind AS Financial Statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

We are also responsible to conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 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 state of affairs (financial position) of the Company as at March 31, 2018, its loss (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) 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 purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;



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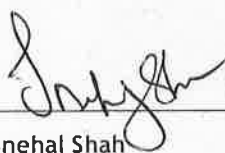
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- d. In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- 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 Company does not have any pending litigations which would impact its financial position;
  - (ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

  
Snehal Shah

Partner

Membership No. 048539

Mumbai: May 22, 2018



# HARIBHAKTI & CO. LLP

Chartered Accountants

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Peninsula Mega Township Developers Limited ("the Company")** on the Ind AS Financial Statements for the year ended March 31, 2018]

- (i) On the basis of the information and explanation given to us and examination of relevant records, the Company does not have fixed assets in the books. Accordingly, Paragraph 3 (i) of the Order is not applicable to the Company.
- (ii) Based on the information and explanation given to us and examination of relevant records, the Company does not have inventory in the books. Accordingly, Paragraph 3 (ii)(a) to 3 (ii)(c) of the Order are not applicable to the Company.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, Paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, Paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii)
  - (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including income tax, service tax, goods and services tax, cess and any other material statutory dues applicable to it.

AND

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and services tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, goods and services tax, customs duty, excise duty, which have not been deposited on account of any dispute.



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- (viii) According to the information and explanations given to us, the Company has not borrowed any funds from financial institution, bank, and government or from issues of debentures. Accordingly, Paragraph 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Accordingly, Paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the Management.
- (xi) As per the information and explanations given to us, the Company has not paid / provided any managerial remuneration. Accordingly, Paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Section 188 of Act, where applicable and the details have been disclosed in the Ind AS Financial Statements etc., as required by the applicable Indian Accounting Standards.
- As the Company is not required to constitute an Audit Committee as required under Section 177 of the Act, the said Section is not applicable to the Company.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, Paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.



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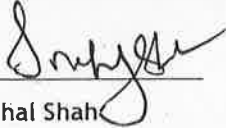
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(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



Snehal Shah

Partner

Membership No. 048539

Mumbai: May 22, 2018



# HARIBHAKTI & CO. LLP

Chartered Accountants

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Peninsula Mega Township Developers Limited on the Ind AS Financial Statements for the year ended March 31, 2018]

### Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Peninsula Mega Township Developers Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is 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 ("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 Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the 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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of 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.



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## Meaning of Internal Financial Controls over Financial Reporting

A 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. A 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 Company 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 March 31, 2018, 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 ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048



Snehal Shah

Partner

Membership No. 048539

Mumbai: May 22, 2018





# PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

Balance Sheet as at 31st March, 2018

(Amount In Rs. Lakh)

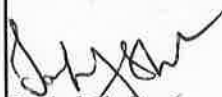
Particulars	Note No.	As at 31-Mar-18	As at 31-Mar-17
<b>ASSETS</b>			
<b>A. Non Current Assets</b>			
a. Non Current Tax Assets	3	0.15	0.77
<b>B. Current Assets</b>			
a. Financial Assets			
i. Cash and Cash Equivalents	4	11.38	8.01
ii. Other Financial Assets	5	-	54.23
<b>Total Current Assets</b>		<b>11.38</b>	<b>62.24</b>
<b>TOTAL</b>		<b>11.53</b>	<b>63.01</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A. Equity</b>			
a. Equity Share Capital	6	5.00	5.00
b. Other Equity	7	4.43	11.57
<b>Total Equity</b>		<b>9.43</b>	<b>16.57</b>
<b>B. Non Current Liabilities</b>			
a. Deferred Tax Liabilities (Net)	8	-	1.73
<b>Total Non Current Liabilities</b>		<b>-</b>	<b>1.73</b>
<b>C. Current Liabilities</b>			
a. Financial Liabilities			
i. Trade Payables			
Micro and Small Enterprises	9	1.90	1.89
Others	9	-	-
ii. Other Financial Liabilities	10	0.02	42.64
b. Other Current Liabilities	11	0.18	0.18
<b>Total Current Liabilities</b>		<b>2.10</b>	<b>44.71</b>
<b>TOTAL</b>		<b>11.53</b>	<b>63.01</b>
Significant Accounting Policies Notes to Financial Statements	2/ 15-28		

As per our report of even date attached

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No 103523W / W100048

  
Snehal Shah

Partner

Membership No. 048539



Place: Mumbai

Date: 22nd May 2018

For and on behalf of Board of Directors

  
Dinesh Jain  
Director  
DIN 00059913



  
Bharat Sanghavi

Director

DIN 00046906

**PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED**

**Statement of Profit and Loss For The Year Ended 31st March, 2018**

(Amount In Rs. Lakh)

Particulars	Note No.	2017-18	2016-17
<b>INCOME:</b>			
Other Income	12✓	1.58✓	4.05✓
<b>Total Income</b>		<b>1.58✓</b>	<b>4.05✓</b>
<b>EXPENSES:</b>			
Finance Costs	13✓	6.73✓	5.80✓
Other Expenses	14✓	2.80✓	2.21✓
<b>Total Expenses</b>		<b>9.53✓</b>	<b>8.01✓</b>
<b>Profit / (Loss) Before Tax</b>		<b>(7.95)✓</b>	<b>(3.96)✓</b>
<b>Less : Tax Expense</b>	20✓		
Current Tax		-	0.57✓
Deferred Tax		(1.73)✓	(1.49)✓
Prior Year Tax Adjustments		0.92✓	-
<b>Profit / (Loss) For The Year After Tax</b>		<b>(7.14)✓</b>	<b>(3.04)✓</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income for the Year</b>		<b>(7.14)✓</b>	<b>(3.04)✓</b>
Earning per Equity Share Basic & Diluted	18✓	(14.28)✓	(6.08)✓
<b>Significant Accounting Policies</b>	2✓		
<b>Notes to Financial Statements</b>	15-28✓		

As per our report of even date attached↓

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No 103523W / W100048✓

Snehal Shah✓

Partner

Membership No. 048539✓

Place: Mumbai

Date: 22nd May 2018✓



For and on behalf of Board of Directors✓

Dinesh Jain✓

Director

DIN 00059913



Bharat Sanghavi✓

Director

DIN 00046906✓

**PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED**

**Statement of Cash Flows For The Year Ended 31st March, 2018**

(Amount In Rs. Lakh)

Particulars	2017-18		2016-17	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
(Loss) Before Tax		(7.95)		(3.96)
Adjustments for:				
Add: Interest Expenses		6.73		5.80
Less: Interest Income		(1.58)		(4.05)
<b>Operating (Loss) Before Working Capital Changes</b>		(2.79)		(2.21)
Adjustments for:				
Add/Less:				
Increase/(Decrease) in Other Financial Liabilities		0.02		-
Increase/(Decrease) in Trade Payables		0.01		0.05
<b>Cash Flow (Used in) Operating Activities</b>		(2.76)		(2.16)
Less : Income Tax (Paid) / Refund (Net)		(0.30)		(1.36)
<b>Net Cash Flow (Used in) Operating Activities (A)</b>		(3.06)		(3.52)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest Received on Deposits with Bank	3.81		4.27	
(Investment in) / Maturity of Bank Deposits	52.00		-	
<b>Net Cash Flow From Investing Activities (B)</b>		55.81		4.27
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest Paid	(0.01)		(0.00)	
Proceeds from / (Repayment of) Borrowings (Net)	(49.37)		0.21	
<b>Net Cash Flow From / (Used in) Financing Activities (C)</b>		(49.38)		0.21
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A)+(B)+(C)</b>		3.37		0.96
<b>Cash and Cash Equivalents at the beginning of the year</b>		8.01		7.05
Cash on Hand	0.00		0.00	
With Banks - In Current Accounts	11.38		8.01	
<b>Cash and Cash Equivalents at the end of the year (Refer Note 4)</b>		11.38		8.01

**Explanatory notes to Statement of Cash Flows:**

- Statement of Cash Flows is prepared in accordance with Ind AS 7 as notified by the Ministry of Corporate Affairs.
- In Part A of the Statement of Cash Flows, figures in brackets indicate deduction made from the net profit for deriving the net cash flow from operating activities. In Part B and Part C, figures in brackets indicate cash outflows.

As per our report of even date attached

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No 103523W / W100048

Snehal Shah

Partner

Membership No. 048539

Place: Mumbai

Date: 22nd May 2018



For and on behalf of Board of Directors

Dinesh Jain

Director

DIN 00059913

Bharat Sanghavi

Director

DIN 00046906



**PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED**

(Amount In Rs. Lakh)

**Statement of Changes in Equity For The Year Ended 31st March, 2018**

**a. Equity Share Capital**

Particulars	31- Mar-2018	31- Mar-2017
Balance at the beginning of the reporting year	5.00	5.00
Changes in Equity Share Capital during the year	-	-
Balance at the end of the reporting year	5.00	5.00

**b. Other Equity**

Particulars	Reserves & Surplus		Others Reserves	Total
	Capital Reserve	Retained Earnings		
Balance as at 1st April 2016	0.96	13.65	-	14.61
Loss for the year 2016-17	-	(3.04)	-	(3.04)
Balance as at 31st March 2017	0.96	10.61	-	11.57
Loss for the year 2017-18	-	(7.14)	-	(7.14)
Balance as at 31st March 2018	0.96	3.47	-	4.43

Refer Note 7 (b) for nature and purpose of Reserves.

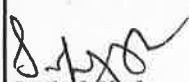
The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No 103523W / W100048

  
Snehal Shah  
Partner

Membership No. 048539

Place: Mumbai

Date: 22nd May 2018



For and on behalf of Board of Directors



Dinesh Jain

Director

DIN 00059913



  
Bharat Sanghavi  
Director

DIN 00046906

# PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

(Amount In Rs. Lakh)

## NOTE 3 : NON CURRENT TAX ASSETS

Particulars	31-Mar-18	31-Mar-17
Advance Tax {Net of Provision of Rs. 0.57 lakh (Previous Year: Rs.3.83 lakh)}	0.15	0.77
<b>Total</b>	<b>0.15</b>	<b>0.77</b>

## NOTE 4 : CASH AND CASH EQUIVALENTS

Particulars	31-Mar-18	31-Mar-17
Cash on Hand	0.00	0.00
Balance with Banks in Current Accounts	11.38	8.01
<b>Total</b>	<b>11.38</b>	<b>8.01</b>

## NOTE 5 : OTHER FINANCIAL ASSETS

Particulars	31-Mar-18	31-Mar-17
Interest Receivable	-	2.23
Balance with Banks in Deposit Account	-	52.00
<b>Total</b>	<b>-</b>	<b>54.23</b>



**PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED**

(Amount In Rs. Lakh)

**NOTE 6 : EQUITY SHARE CAPITAL**

Particulars	31-Mar-18	31-Mar-17
<b>Authorised</b>		
52,000 (52,000 as at 31-Mar-17) Equity Shares of Rs.10/- each	5.20	5.20
	5.20	5.20
<b>Issued, Subscribed and Fully Paid up</b>		
50,000 (50,000 as at 31-Mar-17) Equity Shares of Rs.10/- each, fully paid up.	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

**Details of Shareholders holding more than 5% shares in the Company**

Name of the Shareholder	31-Mar-18		31-Mar-17	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Peninsula Land Limited (including its Nominees)	50,000	100%	50,000	100%
<b>Total</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>

**Reconciliation of Number and Value of Shares:**

Particulars	31-Mar-18		31-Mar-17	
	No. of Shares	Amt Rs. Lakh	No. of Shares	Amt Rs. Lakh
Shares outstanding at the beginning of the year	50,000	5.00	50,000	5.00
Shares issued during the year	-	-	-	-
Shares cancelled during the year	-	-	-	-
Shares outstanding at the end of the year	50,000	5.00	50,000	5.00

**Details of Shares Held by Holding Company**

Name of the Shareholder	31-Mar-18		31-Mar-17	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Peninsula Land Limited (including its Nominees)	50,000	100%	50,000	100%
<b>Total</b>	<b>50,000</b>	<b>100%</b>	<b>50,000</b>	<b>100%</b>

**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. All shares rank pari passu with regard to dividend and repayment of capital. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.



**PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED**

(Amount In Rs. Lakh)

**NOTE 7 : OTHER EQUITY**

Refer Statement of Changes in Equity for detailed movement in Equity balance.

**a. Summary of Other Equity balance**

Particulars	31-Mar-18	31-Mar-17
<b>Capital Reserve</b>		
Opening Balance	0.96	0.96
Addition during the year	-	-
Closing Balance	0.96	0.96
<b>Retained Earnings</b>		
Opening Balance	10.61	13.65
(Loss) during the year	(7.14)	(3.04)
Closing Balance	3.47	10.61
<b>Total</b>	<b>4.43</b>	<b>11.57</b>

**b. Nature and Purpose of Reserves**

i. **Capital Reserve:** During demerger, the excess of consideration received over the net assets transferred is treated as Capital Reserve.

ii. **Retained Earnings:** Retained Earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



# PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

(Amount In Rs. Lakh)

## NOTE 8 : DEFERRED TAX LIABILITIES (NET)

Particulars	31-Mar-18	31-Mar-17
Deferred Tax Liabilities (Net) on: Fair Valuation of Loan (Refer Note 20) ✓	-	1.73 ✓
<b>Total</b>	-	1.73 ✓

## NOTE 9 : TRADE PAYABLES

Particulars	31-Mar-18	31-Mar-17
a. Trade Payables		
(i) Micro and Small Enterprises (Refer Note 21) ✓	1.90 ✓	1.89 ✓
(ii) Others	-	- ✓
<b>Total</b>	1.90 ✓	1.89 ✓

## NOTE 10 : OTHER FINANCIAL LIABILITIES

Particulars	31-Mar-18	31-Mar-17
Current Maturities of Long Term Debt		
Unsecured Loan from Holding Company	-	42.64 ✓
(Interest free, Repayable by 31-Mar-18) ✓		
Other Dues to Holding Company ✓	0.02 ✓	- ✓
<b>Total</b>	0.02 ✓	42.64 ✓

## NOTE 11 : OTHER CURRENT LIABILITIES

Particulars	31-Mar-18	31-Mar-17
Statutory Dues	0.18 ✓	0.18 ✓
<b>Total</b>	0.18 ✓	0.18 ✓





**PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED**

(Amount In Rs. Lakh)

**NOTE 12 : OTHER INCOME**

Particulars	2017-18	2016-17
Interest Income on Deposits with Bank	1.58 ✓	4.05 ✓
<b>Total</b>	<b>1.58 ✓</b>	<b>4.05 ✓</b>

**NOTE 13 : FINANCE COSTS**

Particulars	2017-18	2016-17
Interest Expenses on Term Loan	3.81 ✓	5.80 ✓
Other Finance Cost	2.92 ✓	0.00 ✓
<b>Total</b>	<b>6.73 ✓</b>	<b>5.80 ✓</b>

**NOTE 14 : OTHER EXPENSES**

Particulars	2017-18	2016-17
Professional Fees	0.02 ✓	0.01 ✓
Auditors' Remuneration (Refer Note 16) ✓	2.64 ✓	2.01 ✓
Miscellaneous Expenses	0.14 ✓	0.19 ✓
<b>Total</b>	<b>2.80 ✓</b>	<b>2.21 ✓</b>



# PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

## 15 Financial Instruments - Fair Values and Risk Management

### A Accounting Classification and Fair Values

(Amount in Rs. Lakh)

The carrying value of financial instruments by categories as at 31st March, 2018 is as follows:

31-Mar-18	Carrying Amount			
	FVTPL	FVTOCI	Amortised Cost	Total
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	-	11.38	11.38
<b>Total</b>	-	-	11.38	11.38
<b>Financial Liabilities</b>				
Trade Payables	-	-	1.90	1.90
Other Financial Liabilities	-	-	0.02	0.02
<b>Total</b>	-	-	1.92	1.92

The carrying value of financial instruments by categories as at 31st March, 2017 is as follows:

31-Mar-17	Carrying Amount			
	FVTPL	FVTOCI	Amortised Cost	Total
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	-	8.01	8.01
Interest Receivable	-	-	2.23	2.23
Balance with Banks in Deposit Account	-	-	52.00	52.00
<b>Total</b>	-	-	62.24	62.24
<b>Financial Liabilities</b>				
Trade Payables	-	-	1.89	1.89
Other Financial Liabilities - Borrowings	-	-	42.64	42.64
<b>Total</b>	-	-	44.53	44.53

#### Note No. 1

The following table summarises financial liabilities measured at amortised cost, but fair value disclosure is required:

(Amount in Rs. Lakh)

31-Mar-18	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Other Financial Liabilities (Borrowings) /	-	-	-	-
<b>Total</b>	-	-	-	-

31-Mar-17	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Other Financial Liabilities (Borrowings) /	-	-	42.64	42.64
<b>Total</b>	-	-	42.64	42.64

#### Note No. 2

Carrying amounts of cash and cash equivalents, interest receivables, balance with banks in deposit account, trade and other payables as at 31st March, 2018 and 31st March, 2017 approximate the fair value.



## B Financial Risk Management

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

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

### 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.

#### a 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, loans and investment in debt 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.

Balances with Banks are subject to low credit risk due to good credit rating assigned to these banks. There is no exposure in trade receivables or other financial assets, hence, there is no impairment on account of expected credit loss for the Company.

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

#### i Cash and Cash Equivalents

The Company held Cash and Cash Equivalents of Rs. 11.38 lakh (Rs. 8.01 lakh as at 31st March, 2017). The Cash and Cash Equivalents are held with bank.

#### ii Other Financial Assets

The Company held Other Financial Assets of Rs. Nil (Rs. 54.23 lakh as at 31st March, 2017). The Other Financial Assets consisted of Balance in Deposit Account held with bank and Interest receivable thereon, as at 31st March, 2017.

#### b 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.

#### 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.

(Amount in Rs. Lakh)

31-Mar-18	Carrying Amount	Total	Within 12 month	1-2 Year	2-5 Years	More than 5 Years
Trade Payables	1.90	1.90	1.90	-	-	-
Other Financial Liabilities - Dues to Holding Company	0.02	0.02	0.02	-	-	-

31-Mar-17	Carrying Amount	Total	Within 12 month	1-2 Year	2-5 Years	More than 5 Years
Trade Payables	1.89	1.89	1.89	-	-	-
Other Financial Liabilities- Borrowings	42.64	42.64	49.36	-	-	-

#### c Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices and 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.

The Company is exposed to market risk primarily related to interest rate risk.

#### i Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

#### a Exposure to interest rate risk

Company's interest rate risk arises from Fixed Deposits and Long Term Borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the Management of the Company is as follows:

(Amount in Rs. Lakh)

Particulars	As at 31-Mar-18	As at 31-Mar-17
<b>Fixed Rate Instruments</b>		
<b>Financial Assets</b>		
Balance with Banks in Deposit Account	-	52.00
<b>Financial Liabilities</b>		
Unsecured Loan from Holding Company	-	42.64



**b Fair Value Sensitivity Analysis for Fixed Rate Instruments**

The Company does not account for any fixed rate financial assets or liabilities at fair value. Therefore, a change in interest rates at the reporting date would not affect Profit or Loss.

**16 Auditors' Remuneration**

(Amount in Rs. Lakh)

Particulars	2017-18	2016-17
<b>As Auditors</b>		
a Audit Fees	2.25	1.75
b Service Tax / Goods & Services Tax on Fees and Reimbursement	0.39	0.26
<b>Total</b>	<b>2.64</b>	<b>2.01</b>

**17 List of Related Parties and Transactions during the year as per Ind AS 24 Related Party Disclosures.**

**A. Controlling Company**

- 1 Peninsula Land Limited (Holding Company)

**B. Key Management Personnel**

- 1 Dinesh Jain (Director)
- 2 Bharat Sanghavi (Director)
- 3 N. Gangadharan (Director)

**C. Details of Transactions are as Follows :**

(Amount in Rs. Lakh)

Particulars	2017-18	2016-17
<b>1 Loan Taken from / Expenses of the Company paid by:</b>		
a Controlling Company		
i Peninsula Land Limited	0.55	1.25
<b>2 Loan Repaid to / Reimbursement to:</b>		
a Controlling Company		
i Peninsula Land Limited	49.88	1.04
<b>3 Finance Cost ( including other cost ) /</b>		
a Controlling Company		
i Peninsula Land Limited	6.72	5.80
<b>4 Outstanding Balances as on date</b>		
Payable by Company to		
a Controlling Company		
i Peninsula Land Limited	0.02	42.64
<b>5 Sharing of Resources with</b>		
a Controlling Company		
i Peninsula Land Limited		



## 18 Earnings Per Share (EPS)

Particulars	2017-18	2016-17
i Profit attributable to Equity Shareholders (Rs. in lakh)	(7.14)	(3.04)
ii Weighted Average Number of Equity Shares (No. in lakh)	0.50	0.50
iii Basic and Diluted earnings per share (Rs.)	(14.28)	(6.08)
iv Face Value of Share (Rs.)	10	10

## 19 Capital Management

### a Risk 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' i.e. Gearing Ratio. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents.

The Company does not have loan from outside the group.

The Company's Gearing Ratio was as follows:

Particulars	(Amount in Rs. Lakh)	
	As at 31-Mar-18	As at 31-Mar-17
Total Debt	0.02	42.64
Less : Cash and cash equivalents	11.38	8.01
Adjusted Net Debt	(11.36)	34.63
Total equity	9.43	16.57
Gearing Ratio	(1.21)	2.09

### b Dividend

The Company has not declared any dividend during the current year and earlier years.

## 20 Tax Expense

### a Amounts recognised in the Statement of Profit and Loss

(Amount in Rs. Lakh)

Particulars	2017-18	2016-17
Current Income Tax		0.57
Deferred Income Tax Expense / (Income) [Net]	(1.73)	(1.49)
Reversal of DTL on temporary differences	(1.73)	(1.49)
Deferred tax expense / (income)	0.92	
Prior Years Tax Adjustments		
Tax expense/ (benefit) for the year	(0.81)	(0.92)



b Deferred Tax Movement

(Amount in Rs. Lakh)

FY 2017-18

Particulars	As at 31-Mar-17	Recognised in		As at 31-Mar-18
		Profit or Loss	OCI	
Fair Valuation of Loan	1.73	(1.73)	-	-
Total	1.73	(1.73)	-	-

FY 2016-17

Particulars	As at 31-Mar-16	Recognised in		As at 31-Mar-17
		Profit or Loss	OCI	
Fair Valuation of Loan	3.22	(1.49)	-	1.73
Total	3.22	(1.49)	-	1.73

c Reconciliation of tax expense and accounting profit multiplied by tax rate.

(Amount in Rs. Lakh)

Particulars	2017-18	2016-17
Profit / (Loss) before Tax	(7.95)	(3.96)
Tax at rate of Indian Income Tax Act @ 25.75% (PY 29.87%)	(2.04)	(1.18)
Tax effect of amounts which are not deductible/ (non-taxable)/taxable in calculating taxable income		
Difference in rates of income tax considered for deferred tax purpose	0.31	0.24
Prior Period Tax Adjustments	0.92	-
Others	-	0.02
Tax Expense / (Benefits) as per Statement of Profit & Loss	(0.81)	(0.93)

21 Disclosure as per The Micro, Small and Medium Enterprises Development Act, 2006

Company has sent letters to creditors to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 as well as they have filed required memorandum with the prescribed authorities. Out of the letter sent, confirmation have been received till the date of finalisation of Balance Sheet. Based on the confirmation received, the outstanding amount payable to creditors covered under Micro, Small and Medium Enterprises Development Act 2006 are given below:

(Amount in Rs. Lakh)

Particulars	As at 31-Mar-18	As at 31-Mar-17
The principal amount unpaid at the end of the year	1.90	1.89
The interest amount remaining unpaid at the end of the year	-	-
The interest amount paid in terms of Section 16 of MSMED Act 2006	-	-
The balance of MSMED parties as at the end of the year	1.90	1.89



22 Reconciliation of Liabilities arising from Financing Activities.

(Amount in Rs. Lakh)

Particulars	Opening Balance	Cash Movement	Business Acquisition/ Disposals	Foreign exchange changes	Fair value changes	Others	Total
<b>31-Mar-18</b>							
Borrowings	42.64	(49.39)	-	-	6.72	0.05	0.02
Public Deposits							
Cash Credit Facility							
Inter corporate Deposits							
<b>Total</b>	<b>42.64</b>	<b>(49.39)</b>	<b>-</b>	<b>-</b>	<b>6.72</b>	<b>0.05</b>	<b>0.02</b>
<b>31-Mar-17</b>							
Borrowings	36.63	0.21	-	-	5.80	-	42.64
Public Deposits							
Cash Credit Facility							
Inter corporate Deposits							
<b>Total</b>	<b>36.63</b>	<b>0.21</b>	<b>-</b>	<b>-</b>	<b>5.80</b>	<b>-</b>	<b>42.64</b>

23 Contingent Liabilities

As at  
31-Mar-18 31-Mar-17

i Claims under the Company not acknowledged as debts in respect of

(Amount in Rs. Lakh)

a Income Tax demand under appeal

- 0.92

24 The 'management approach' as defined in "Ind AS 108 - Operating Segments" requires disclosure of segment-wise information based on the manner in which the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources in cases where a reporting entity operates in more than one business segment. Since the Company is primarily engaged in the business of real estate development which the Management and CODM recognise as the sole business segment, the disclosure of such segment-wise information is not required and accordingly, not provided.

25 The figures have been rounded off to two decimals in Lakh.

26 The Company is registered with Ministry of Corporate Affairs under CIN U70200MH2007PLC167082.

27 There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the Balance Sheet date.

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

As per our report of even date attached

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No 103523W / W100048

Snehal Shah

Partner

Membership No. 048539

Place: Mumbai

Date: 22nd May, 2018



For and on behalf of Board of Directors

Dinesh Jain

Director

DIN: 00059913



Bharat Sanghavi

Director

DIN: 00046906



## PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

### 1 Company Overview

Peninsula Mega Township Developers Limited ("the Company") is a Public Limited Company which was formed for Real Estate Development and is domiciled in India. Currently, there are no Real Estate activities in the Company.

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2018 were authorised for issue in accordance with the resolution of the Board of Directors on 22<sup>nd</sup> May, 2018.

### 2 Significant Accounting Policies

#### I Basis of Preparation of Financial Statements

##### (a) Compliance with Ind AS

The financial statements comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions of the 2013 Act / Companies Act, 1956 ("the 1956 Act"), as applicable.

##### (b) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value (refer accounting policy regarding Financial Instruments).

##### (c) Operating Cycle

All assets and liabilities have been classified into current and non-current based on the Company's Normal Operating Cycle (twelve months).

##### (d) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, which is also the functional currency of the Company. All financial information presented in Indian Rupees has been rounded off to two decimals in lakhs.

#### II Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

##### (a) Impairment of Non Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its



## PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

### (b) Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about the risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### (c) Fair Value Measurement of Financial Instruments

When the fair values of the financial assets and liabilities recorded in the Balance Sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market wherever possible, but where this is not feasible, a review of judgment is required in establishing fair values. Any changes in assumptions could affect the fair value relating of financial instruments.

## III Measurement of Fair Values

The Company has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



## PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

### IV Financial Instruments

#### (a) Financial Assets

##### i. Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### ii. Initial Recognition and Measurement

All Financial Assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### iii. Subsequent Measurement

For purposes of subsequent measurement financial assets are classified into two broad categories:

- (a) Financial asset at fair value
- (b) Financial asset at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit or loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

##### iv. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (a) The rights to receive cash flows from the asset have expired, or
- (b) The Company has transferred its rights to receive cash flows from the asset

#### (b) Financial Liabilities

##### i. Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost or at fair value through profit or loss.

##### ii. Initial Recognition and Measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.



## PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

### iii. Subsequent Measurement

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-amortised bearing loans and borrowings.

### iv. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### (c) Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

## V Revenue Recognition

Interest income is accounted on an accrual basis at effective interest rate.

## VI Income Tax

Income Tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in Equity or in Other Comprehensive Income.

### (a) 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. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities can be offset only if the Company

(i) has a legally enforceable right to set off the recognised amounts; and

(ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### (b) 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 amounts used for taxation purposes.



## PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

- (i) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

### VII Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the time all the activities necessary to prepare the qualifying asset for its intended use or sale are complete are allocated to qualifying assets.

All other borrowing costs are recognised as an expense in the period which they are incurred.

### VIII Cash and Cash Equivalents

Cash and Cash Equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### IX Earnings Per Share

Basic earnings per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit / loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic



## PENINSULA MEGA TOWNSHIP DEVELOPERS LIMITED

earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

### X Statement of Cash Flows

The Statement of Cash Flows is prepared under the "Indirect Method" as prescribed under the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows".

Cash and Cash Equivalents for the purpose of the Statement of Cash Flows comprise of cash at bank and on hand and short term investments with original maturity of three months or less.

### XI Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for -

- (i) possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

### XII Recent Accounting Developments

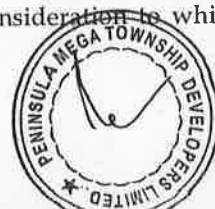
On March 28, 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates' and the new standard Ind AS 115, 'Revenue from Contract with Customers'. These amendments are applicable to the Company from April 1, 2018.

#### Amendment to Ind AS 21:

On March 28, 2018, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing 'Appendix B to Ind AS 21: Foreign currency transactions and advance consideration' which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. This amendment will come into force from April 1, 2018. As there is no such transaction of above nature at this stage, there will not be any effect due to above amendment.

#### Standard issued but not yet effective (Ind AS 115):

On March 28, 2018, the MCA notified the Ind AS 115, Revenue from Contracts with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the



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entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, ~~2018~~. As there is no such transaction of above nature at this stage, there will not be any effect due to the new standard.

