

Peninsula Investment Company Limited

Financial statements
together with the
Independent Auditors' Report
for the year ended 31 March 2015

Peninsula Investment Management Company Limited

Financial statements together with the Independent Auditors' report
for the year ended 31 March 2015

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B S R & Associates LLP

Chartered Accountants

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Independent Auditors' Report

To the Members of Peninsula Investment Management Company Limited

Report on the financial statements

We have audited the accompanying financial statements of Peninsula Investment Management Company Limited ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss, the cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

Independent Auditors' Report (*Continued*)

Peninsula Investment Management Company Limited

An audit also includes evaluating the appropriateness of the 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31 March 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.

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 and Cash flow statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) 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:
 - a. The Company does not have any pending litigation which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

Independent Auditors' Report (*Continued*)

Peninsula Investment Management Company Limited

- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B S R & Associates LLP**

Chartered Accountants

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



Vinayak Padwal

Partner

Membership No: 049639

Mumbai

8 May 2015

Peninsula Investment Management Company Limited

Annexure to the Independent Auditors' Report

(Referred to in our report of even date)

1.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
2. The Company is a service company primarily rendering investment advisory services. Accordingly, it does not hold any physical inventory. Thus, paragraph 3 (ii) of the Order is not applicable.
3. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve inventory and sale of goods. In our opinion and according to the information and explanations given to us, we have not observed any major weakness in the internal control system during the course of the audit.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of section 73 to section 76 or other relevant provisions of the Act and rules framed there under apply.
6. The Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company.
7.
 - (a) According to the information and explanations given to us and on the basis of our examination of the books of account, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, service tax and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of employees' state insurance, wealth tax, sales tax, custom duty, excise duty, cess and Investor education and protection fund. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there is no dues in respect of provident fund, income tax, service tax and other material statutory dues which have not been deposited with appropriate authorities on account of any dispute.

Peninsula Investment Management Company Limited

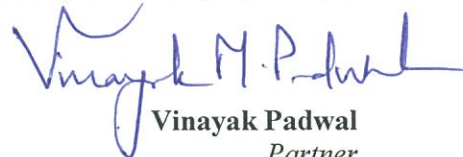
Annexure to the Independent Auditors' Report (*Continued*)

- (c) According to the information and explanations given to us, there are no dues of investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder which is required to be transferred.
8. The Company did not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
9. The Company did not have any outstanding dues from financial institution or bank or debenture holders during the year.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, the Company does not have any term loans and hence, paragraph 3 (xi) of the Order is not applicable.
12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **B S R & Associates LLP**

Chartered Accountants

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



Vinayak Padwal

Partner

Membership No: 049639

Mumbai
8 May 2015

Peninsula Investment Management Company Limited

Balance sheet

as at 31st March 2015

(Currency: Indian rupees)

Particulars	Note	31.03.2015	31.03.2014
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	197,350,000	100,000,000
(b) Reserves and surplus	4	52,381,591	61,765,823
Non-current liabilities			
(a) Deferred tax liabilities	5	11,449	-
(b) Long-term provisions	6	51,167	146,702
(c) Other long term liabilities	7	971,505	35,981,382
Current liabilities			
(a) Trade Payables	8	2,509,691	265,145
(b) Other current liabilities	9	528,507	703,313
(c) Short-term provisions	10	4,544,204	454,753
Total		258,348,114	199,317,118
II. ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	5,352	80,649
(ii) Intangible assets	12	102,542	199,005
(b) Non-current investments	13	157,798,100	97,798,400
(c) Deferred tax assets (net)	14	-	76,303
(d) Long term loans and advances	15	7,021,442	6,309,987
Current assets			
(a) Current investments	16	844	6,883,952
(b) Trade receivables	17	72,993,950	72,993,950
(c) Cash and bank balance	18	1,066,967	1,046,557
(d) Short-term loans and advances	19	17,221,851	13,872,004
(e) Other current assets	20	2,137,066	56,312
Total		258,348,114	199,317,118
Significant accounting Policies	2		
Notes to the financial statements	3 to 34		

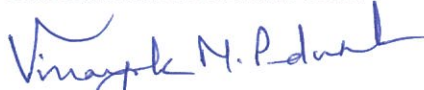
Notes referred to above form an integral part of the financials statements

As per our report of even date attached.

For **BSR & Associates LLP**

Chartered Accountants

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



Vinayak Padwal

Partner

Membership No: 049639

Mumbai

Date:

08 MAY 2015

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



Rajeev Piramal

Managing Director



Mahesh Gupta

Director

Mumbai

Date:

08 MAY 2015

Peninsula Investment Management Company Limited

Statement of profit and loss for the year ended 31st March 2015

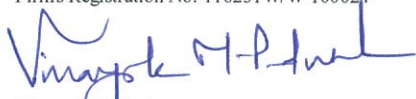
(Currency: Indian rupees)

Particulars	Note	31.03.2015	31.03.2014
Revenue from operations	21	-	32,168,000
Other Income	22	662,909	5,779,888
Total Revenue		662,909	37,947,888
<u>Expenses:</u>			
Employee benefit expense	23	1,761,930	4,208,228
Depreciation expense	10 & 11	103,619	168,828
Other expenses	24	3,898,830	1,988,890
Total Expenses		5,764,379	6,365,946
Profit/(Loss) before tax		(5,101,469)	31,581,942
Tax expense:			
Current tax		-	10,620,675
Deferred tax		(87,752)	63,140
Profit after tax		(5,189,221)	21,024,407
Earning per equity share:	29		
Basic		(0.52)	2.10
Diluted		(0.52)	2.10
Significant accounting Policies	2		
Notes to the financial statements	3 to 34		

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


Vinayak Padwal
Partner
Membership No: 049639

Mumbai

Date: 08 MAY 2015

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


Rajeev Piramal
Managing Director


Mahesh Gupta
Director

Mumbai

Date: 08 MAY 2015

Peninsula Investment Management Company Limited

Cash flow statement

for the year ended 31 March 2015

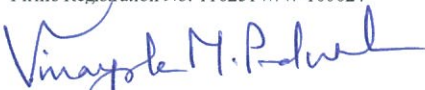
(Currency : Indian rupees)

	31.03.2015	31.03.2014
A Cash flow from operating activities		
Net profit before taxation	(5,101,469)	31,581,942
<i>Adjustments for:</i>		
Depreciation and amortization	103,619	168,828
Dividend income	(215,088)	(1,045,652)
Interest Income	(418,449)	(4,608,066)
Excess provision of expenses of earlier years	(29,373)	-
Operating cash flow before working capital changes	(5,660,760)	26,097,052
Increase in trade receivables	-	(32,529,568)
Increase in loans and advances	(3,349,847)	(5,792,622)
increase in current assets	(2,080,754)	-
Increase/(decrease) in current liabilities	(33,043,718)	34,634,421
Cash (used in) / generated from operations	(44,135,079)	22,409,283
Income Tax Paid	(711,454)	(10,265,165)
Net cash used by operating activities (A)	(44,846,533)	12,144,118
B Cash flow from investing activities		
Purchase of fixed assets	-	(318,304)
Investment Made	(59,999,700)	(96,798,400)
Redemption Proceeds received from Mutual Fund	7,098,195	64,229,636
Interest received	418,449	4,608,066
Net cash generated from investing activities (B)	(52,483,057)	(28,279,002)
C Cash flow from financing activities		
Issue of redeemable cumulative preference shares	97,350,000	-
Net cash generated from financing activities (C)	97,350,000	-
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	20,410	(16,134,884)
Cash and cash equivalent as at the beginning of the year (Refer Note No. 17)	1,046,557	17,181,441
Cash and cash equivalent as at the end of the year (Refer Note No.17)	1,066,967	1,046,557

The cash flow has been prepared under the 'Indirect method' as set out in Accounting Standard - 3 - "Cash Flow Statement" prescribed in the Companies (Accounting Standard) Rules, 2006.

As per our report of even date attached.

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



Vinayak Padwal
Partner
Membership No: 049639

Mumbai

Date: **08 MAY 2015**

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



Rajeev Piramal
Managing Director



Mahesh Gupta
Director

Mumbai

Date: **08 MAY 2015**

Peninsula Investment Management Company Limited

Notes to the financial statements

for the year ended 31 March 2015

(Currency: Indian rupees)

1 Background

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

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1 Basis of preparation of financial statements

The accompanying financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013 and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian rupees.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, incomes, expenses and disclosure of contingent liabilities on the date of the financial statement. The estimates and assumptions used in the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is prospectively recognized in current and future periods.

2.3 Depreciation

Depreciation on tangible assets are provided on written down value method at rates that are greater than or equal to the corresponding rates prescribed in schedule II of the Act, on a pro rata basis from the date the asset is ready to use till the date of sale.



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.3 Depreciation (Continued)

The Assets are depreciated in accordance with the provisions of Schedule II of the Act. Schedule II of the act requires systematic allocation of the depreciable amount of an asset over its useful life. The said schedule also requires that the useful life of an asset should not be longer than the useful life prescribed in part C of the said schedule and the residual value of an asset should not be more than five percent of its original cost. Pursuant to this policy, useful life of computers, furniture and fixture and office equipment has been taken as follows which the corresponding useful life prescribed in Schedule II:

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

Depreciation on Intangible assets (i.e. Post Investment Tracker software ('PIT')) is provided on straight line basis over a period of 36 months commencing from the month of acquisition.

All fixed assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

2.4 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date, there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.5 Investment

Investments are classified as long term or current based on intention of the management at the time of purchase.

Long-term investments are carried at carrying cost less any diminution in value, which is other than temporary, determined separately for each individual investment.

Current investments are valued at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each individual investment.

Purchase and sale of investments are recorded on trade date. Profit or loss on sale of investments is determined on the basis of first in first out (FIFO).



Peninsula Investment Management Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

2 Significant accounting policies (*Continued*)

2.6 Revenue recognition

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.

Other Income

Interest income is accounted on an accrual basis.

Dividend is recognized as income as and when the right to receive the same is established.

2.7 Employee benefits

Provident fund

The Company contributes to the recognised provident fund, which is a defined contribution scheme for all the employees. Provident fund dues are recognized as expenditure when the liability to contribute to the Provident fund arises under the Provident Fund Act.

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Leave encashment

The Company provides for leave encashment liability, which is a defined benefit scheme is determined based on actuarial valuation using the Projected Unit Credit Method at the balance sheet date conducted by an independent actuary.

Actuarial gains / losses

Actuarial gains and losses are recognized immediately in the statement of profit and loss.



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.8 Taxation

Current and Deferred Tax

Income tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

Provision for income tax is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable / virtually certain (as the case may be) to be realised.

Minimum Alternate Tax

As per the provision of Section 115JAA, MAT Credit receivable has been recognized on the basis of return of income filed for the previous years. MAT credit is recognised as an asset to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. MAT credit is recognised as an asset in accordance with the recommendation contained in guidance note issued by the Institute of Chartered Accountants of India. The said assets is created by the way of credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company will review the same at each balance sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.9 Earnings per share ('EPS')

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share, only potential equity shares that are dilutive are included.



Peninsula Investment Management Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

2 Significant accounting policies (*Continued*)

2.10 Provisions and contingencies

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognized when the Company recognizes that it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian rupees)

3 Share capital

Authorised capital

10,000,000 (Previous Year: 10,000,000) equity shares of Rs. 10 each

31.03.2015 31.03.2014

100,000,000 100,000,000

16,00,000 (Previous Year: Nil) preference shares of Rs. 100 each

160,000,000 -

260,000,000 100,000,000

Issued, subscribed and paid-up capital

10,000,000 (Previous Year: 10,000,000) equity shares of Rs. 10 each, fully paid up

100,000,000 100,000,000

9,73,500 (Previous Year: Nil) 9% Redeemable Cumulative Non Convertible preference shares of Rs. 100 each

97,350,000 -

197,350,000 100,000,000

a. Shareholder holding more than 5% of equity shares in the Company

Name of shareholder	31-Mar-15		31-Mar-14	
	Number of equity share	% of holding	Number of equity share	% of holding
Peninsula Holdings and Investment Pvt. Ltd. - Holding Co.	7,501,000	75%	7,501,000	75%
Jaydev Mukund Mody	-	0%	-	0%
Mahesh S. Gupta	500,000	5%	500,000	5%
Ms. Urvi A. Piramal	1,000,000	10%	1,000,000	10%

*Note:-There is no movement in the outstanding shares during the year.

b.Reconciliation of shares outstanding at the begning and at the end of the financial year

Name of shareholder	31-Mar-15		31-Mar-14	
	Number of equity share	Amount	Number of equity share	Amount
At the beginning of the year	100,000	1,000,000	100,000	1,000,000
Add: Issued during the year	-	-	-	-
At the end of the year	100,000	1,000,000	100,000	1,000,000

c. Shareholder holding more than 5% of preference shares in the Company

Name of shareholder	31-Mar-15		31-Mar-14	
	Number of preference shares	% of holding	Number of preference shares	% of holding
Peninsula Land Limited	973,500	100%	-	-

d.Reconciliation of shares outstanding at the begning and at the end of the financial year

Name of shareholder	31-Mar-15		31-Mar-14	
	Number of preference shares	Amount	Number of preference shares	Amount
At the beginning of the year	-	-	-	-
Add: Issued during the year	973,500	97,350,000	-	-
At the end of the year	973,500	97,350,000	-	-

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



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian rupees)

	31.03.2015	31.03.2014
4 Reserve and Surplus		
Surplus (Profit and Loss balance)		
At the commencement of the year	61,765,823	40,741,416
Add : Profit/(Loss) for the year	(5,189,221)	21,024,407
Less: Depreciation charge against reserves	(68,141)	-
Less: Proposed Dividend on Preference Shares	(4,126,870)	-
Total Reserves and Surplus	52,381,591	61,765,823
5 Deferred Tax Liabilities (Net)		
Deferred tax is computed in accordance with Accounting Standard 22 - Taxes c		
Depreciation on Fixed Assets	11,449	-
Deferred tax liabilities (Net)	11,449	-
6 Long term provisions		
Provision For Employees Benefit		
Provision for gratuity (refer note 24)	46,746	101,924
Provision for leave encashment (refer note 24)	4,421	44,778
	51,167	146,702
7 Other long term liabilities		
Liability for transfer of employees to related party	971,505	2,703,897
Payable to Holding Company	-	33,277,485
	971,505	35,981,382
8 Trade Payables#		
Provision for expenses	1,332,330	213,303
Other payable	1,177,362	51,843
	2,509,692	265,146

For dues to Micro, Small & Medium enterprises refer note no. 29



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian rupees)

	31.03.2015	31.03.2014
9 Other current liabilities		
	31.03.2015	31.03.2014
Taxes payable	40,288	109,816
Interest accrued due on Loan from Related Party	248,763	321,278
Payable to Employees	239,456	272,219
	<u>528,507</u>	<u>703,313</u>
10 Short term provisions		
	31.03.2015	31.03.2014
Provision for Tax (Net of Advance Tax Rs. 87,36,046 (Previous year Rs. 87,36,046))	414,775	409,337
Proposed Dividend on Preference Shares	4,126,870	-
Provision For Employees Benefit		
Provision for gratuity (refer note 24)	2,044	1,800
Provision for leave encashment (refer note 24)	515	3,616
Provision for Leave travel allowance	-	40,000
	<u>4,544,204</u>	<u>454,753</u>



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued) as at 31st March 2015

(Currency: Indian rupees)

11 Tangible assets

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	As at 1 April 2014	Additions	Deletions	As at 31st March 2015	As at 1 April 2014	For the year	Charge to Reserves	Relating to Deletions	As at 31st March 2015	As at 31st March 2014
Computers	1,010,641	-	-	1,010,641	938,697	6,369	62,137	-	1,007,203	3,438
Furnitures and Fixture	17,874	-	-	17,874	15,173	787	-	-	15,960	1,914
Office Equipment	16,761	-	-	16,761	10,757	-	6,004	-	16,761	-
Total	1,045,276	-	-	1,045,276	964,627	7,156	68,141	-	1,039,924	5,352
Previous year	1,045,276	-	-	1,045,276	915,098	49,529	-	-	964,627	80,649
										130,178

12 Intangible assets

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	As at 1 April 2014	Additions	Deletions	As at 31st March 2015	As at 1 April 2014	For the year	Charge to Reserves	Relating to Deletions	As at 31st March 2015	As at 31st March 2014
Computer Software	2,701,446	-	-	2,701,446	2,502,441	96,463	-	-	2,598,904	102,542
	2,701,446	-	-	2,701,446	2,502,441	96,463	-	-	2,598,904	102,542
Total	2,383,142	318,304	-	2,701,446	2,383,142	119,299	-	-	2,502,441	199,005
Previous year										-



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian rupees)

	31.03.2015	31.03.2014
13 Non Current Investment		
Investments in Preference Shares (Unquoted)		
15,27,881 (Previous Year : 9,27,884) 0.01% cumulative compulsorily convertible preference shares of Rs. 100 each		
Peninsula Brookfield Investment Managers Pvt. Ltd (Capital call),	152,788,100	92,788,400
Investments in Equity instruments (Unquoted)		
14,900 Equity Share (Class A, B and C) of Rs. 10 each of Peninsula Brookfield Investment Managers Pvt. Ltd	149,000	149,000
Other Non-Current Investments (Unquoted)		
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
38.61 (Previous year: Nil) Class B units of Rs. 1,00,000/-each of Peninsula Brookfield Real Estate Fund	3,861,000	3,861,000
	<u>157,798,100</u>	<u>97,798,400</u>
Aggregate amount of unquoted investment (book Value)	157,798,100	97,798,400
14 Deferred Tax Assets (Net)		
Deferred tax is computed in accordance with Accounting Standard 22 - Taxes on income as prescribed in the Rules.		
Provision for gratuity	-	33,658
Provision for leave encashment	-	15,703
Depreciation on Fixed Assets	-	26,941
Deferred tax assets (Net)	<u>-</u>	<u>76,303</u>
Depreciation on Fixed Assets	-	-
Deferred tax liabilities	<u>-</u>	<u>-</u>
Deferred tax assets (Net)	<u>-</u>	<u>76,303</u>
15 Long term loans and advances		
(Unsecured, considered good unless otherwise stated)		
Advance tax/ tax deducted at source	7,021,442	6,309,987
(Net of provision for Tax Rs.16,239,588 (Previous year Rs. 1,62,39,588))	<u>7,021,442</u>	<u>6,309,987</u>
16 Current Investment		
Investment in mutual fund (Unquoted, lower of cost or fair value)		
ICICI Prudential daily dividend scheme, floating Rate Plan	844	794
ICICI Prudential daily dividend scheme, liquid Plan	-	6,883,157
	<u>844</u>	<u>6,883,952</u>
*For Mutual fund units the net asset value is available		
Aggregate Book value of unquoted investments	844	6,883,952
Aggregate Market value	844	6,883,952



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

as at 31st March 2015

(Currency: Indian rupees)

	31.03.2015	31.03.2014
17 Trade Receivables		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Outstanding for more than six months	72,993,950	56,729,166
Others	-	16,264,784
	<u>72,993,950</u>	<u>72,993,950</u>
18 Cash and bank balance		
Cash and Cash Equivalents		
Cash on hand	8,250	1,425
Balances with Banks	1,058,717	1,045,132
	<u>1,066,967</u>	<u>1,046,557</u>
19 Short terms loans and advances		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Advances recoverable in cash or in kind or for value to be received		
- From Related Parties	17,209,529	13,818,638
- Others	11,353	11,353
Prepaid Expenses	969	42,013
	<u>17,221,851</u>	<u>13,872,004</u>
20 Other current assets		
Service Tax Credit Receivable	2,137,066	56,312
	<u>2,137,066</u>	<u>56,312</u>



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31st March 2015

(Currency: Indian rupees)

	31.03.2015	31.03.2014
21 Revenue from operations		
Management fees	-	32,168,000
	<u>-</u>	<u>32,168,000</u>
Till previous year, the Company was entitled to receive an annual management fees equal to 2% per annum of capital of Rs. 1,608,400,000 in accordance with the terms of Investment Management Agreement. During the current year, the Company has waived its right to receive management fees.		
22 Other Income		
Interest Income	418,449	4,608,066
Dividend Income	215,088	1,045,652
Other Income	-	94,347
Excess Provision written Back	29,373	31,823
	<u>662,909</u>	<u>5,779,888</u>
23 Employee benefit expense		
Salaries, bonus, allowances and other benefits	1,637,174	4,042,727
Contribution to provident and other funds	91,540	134,301
Staff Welfare Expenses	33,216	31,200
	<u>1,761,930</u>	<u>4,208,228</u>
24 Other Expenses		
Professional fees	1,378,690	801,845
IT Maintenance charges	497,534	491,900
Auditors' remuneration		
- Audit Fees	100,000	100,000
- Reimbursement of expenses	4,500	4,500
Miscellaneous expense	303,096	523,840
Stamp Duty Charges	1,615,009	66,805
	<u>3,898,830</u>	<u>1,988,890</u>



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

25. Contingent liabilities / Capital commitment

There are no contingent liabilities / capital commitment as at 31 March 2015 (Previous year Rs. Nil).

The Company 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. In accordance with the provisions of Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event 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. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

26. Segment reporting

The Company 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 Accounting Standard 17 on Segment Reporting specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

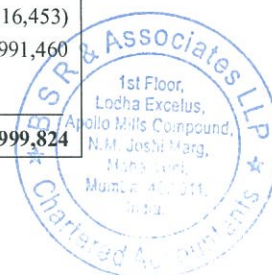
27. Retirement benefit- gratuity and leave encashment

The following tables summarizes the components of the net benefit expenses recognised in the statement of profit and loss, the fund status and amount recognised in the balance sheet for the gratuity benefit plan.

Statement of Profit and loss

Net gratuity expenses (recognized in employee costs)

Particulars	Gratuity		Leave Encashment	
	2015	2014	2015	2014
Current service cost	33,068	30,282	23,516	21,535
Interest on defined benefit obligations	9,460	5,096	4,286	3,282
Expected return on plan assets	-	-	-	-
Acturial (gain)/losses	(95,005)	6,203	16,219	(16,453)
Prior Year Charge : Transfer of Gratuity Liability / Past Service liability	(2,456)	409,451	(1,157)	991,460
Total in Gratuity Expenses	(54,933)	451,032	42,864	999,824



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

27. Retirement benefit- gratuity and leave encashment (Continued)

Amounts for the current and previous four periods are as follows:

Defined benefit pension plans

Particulars	Gratuity				
	2014-15	2013-14	2012-13	2011-12	2010-11
Defined Benefit Obligations	48,790				
Plan assets	-	103,724	62,143	4,77,918	1,120,888
Surplus/(deficit)	(48,790)	(103,724)	(62,143)	(477,918)	(1,120,888)
Experience adjustments on plan Liabilities	(102,806)	22,057	76,195	(462,752)	(150,613)
Experience adjustments on plan Assets	-	-	-	-	-
Particulars	Leave Encashment				
	2014-15	2013-14	2012-13	2011-12	2010-11
Defined Benefit Obligations	4,936	48,394	40,030	299,808	1,259,862
Plan assets	-	-	-	-	-
Surplus/(deficit)	(4,936)	(48,394)	(40,030)	(299,808)	(1,259,862)
Experience adjustments on plan Liabilities	14,272	(9,963)	548,785	(647,412)	135,236
Experience adjustments on plan Assets	-	-	-	-	-

Balance sheet

Details of provision for gratuity and Leave Encashment

Particulars	Gratuity		Leave Encashment	
	2015	2014	2015	2014
Liability at the end of the year	48,790	1,03,724	4,936	48,394
Fair value of the plan assets at the end of the year	-	-	-	-
Difference	48,790	1,03,724	4,936	48,394
Unrecognised past service cost	-	-	-	-
Unrecognised transition liability	-	-	-	-
Provision for gratuity	48,790	1,03,724	4,936	48,394



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

27. Retirement benefit- gratuity and leave encashment (Continued)

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Gratuity		Leave Encashment	
	2015	2014	2015	2014
Liability at the beginning of the year	103,724	62,143	48,394	40,030
Liability transferred out to PBIMPL	-	-	-	-
Interest Cost	9,460	5,096	4,286	3,282
Current Service Cost	33,067	30,582	23,516	21,535
Benefits paid	-	-	(86,322)	-
Actuarial (gain)/loss	(95,005)	6,203	16,219	(16,453)
Past Service Liab	(2,456)	-	(1,157)	-
Liability at the end of the year	48,790	1,03,724	4,936	48,394

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Current	2,044	1,800	515	3,616
Noncurrent	46,746	1,01,924	4,421	44,778

Actuarial assumptions

	2015	2014
Discount rate	7.8 per cent per annum	9.2 per cent per annum
Salary escalation	6 per cent per annum	6 per cent per annum
Employee attrition rate	5 per cent at younger ages reducing to 1% at older ages	5 per cent at younger ages reducing to 1% at older ages



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

28. Related party

List of Related Parties

a) Name of a related party by whom control is exercised

Peninsula Land Limited	(Ultimate Holding Company)
Peninsula Holdings and Investments Private Limited	(Holding Company)
Peninsula Brookfield Investment Managers Private Limited ('PBIMPL')	(Joint Venture)

b) Names of related parties, other than holding company

Peninsula Trustee Limited	(Fellow subsidiary)
Peninsula Realty Fund – Scheme PReF Indigo a scheme of Peninsula realty Fund	(Entity under common control)

c) Key Management Personnel

Mr. Rajeev A. Piramal (Managing Director)

Transactions with related parties

Nature of Transactions	Ultimate Holding company	Fellow Subsidiary	Entity under common control	Joint Venture	Key management Personnel	Total
Management fees	-	-	-	-	-	-
	(-)	(-)	(32,168,000)	(-)	(-)	(32,168,000)
Interest Expense	-	-	-	-	-	-
	(356,976)	(-)	(-)	(-)	(-)	(356,976)
Recovery of Expense	32,600	155	1,399,574	-	-	1,432,329
	(14,000)	(140)	(5,867,891)	(-)	(-)	(5,882,031)
Salaries and other allowances	-	-	-	-	40,000	40,000
	(-)	(-)	(-)	(-)	(40,000)	(40,000)
Transfer of Liability for transferred Employees	-	-	-	-	-	-
	(-)	(-)	(-)	(1,390,911)	(-)	(1,390,911)



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

28. Related party (Continued)

List of Related Parties (Continued)

c) Key Management Personnel (Continued)

Transactions with related parties

Nature of Transactions	Ultimate Holding company	Fellow Subsidiary	Entity under common control	Joint Venture	Key management Personnel	Total
Recovery of expenses	- (-)	- (-)	255,000 (-)	- (-)	- (-)	255,000 (-)
Share application money	64,000,000 (33,350,000)	- (-)	(-) (-)	- (-)	- (-)	64,000,000 (33,350,000)
Loan accepted	- (33,350,000)	- (-)	- (-)	- (-)	- (-)	- (33,350,000)
Recoverable from investee	- (-)	- (-)	- (-)	93 (26)	- (-)	93 (26)
Repayment of staff welfare expenses	32,600 (-)	- (-)	- (-)	- (-)	- (-)	32,600 (-)
Investments made	- (-)	- (-)	- (-)	59,999,700 (92,937,400)	- (-)	59,999,700 (92,937,400)
Issue of Preference Shares	97,350,000 (-)	- (-)	- (-)	- (-)	- (-)	97,350,000 (-)
Payment of liability towards employees	- (-)	- (-)	- (-)	1,732,392 (-)	- (-)	1,732,392 (-)

Figures in bracket indicate previous year figures.

Balance Outstanding as on 31 March 2014

Particulars	Ultimate Holding company	Fellow Subsidiary	Entity under common control	Joint Venture
Balance outstanding at the year end	248,763 (33,598,763)	- (-)	- (-)	971,505 (2,703,871)
Balance receivable at the year end	- (-)	1 4,133	89,786,196 (86,809,090)	119 (26)

Figures in bracket indicate previous year figures.



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

29. Earnings per share

In accordance with Accounting Standard 20 on 'Earnings per share' specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below.

	2015	2014
Net profit for the year after tax attributable to equity shareholders (a)	(5,189,221)	21,024,407
Calculation of number of shares		
Number of shares at the beginning of the year	10,000,000	10,000,000
Shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	10,000,000	10,000,000
Weighted average number of shares outstanding during the year (b)	10,000,000	10,000,000
Earnings per share of Rs 10 each, fully paid-up (a/b) (Basic and Diluted)	(0.52)	2.10

30. Dues to micro and small suppliers

As per the information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues as at the year end on account of principal and interest thereon and accordingly no additional disclosures have been made.

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 Company. This has been relied upon by the statutory auditors of the Company.

31. Earnings and expenditure in foreign currency.

During the year there are no earnings and expenditure in foreign currency (Previous Year: Nil).

32. During the year, preference shares worth Rs 33,350,000 has been issued to Peninsula Land Limited out of the outstanding loan balance as on 31 March 2014.



Peninsula Investment Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

33. Joint Ventures

The company holds no interest in a jointly controlled asset or operation. However, it holds interests in jointly controlled entity as follows -

Peninsula Brookfield Investment Managers Private Limited incorporated in India – 49.67%

The company's share in the aggregate amounts of assets, liabilities, income and expenses of jointly controlled entities (as per the audited financial statement as available with the company) is as under:

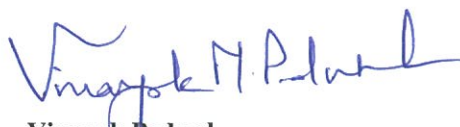
	31-03-2015	31-03-2014
Non-current assets	15,771,887	14,938,863
Current assets	27,385,511	25,051,798
Non-current liabilities	2,222,126	2,147,362
Current liabilities	8,631,195	17,892,933
Revenue	16,159,204	628,815
Expenses (including income tax expense)	63,394,939	26,455,117
Contingent liabilities	Nil	Nil
Capital commitments	Nil	Nil
Other commitments	Nil	Nil

34. Prior period comparatives

The previous period figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

As per our report of even date attached.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024


Vinayak Padwal
Partner
Membership No: 049639

Mumbai
Date: 08 MAY 2015

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


Rajeev Piramal
Managing Director


Mahesh Gupta
Director

Mumbai
Date: 08 MAY 2015