

BOARD OF DIRECTORS

Shri Susim Mukul Datta
 Shri Sunil Kanti Roy
 Shri Bhargab Lahiri
 Shri Deepak Mukerjee
(Independent Director)
 Shri Jayanta Roy
 Shri Pranab Kumar Choudhury
(Independent Director)
 Shri Partho Sarothy Datta
(Independent Director)

COMPANY SECRETARY

Shri K Balasubramanian

CHAIRMAN

Shri Susim Mukul Datta

MANAGING DIRECTOR

Shri Sunil Kanti Roy

DEPUTY MANAGING DIRECTOR

Shri Bhargab Lahiri

CHIEF FINANCIAL OFFICER

Shri Asoke Kumar Mukhuty

PRESIDENT & GROUP FINANCIAL COORDINATOR

Shri Samar Bhattacharyya

VICE PRESIDENTS

Shri Patit Paban Ray
Compliances & Legal

Shri Anup Kumar Maiti
IT & CS

GENERAL MANAGERS

Shri Kalyan Chakraborty
Administration

AUDITORS

Messrs Mukund M Chitale & Co.
Chartered Accountants

ACTUARIAL CONSULTANT

Shri Arpan N Thanawala

PRINCIPAL BANKERS

United Bank of India
 State Bank of India
 HDFC Bank Limited
 Axis Bank Limited

REGISTERED OFFICE

“PEERLESS BHAVAN”
 3, Esplanade East,
 Kolkata - 700 069
 Tel : 91 33 22483247,
 Fax : 91 33 22485197,
 E-mail : feedback@peerless.co.in,
 Website: www.peerless.co.in

Corporate Identity No. :
 U66010WB1932PLC007490



REGIONAL OFFICES

Eastern Regional Office

13-A, Dacres Lane (1st Floor)
Kolkata 700 069
West Bengal

North Eastern Regional Office

Dr. B. Barua Road, Ulubari
Guwahati – 781 007
Kamrup, Assam

Northern Regional Office

B. K. Roy Court (2nd Floor)
6 & 7, Asaf Ali Road
New Delhi – 110 002

Western Regional Office

11A, Mittal Tower (1st Floor)
Nariman Point
Mumbai 400 021
Maharashtra

Southern Regional Office – I

Raheja Complex, (2nd Floor)
834, Anna Salai
Chennai – 600 002
Tamilnadu

Southern Regional Office – II

Ramanashree Arcade (3rd Floor)
18, M. G. Road,
Bangaluru – 560 001
Karnataka

South Central Regional Office

Kancharla Towers (1st Floor)
1-7-143, 143/A, Golconda 'X' Road
Musheerabad
Hyderabad – 500 020
Andhra Pradesh

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DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting to you the Eighty Third Annual Report together with the audited accounts of the Company on standalone basis and in consolidated form for the year ended on 31st March, 2016.

FINANCIAL HIGHLIGHTS

A summary of the financial results for the year 2015-16 alongwith the previous year's figures both on Standalone and Consolidated Subsidiary and Joint Venture Companies, are given below :-

(Rs. in million)

	Standalone		Consolidated	
	Current Year ended on 31.03.2016	Previous Year ended on 31.03.2015	Current Year ended on 31.03.2016	Previous Year ended on 31.03.2015
Total Revenue	2735.81	2678.09	5380.38	5170.88
Profit before interest, depreciation and tax	1249.53	1526.24	1688.74	1594.22
Less: Finance Cost	0.69	1.78	28.29	30.53
Less: Depreciation and amortisation	24.82	53.00	182.87	283.69
Profit before Tax	1224.01	1471.46	1477.58	1280.00
Less: Tax Expenses	369.47	364.83	444.17	426.06
Profit after Tax but before Minority Interest	854.54	1106.63	1033.41	853.94
Add : Minority Interest	—	—	0.57	0.39
Profit for the Year	854.54	1106.63	1033.98	854.33
Add: Balance as per the last financial statements	5136.03	4914.60	4009.89	4130.14
Less : Adjustment of Depreciation on Fixed Asset (net of Deferred Tax)	—	55.20	—	61.31
Add: Adjustment on Account of Increase in Holding Company's Share	—	—	12.03	—
Profit available for appropriation	5990.57	5966.03	5055.90	4923.16
Appropriations:				
Special Reserve	175.00	225.00	175.63	225.90
General Reserve	100.00	250.00	108.00	325.05
Dividend on Equity Shares (including interim)	232.09	298.40	232.09	298.40
Corporate Dividend Tax	47.25	56.60	55.12	63.92
Total Appropriation before transfer from /(to) Minority Interest	554.34	830.00	570.84	913.27
Add: Transferred from /(to) Minority Interest	—	—	7.77	—
Balance carried forward to Balance Sheet	5436.23	5136.03	4492.83	4009.89

STATE OF COMPANY'S AFFAIRS

Your Directors are pleased to report salient features of the Company's performance during the year as under :

- a) Profit After Tax decreased by Rs. 252.09 million from Rs. 1106.63 million in the previous year to Rs. 854.54 million for the year under report.
- b) Transfer of Rs. 175 million during the year to Special Reserve as required under Section 45 IC of the RBI Act, 1934. With this transfer, the accumulated balance in the said account as on 31st March, 2016, would stand at Rs. 4958.33 million.
- c) Transfer of a sum of Rs. 100 million during the year to General Reserve. The accumulated balance in the said account as on 31st March, 2016 would stand at Rs. 6250.59 million.
- d) The Company's Capital Adequacy Ratio (CAR) was maintained well over the statutory minimum requirement of 12% throughout the year. As at 31st March, 2016, the ratio was 102.95% (86.79% last year). Further, Net Owned Funds of the Company as on 31st March, 2016, subject to Shareholders approving the proposals for appropriation, would stand increased to Rs. 15648.90 million compared to Rs. 15095.70 million in the previous year.
- e) Average pre-tax yield on investment was 7.61% in FY 2015-16 as against 7.95% in FY 2014-15 mainly due to fewer investments made this year in high yielding Tax Free Bonds compared to the year before.
- f) The Company's Total Investments as on 31st March, 2016 at Rs. 30905.12 million was higher than Rs. 30760.28 million as on 31st March, 2015. Further, the Company's aggregate deposit liability remained fully covered by investments in approved categories throughout the year, in terms of applicable RBI directives.

COMPANY'S BUSINESS AND OUTLOOK

As mentioned in last annual report, in conformity with the advice of the Reserve Bank of India, the Company had discontinued acceptance of deposits from 1st April, 2011. However, as a residuary Non Banking Company under the Reserve Bank of India Act, 1934 the Company is continuing to discharge its liabilities by making repayment of matured deposits as a result of which deposit liabilities came down at the year end to Rs. 15584.54 million from Rs. 15703.61 million as at the end of the previous financial year.

Currently, your Company is focused on profitable growth of its subsidiaries with a view to improving shareholder value.

Key businesses our subsidiaries are engaged in are hotel, hospital, real estate development and financial services.

In the financial year 2015-16, the financial sector faced immense stress both in profitability and asset quality on account of uncertain global economic environment and fear of global recession. Your Board is engaged in evaluating options for sustainable growth in the businesses of its subsidiaries before committing any significant new resources to them.

In this challenging business environment our hotel and hospital businesses are showing initial signs of improvement. A new wing with 47 rooms have been added to the PIK Tower, Kolkata. During the year, your Company acquired a hotel in Hyderabad, in the heart of Hi-Tech City, Gachibowli, to address the rising traffic in that city.

Operating performance of our hospital business improved during the year under review, and registered top line growth of 13.7% over the previous year. We expect the uptrend to continue given the growing demand for quality health care treatment among people.

The prospects of real estate business are also looking bright on the back of rapid urbanization and growing demand for housing. Our company intends to increase its presence in this business in a judicious and planned manner in the future. New opportunities are visible in this sector on the back of a renewed thrust by the Government through various policies aiming at housing for all.



VARIATION IN NET WORTH

The net worth of the Company as at the close of the financial year ended 31st March, 2016 was Rs. 16976.92 million, as compared to Rs. 16401.12 million as at the close of the previous financial year ended 31st March, 2015

DIVIDEND

An interim dividend of 20% (Rs. 20/- each per equity share of Rs. 100/- each) declared on 6th February, 2016 and a second interim dividend of 50% (Rs.50/- each) declared on 14th March, 2016, aggregating to 70% (Rs.70/- per equity share of Rs. 100/- each) was paid during the year ended 31st March, 2016.

GROUP ACTIVITIES

Audited accounts of the subsidiaries, together with their Directors' Reports, are given separately in the Balance Sheets of subsidiaries. However, brief comments on their performances during the year under review, and an overview of their immediate future plans, are given below to convey a total picture of the business of the Peerless Group to the shareholders.

Peerless Hotels Limited (PHL)

Total Revenue for the year ended 31st March, 2016 has increased by 9.8% (Rs. 33.41 million) over the previous year. Room Revenues at Peerless Inn, Kolkata and Peerless Sarovar Portico, Port Blair taken together increased by more than 10% during the year. Profit for the year has decreased by Rs. 23.30 million from Rs. 42.33 million in the previous year to Rs. 19.05 million for the year ended 31st March, 2016, mainly on account of an increase of Rs. 23.57 million in depreciation due to extension of the new wing, the PIK Tower in Kolkata, and acquisition of a Hotel in Hyderabad at the heart of Hi-Tech City, Gachibowli, which is in full operation.

Peerless Financial Products Distribution Limited (PFPDL)

The performance of PFPDL for the financial year 2015-16 showed improvement and losses came down to of Rs. 63.26 million during the year under review as against a loss of Rs. 141.83 million over the previous financial year.

Recently introduced changes in the regulatory set up have opened up new opportunities for the Company. These augur well for the Company's existing business.

The Company has increased its revenue from insurance business in FY 2015-16 to Rs. 217.82 million, as compared to Rs. 182.46 million in the preceding year.

Peerless Securities Limited (PSL)

The Company incurred a loss of Rs. 30.00 million in F.Y. 2015-16 as against a loss of Rs. 29.81 million in the previous year due to sluggishness in the capital market.

Despite adverse conditions in the stock market, Peerless Securities Limited was able to maintain its top line at almost the same level as in the previous year (Rs.124.75 million in FY 2015-16 as against Rs. 127.17 million in FY 2014-15). During the year under review the Company launched a new product named 'Peerless Advisory Services' which earned a revenue of Rs. 3.4 million.

During the year the Company also restructured its operations, by closing down loss making branches, and by closer monitoring of the branch operations in an effort to turn the Company round to profitable operations.

Peerless Commodities Limited (PCL)

During the Financial Year 2015-16 Peerless Commodities Limited has issued share capital of Rs. 5 million to augment its working capital, and start a full-fledged operations in the FY 2016-17.

During the year your Company made a small profit of Rs. 0.12 million, as against a profit of Rs. 0.07 million in the previous year.

Peerless Hospitex Hospital and Research Center Limited (PHHL)

There has been a noticeable improvement in the operating performance of this Company during the year. The total income of PHHL rose to Rs. 1509.45 million, registering a growth of 13.70% over the previous year.

The number of Outdoor and Indoor Patients increased by 12.91% and 2.25% respectively over the previous year. Day Care cases registered a welcome rise of 59.56%.

Gynaecology and Orthopaedic Surgeries showed a rise of 2.3% and 6.27% respectively over the period. Diagnostic Income from Pathology and Imaging continued their uptrend and were 12% higher than the level achieved during the financial year 2014-15.

Peerless Fund Management Company Ltd. (PFMCL)

The Company incurred a loss of Rs. 100.07 million for the year ended 31st March, 2016, as against a loss of Rs. 84.95 million in FY 2014-15.

In 2014-15, the Company had re-designed its distribution compensation structure, to make it beneficial for distributors in the long term and to attract sustainable & stable assets. This was well received by the distributor community. However, regulatory guidelines on rationalization of commission structure had a major impact in the industry dynamics. This resulted in lower margins, especially for smaller level players, adversely affecting the Company's financial performance.

The Company focused on strengthening its risk management & mitigation processes, and also undertook various cost control measures and a branch rationalization exercise.

Average assets managed by Peerless Mutual Fund (PMF) were Rs. 985 crore for the quarter ended March 2016 compared to Rs. 1,302 crore for the quarter ended March 2015. Assets managed in retail oriented schemes have grown to Rs. 247 crore in March 2016 from Rs. 150 crore in March 2015, thus registering an increase of 65% year-on-year.

Peerless Trust Management Company Limited (PTMCL)

Peerless Trust Management Co. Limited (PTMCL) is a subsidiary of The Peerless General Finance and Investment Company Limited and acts as Trustee to PMF.

PTMCL acts as the Investment Manager to PMF

During the Financial Year 2015-16, the Company incurred a loss of Rs. 0.07 million as against a net profit of Rs. 0.60 million in the Financial Year 2014-15.

Peerless Financial Services Limited (PFSL)

Peerless Financial Services Limited, a subsidiary of your Company, is a Non-Banking Financial Company registered with the Reserve Bank of India and is categorized as a Non-Deposit accepting or holding, Non-systemically important, Loan Company. As its primary business, the Company offers loans to corporate entities, firms and individuals, customized to suit their requirements.

During the year under review your Company has infused about Rs. 300 Million by way of share capital including share premium, thereby reinforcing its commitment to the business. In FY 2015-16, the Company maintained a conservative approach in the sanctioning of loans due to prevailing stress in the banking industry, and as a result it could add only Rs. 110 Million to its Loan Book. The revenue of the Company increased by 156.22% year on year, from Rs. 22.92 Million in 2014-15 to Rs. 58.71 Million in 2015-16. The Company earned a Profit Before Tax of Rs. 7.29 Million and Profit After Tax of Rs. 3.16 Million during the FY 2015-16, vis-à-vis Rs. 5.10 Million and Rs. 4.51 Million respectively during the previous financial year, maintaining required provisions/write-offs as per RBI guidelines during the FY 2015-16.

JOINT SECTOR

Your Company holds 36.70% of the paid up equity capital of Bengal Peerless Housing Development Company Ltd.,



a joint venture with West Bengal Housing Board. The Company is engaged mainly in developing residential projects in West Bengal, with the objective of providing housing for all sections of society. The Company achieved a Turnover of Rs. 1292.39 million and Profit after Tax of Rs. 342.20 million during the financial year, as against Rs. 1200.15 million and Rs. 299.23 million respectively in the previous financial year.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in format MGT - 9 for the Financial Year 2015-16 is attached to this report (marked Annexure 'A').

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

The provisions of Section 186 of the Act pertaining to activities relating to loans given and investments made are not applicable to the Company since the Company is an NBFC (permitted to conduct RNBC business) whose principal business is acquisition of securities. Your Company has also not given any guarantee or provided security in connection with any loans.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions with related parties have been entered into on an arm's length basis and in the ordinary course of business and are in compliance with the applicable provisions of the Act. No material contracts or transactions with related parties were entered into during the year under review. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC2 is not applicable. A statement of all related party transactions is presented before the Audit Committee as and when its meetings are held, specifying the nature, value and terms and conditions of the transactions. The statement is presented by the Chief Financial Officer duly authenticated by the respective Department Heads and confirmed by the Head of Internal Audit.

Details of the transactions with Related Parties are provided in the accompanying financial statements.

COMPLIANCE WITH RESIDUARY NON-BANKING COMPANIES (RESERVE BANK) DIRECTIONS, 1987

Following a letter dated 28th September, 2007 issued by Reserve Bank of India (RBI), your Company has stopped acceptance of fresh deposits from the public with effect from 31st March, 2010 and renewal deposits w.e.f. 31st March, 2011. At present the Company is engaged in disbursing maturity payments to the Certificate Holders, as and when claims arise.

The aforesaid letter of RBI, requesting the Company to exit from RNBC business, was challenged by the two recognised unions of the Company before the Hon'ble Calcutta High Court. In the said pending Writ Application, the Hon'ble High Court had directed the Company to publish an advertisement, informing all depositors, who have not received their claims from the Company, to apply before Chief General Manager, RBI, Calcutta Branch for payment of their respective claims. The same order further directed that the Chief General Manager, RBI would first verify authenticity of claims from the Company. The claim would then be sent for payment to the Chief Manager, United Bank of India (UBI), Hemanta Basu Sarani, where the entire unpaid amounts are held in an Escrow Account in accordance with the advice of RBI.

Accordingly, advertisements have been published in all states of India. It may be mentioned here that your Company had published similar advertisements in the past in vernacular languages in all States where branches of the company are located, requesting Certificate Holders to claim maturity proceeds of their deposits from the Company. At present claims submitted to RBI are being verified as and when they are received and UBI has started making payments in all proven cases. Till 24th June, 2016 a sum of Rs. 65.95 lacs has been disbursed by UBI by debiting the Escrow Account maintained with them.

The Company has complied with Section 45 IA, 45 IB and 45 IC of the Reserve Bank of India Act, 1934, Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007, paragraph 6 and other applicable paragraphs of the Residuary Non-Banking Companies (Reserve Bank) Directions, 1987. The Company has also been submitting periodic returns and audited statements regularly.

AUDITORS' OBSERVATIONS

Observations made in para 4(a) and 4(b) under 'The Basis for Qualified Opinion of the Auditors' in the Auditors' Report in regard to provision for taxation and non-transfer of unclaimed deposits to Investors Education & Protection Fund have been explained in Notes 26 and 28 respectively of the Financial Statement. The points raised in respect of para 4(c) of the Auditors' Report these have been suitably explained in note nos. 4.2 and 4.3 of the Financial Statement.

SECRETARIAL AUDIT

A Secretarial Audit Report dated 25th June, 2016, conducted as per section 204 of the Companies Act, 2013 by M/S Anjan Kumar Roy & Co., Company Secretaries appointed by the Board for the financial year ended 31st March, 2016, is attached to this Report (marked Annexure 'B'). The Secretarial Audit Report does not contain any qualification, reservation or adverse remark necessitating explanation or comment by the Board.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes or commitment affecting the financial position of the company have occurred between 31st March, 2016 and 25th June, 2016, the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not engaged in any activity which requires substantial consumption of energy or technology and, accordingly, no particulars are furnished.

There was no foreign exchange earning during the FY 2015-16 and the foreign exchange outgo during the FY 2015-16 was nil.

DETAILS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES

During the year 2015-16, no company became or ceased to be a subsidiary, joint venture or associate company of your Company.

CONSOLIDATED FINANCIAL STATEMENT

Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 (Act) a Consolidated Financial Statement of the company, containing salient features of the financial statements of its subsidiaries and joint ventures in the prescribed form no. AOC 1 has been attached to the financial statement. Financial Statements of the subsidiary companies are kept for inspection for members at the registered office of the company. The company shall provide free of cost a copy of the financial statement of the subsidiary companies to members on request.

RISK MANAGEMENT POLICY

Risk is regarded as the threat of some event, action or loss of opportunity that might adversely affect any of the following parameters :

- Value to stakeholders
- Ability to achieve company's objectives
- Ability to implement business strategies
- The manner in which the company operates
- Reputation

Enterprise Risk Management (ERM) is a core management competency that incorporates systematic application of policies, procedures and checks to identify potential risks and lessen their impact on the company. These involve :



- Identifying potential risk
- Assessing their potential impact
- Taking action to minimise the potential impact
- Monitoring and reporting on the status of key risks on regular basis.

The policies developed by the company are deployed in all divisions and every part of its business and functions. The policy complements the Corporate Governance initiative of the company and does not replace other existing compliances programme relating to regulatory compliance matters.

During the financial year under review, the company engaged a reputed consulting firm with the following key objectives:

- Provide an overview of the Risk Management function
- Define the Organisation Structure for effective risk management
- Develop a risk culture that will enable the company to identify risks and associated opportunities, and to respond to them with effective action
- Identify, assess and manage existing and new risks in a planned and coordinated manner that will minimise disruption and protect and preserve the company's financial, human, intellectual and physical assets.

The Risk Management Policy prepared by the consultant was reviewed and approved by the Audit Committee and accepted by the Board of Directors.

As reported earlier, a Risk Management Committee has already been constituted comprising members of the senior management, with the responsibility to assess and mitigate various risks relating to regulatory, financial and operational issues in the areas of Human Resources, Finance, Legal, Information Technology, Communication Services and Investments and also to report to the Audit Committee and the Board the steps undertaken to achieve its objectives.

To fulfill this commitment the Company abides by the following principles:

- Risk Management is everyone's responsibility, from the Board to individual employees. Risks shall be primarily managed by the divisions/business functions transacting ongoing business
- The Company will assess the significant risks through a holistic approach that optimizes the balance between risks and return across all verticals and functions
- Each Division is expected to undertake risk assessments on a quarterly basis for the business as a whole
- Enterprise Risk Management is a comprehensive, disciplined and continuous process in which risks are identified, analyzed and consciously accepted or mitigated within your Company's approved risk appetite
- Risk Management policies and processes of each Division will be aligned and made consistent with this Company-wide ERM policy

INTERNAL CONTROL SYSTEMS

The Company has established an adequate internal control system for all the major processes to ensure reliability of financial reporting and compliance with policies, procedures, laws, and regulations. The Company also has documented Standard Operating Procedures (SOPs) for various processes which are reviewed for changes warranted due to business needs. The existing program for internal audit covers a thorough examination of compliance in respect of internal controls as specified in the Standard Operating Procedures of the company. Deviations noticed during the course of audit are included in the Internal Audit Report.

The Internal Audit Plan is approved by the Audit Committee. During the year, the Audit Committee reviewed reports submitted by the Internal Audit Department. All significant audit observations and follow-up action taken were reported

to the Audit Committee. The Audit Committee also met the company's Statutory Auditors to ascertain their views on the financial statements including the reliability of financial reporting, compliance to accounting policies and procedures, and the adequacy of internal controls followed by the company.

INTERNAL FINANCIAL CONTROL

In addition to developing Internal Control Systems, your management initiated a number of steps to establish the adequacy of Internal Financial Control of the company. The measures introduced are as follows :-

- Development of Delegation of Authority Matrix
- Safeguarding of Fixed Assets against possible loss through insurance cover
- Physical verification of fixed assets by an in-house team and also by an external agency
- Address Fraud Risks identified in Enterprise Risk Management Study
- Regular visits of the Internal Auditor to act as a deterrent to fraudulent activity, if any
- Carrying out Information System Audit by an external agency to assess :-
 - ◆ Entity level controls,
 - ◆ Process level controls and
 - ◆ IT controls
- Preparing key financial information on revenue, profit, return on investments
- Monitoring performance of investment portfolios through the Investment Committee of Directors
- Review of the functioning of subsidiaries by the Audit Committee

Based on the above mentioned steps, along with the internal control mechanism outlined above, the management believes that adequate financial controls exist in relation to its Financial Statements. Adequacy of such controls has already been tested and vouched by the Statutory Auditor who have incorporated the facts in Annexure 'B' of the Independent Auditors' Report.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Partho Saroth Datta (DIN: 00040345) was appointed as Independent Director at the 82nd Annual General Meeting of the Company held on 22nd September, 2015 for a period of 5 years in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act").

Mr. Deepak Mukerjee, Mr. P. K. Choudhury and Mr. Partho Saroth Datta, Independent Directors, have submitted declarations that they meet the 'criteria of independence' as provided in section 149(6) of the Act.

In accordance with the provisions of the Companies Act, 2013 read with Article 110 of the Company's Articles of Association, Mr. S. M. Datta, Director (DIN: 00032812), will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Based on the recommendation of the Nomination and Remuneration Committee of the Company at their meeting held on 14th October, 2015, the Board of Directors of your Company at its meeting held on 26th November, 2015 had re-appointed Mr. Sunil Kanti Roy (DIN: 00043966) as the Managing Director of the Company for a period of 4 years, pursuant to section 197 of the Act read with Schedule V thereof.

Mr. Sunil Kanti Roy satisfied the conditions laid down in Part I of Schedule V and the other requirements under the Companies Act, 2013 as also 'fit & proper criteria' guidelines issued by the Reserve Bank of India for being appointed as Managing Director. Mr. Sunil Kanti Roy has attained 70 years of age, and accordingly, as required in Schedule

V of the Act, approval of shareholders is sought to be taken by a Special Resolution for his reappointment as Managing Director, at the ensuing 83rd Annual General Meeting.

Mr. Samar Bhattacharyya, ceased to be the Chief Financial Officer with effect from 1st April, 2016. Mr. Asoke Kumar Mukhuty was appointed as the Chief Financial Officer of the Company at the Board Meeting held on 14th March, 2016, with effect from 1st April, 2016.

NUMBER OF BOARD MEETINGS

During the Financial Year 2015-16, ten meetings of the Board of Directors of the company were held on 20.05.2015, 27.06.2015 (i), 27.06.2015 (ii), 30.07.2015, 24.08.2015, 23.09.2015, 26.11.2015, 07.01.2016, 06.02.2016 and 14.03.2016.

Details of attendance of the Directors in Board Meetings for 2015-16 are as under :

Sl. No.	Name	Status	No. of Meetings	
			Held	Attended
1.	Mr. Susim Mukul Datta	Chairman	10	10
2.	Mr. Sunil Kanti Roy	Managing Director	10	10
3.	Mr. Bhargab Lahiri	Deputy Managing Director	10	10
4.	Mr. Deepak Mukerjee	Independent Director	10	9
5.	Mr. Pranab Kumar Choudhury	Independent Director	10	9
6.	Mr. Partho Sarathy Datta	Independent Director	10	9
7.	Mr. Jayanta Roy	Director	10	9

COMMITTEES OF THE BOARD

In order to give focused attention to the business of the Company, the Board delegates different aspects of business to designated Committees of the Board set up for the purpose.

At present there are nine Committees of the Board as under:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Business Strategy & Review Committee
- Investment Committee
- Supervisory Committee
- Committee for selection of Senior Executives
- Banking Committee

The terms of reference and composition of these committees including the number of meetings held during the financial year ended 31st March, 2016 are given below:

1. AUDIT COMMITTEE

The terms of reference of the Audit Committee are in conformity with the requirements of section 177 of the Companies Act, 2013, concerning, inter alia, appointment, remuneration of auditors, examination of financial statement and auditors' report, approval or any subsequent modification of transactions with related parties,

scrutiny of inter corporate loans and investments, evaluation of internal financial controls and risk management systems. All the recommendations made by the Audit Committee were accepted by the Board.

Composition:

The Audit Committee comprises three non executive Directors, namely, Mr. Deepak Mukerjee (Independent Director) as Chairman, Mr. P. K. Choudhury Independent Director, and Mr. S. M. Datta as members. Mr. S. K. Roy, Managing Director, Mr. B Lahiri, Deputy Managing Director, Mr. Partho Saroth Datta, Independent Director and the Chief Financial Officer are permanent invitees to the meetings of the Audit Committee. The Committee invites Senior Executives to the meetings of the Committee as and when required.

The Committee held seven meetings during the financial year 2015-16 on 19.05.2015, 26.06.2015, 22.08.2015, 22.09.2015, 25.11.2015, 06.02.2016 and 15.03.2016.

Details of attendance of Members in the meetings of Audit Committee for the financial year 2015-16 are as under:

Sl. No.	Name	Status	No. of Meetings	
			Held	Attended
1.	Mr. Deepak Mukerjee	Chairman	7	7
2.	Mr. Susim Mukul Datta	Member	7	7
3.	Mr. Pranab Kumar Choudhury	Member	7	7

The Company has also put in place a vigil mechanism procedure for Detection and Prevention of fraud as an additional internal control measure.

2. NOMINATION AND REMUNERATION COMMITTEE

In compliance with the provisions of the Companies Act, 2013, your Board has constituted a Nomination and Remuneration Committee. The terms of reference of this Committee, in conformity with the requirements of section 178 of the Companies Act, 2013, include identifying persons who are qualified to become Directors, senior management appointments and recommendations for their removal, evaluation of Directors' performance, formulating criteria for determining qualifications, positive attributes and Director's independence. The Terms also mandate recommending to the Board a policy relating to the remuneration for Directors, key managerial personnel and other employees.

Composition:

The Committee consists of three Non- executive Directors, namely, Mr. P. K. Choudhury (Independent Director) as Chairman, Mr. Deepak Mukerjee, Independent Director and, Mr. S. M. Datta, Director as members. Mr. S. K. Roy, Managing Director is a permanent invitee to the meetings of the Nomination and Remuneration Committee.

The Committee held five meetings during the financial year 2015-16 on 24.04.2015, 26.06.2015, 22.08.2015, 14.10.2015 and 14.03.2016.

Details of attendance of Members in the meetings of Nomination & Remuneration Committee for the financial year 2015-16 are as under :

Sl. No.	Name	Status	No. of Meetings	
			Held	Attended
1.	Mr. Pranab Kumar Choudhury	Chairman	5	5
2.	Mr. Susim Mukul Datta	Member	5	5
3.	Mr. Deepak Mukerjee	Member	5	5

Nomination and Remuneration Policy :

The Company has put in place a Nomination & Remuneration Policy, formulated by the Nomination & Remuneration Committee and approved by the Board, for appointment / removal and remuneration of directors and key managerial personnel including criteria for determining qualifications, positive attributes and independence of a director, and other matters as specified u/s 178(3) of the Companies Act, 2013.

The key features of the policy are given below:

Objectives

- Criteria and attributes of persons to become Directors (Executive and Non-Executive) and appointment to Senior Management and Key Managerial positions
- Determining remuneration which is reasonable and sufficient, based on the Company's size, financial position, trends and practices on remuneration prevailing in peer companies and industry as a whole
- Evaluation of the performance of Directors
- To provide rewards linked directly to their efforts, performance, dedication and achievement relating to the Company's operations
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons commensurate with the requirements of the Company

Applicability

The Policy is applicable to:

- Directors (both Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

"Senior Management" for the purpose of this Policy means personnel of the Company who are members of its core management team (excluding Board of Directors) comprising all members of management one level below the executive directors, and including the functional heads.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of the Companies Act, 2013, your Board has constituted a Stakeholders Relationship Committee to resolve investor grievances.

Composition:

The Committee has one Non- executive Director, namely Mr. Deepak Mukerjee (Independent Director) as Chairman, and two Executive Directors, namely, Mr. S K Roy, Managing Director, and Mr. B Lahiri, Deputy Managing Director, as members.

The Committee held one meeting during the year on 13.01.2016.

Details of attendance of Members in the meeting of Stakeholders Relationship Committee for the financial year 2015-16 are as under :

Sl. No.	Name	Status	No. of Meeting	
			Held	Attended
1.	Mr. Deepak Mukerjee	Chairman	1	1
2.	Mr. Sunil Kanti Roy	Member	1	1
3.	Mr. Bhargab Lahiri	Member	1	1

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with the provisions of the Companies Act, 2013, your Board has constituted a Corporate Social Responsibility Committee to formulate Corporate Social Responsibility Policy and to approve the amount of expenditure to be incurred for the purpose.

Composition:

The Committee consists of two Non-executive Directors, namely, Mr.P. K. Choudhury (Independent Director) as Chairman, Mr. Deepak Mukerjee, Independent Director and, two Executive Directors, namely Mr. S K Roy, Managing Director and Mr. B. Lahiri, Deputy Managing Director, as members.

The Committee held five meetings during the year on 17.04.2015, 16.07.2015, 04.09.2015, 21.09.2015 and 13.01.2016.

Details of attendance of Members in the meetings of Corporate Social Responsibility Committee for the financial year 2015-16 are as under :

Sl. No.	Name	Status	No. of Meetings	
			Held	Attended
1.	Mr. Pranab Kumar Choudhury	Chairman	5	5
2.	Mr. Deepak Mukerjee	Member	5	5
3.	Mr. Sunil Kanti Roy	Member	5	5
4.	Mr. Bhargab Lahiri	Member	5	5

Corporate Social Responsibility Policy and Expenditure:

A Corporate Social Responsibility Policy has been developed and implemented by the Company. The Policy is also reviewed by the Committee when required, subject to the approval of the Board.

The CSR activities as per the Policy formulated are in conformity with those specified in Schedule VII to the Companies Act, 2013.

During the year 2015-16, out of Rs.3.03 crores, representing 2% of the average net profits of the preceding three financial years, the Company sanctioned a sum of Rs. 3,01,75,000/- for CSR activities and spent Rs. 2,78,45,000/-. Out of the unspent amount of Rs. 24,55,000/-, a sum of Rs. 23,30,000/-, being balance amount of outlay sanctioned for Education and Healthcare, will be disbursed in the F.Y.2016-17 and Rs.1,25,000/- could not be sanctioned for want of appropriate proposals.

Apart from the expenditure on account of CSR, the Company spent about Rs.1,40,62,408/- on account of donations for various philanthropic purposes.

The Annual Report on CSR activities done by the Company during the financial year 2015-16 is attached to this Report (marked Annexure 'C').

5. BUSINESS STRATEGY AND REVIEW COMMITTEE

The terms of reference of the Business Strategy & Review Committee are as follows:

- Review of Business Strategy of the Company
- Review of Business Plans of the Company
- Periodic reviews of performance of the company vis-à-vis Annual Business Plan and suggesting corrective actions as may be necessary

- Strategic review of the goals, business plan and performance of the Company's Subsidiaries were done at appropriate intervals

Composition:

The Business Strategy & Review Committee has four Non- executive Directors, namely, Mr. S. M. Datta as Chairman, Mr. Deepak Mukerjee (Independent Director), Mr. P. K. Choudhury (Independent Director), Mr. Jayanta Roy, and two Executive Directors, namely Mr. S. K. Roy, Managing Director and Mr. B. Lahiri, Deputy Managing Director, as Members.

There was no occasion for the Committee to meet during the year.

6. INVESTMENT COMMITTEE

The Investment Committee sets investment objectives, formulates investment policy subject to the Board's approval, selects portfolio strategy and evaluates its performance with a view to optimizing returns while preserving the quality of investments. The committee ensures compliance with the relevant guidelines issued by the Reserve Bank of India and the Board of Directors from time to time.

Composition:

The Investment Committee comprises three Non- executive Directors, namely, Mr. Deepak Mukerjee (Independent Director) as Chairman, Mr. P. K. Choudhury (Independent Director) and Mr. Jayanta Roy and two Executive Directors, namely Mr. S. K. Roy, Managing Director, Mr. B. Lahiri, Deputy Managing Director, as members.

The Committee held three meetings during the year on 29.06.2015, 14.10.2015, and 14.03.2016.

Details of attendance of Members in the meetings of Investment Committee for the financial year 2015-16 are as under :

Sl. No.	Name	Status	No. of Meetings	
			Held	Attended
1.	Mr. Deepak Mukerjee	Chairman	3	3
2.	Mr. Sunil Kanti Roy	Member	3	3
3.	Mr. Bhargab Lahiri	Member	3	2
4.	Mr. Pranab Kumar Choudhury	Member	3	3
5.	Mr. Jayanta Roy	Member	3	2

7. SUPERVISORY COMMITTEE

The Supervisory Committee concentrates on strategic supervision over the Company and operationalises the guidelines issued by the Reserve Bank of India from time to time. It also puts in place effective monitoring systems to ensure compliance by the management.

Composition:

The Committee has one Non- executive Director, namely, Mr. S. M. Datta and one Executive Director, namely Mr. S. K. Roy, Managing Director, as members.

The Committee invites other Directors/Senior Officials to the meetings as and when necessary.

The Committee held two meetings during the year on 23.04.2015 and 01.06.2015.

Details of attendance of Members in the meetings of Supervisory Committee for the financial year 2015-16 are as under :

Sl. No.	Name	Status	No. of Meetings	
			Held	Attended
1.	Mr. Susim Mukul Datta	Chairman	2	2
2.	Mr. Sunil Kanti Roy	Member	2	2

8. COMMITTEE FOR SELECTION OF SENIOR EXECUTIVES

The Committee selects senior executives for recruitment and decides on the methodology and the process of filling up vacancies in the Company and its subsidiaries whenever these occur, and makes recommendations to the Board of the concerned Company for approval.

The Committee also reviews the status of the Senior Management cadre of the Company and its subsidiaries and decides on measures, if any, that need to be taken to ensure retention and acquisition of talent at senior level.

Composition:

The Committee has one Non- executive Director, namely, Mr. S. M. Datta, as Chairman and one Executive Director, namely Mr. S. K. Roy, Managing Director, as members.

There was no occasion for the Committee to meet during the year.

9. BANKING COMMITTEE

The Banking Committee approves opening, operation and closing of banking accounts in respect of all the offices of the Company and sets up systems and procedures for operation of such bank accounts. It oversees supervision of the banking arrangements of the Company.

Composition:

The Committee is composed of two Executive Directors, namely, Mr. S. K. Roy, Managing Director, as Chairman, Mr. B. Lahiri, Deputy Managing Director and one Non- executive Director, namely Mr. Deepak Mukerjee (Independent Director), as members.

The Committee held three meetings during the year on 17.04.2015, 04.09.2015 and 10.02.2016.

Details of attendance of Members in the meetings of Banking Committee for the financial year 2015-16 are as under :

Sl. No.	Name	Status	No. of Meetings	
			Held	Attended
1.	Mr. Sunil Kanti Roy	Chairman	3	3
2.	Mr. Bhargab Lahiri	Member	3	3
3.	Mr. Deepak Mukerjee	Member	3	2

STATUTORY AUDITORS

In accordance with the provisions of section 139 of the Companies Act, 2013 read with Rule 4 of Companies (Audit and Auditors) Rules, 2014 framed thereunder, M/s Mukund M. Chitale & Co., Chartered Accountants, are eligible for appointment as Statutory Auditors of the Company for a further period of two (2) years, having completed eight (8) years.



In terms of the above, M/s Mukund M. Chitale & Co. will retire at the ensuing Eighty Third Annual General Meeting and, being eligible, offer themselves for re-appointment. They have furnished the requisite certificate of their eligibility for re-appointment.

STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES

Evaluation of the individual Directors and the Chairman of the Board, excluding Independent Directors, is made by the Independent Directors. Moreover, the Nomination and Remuneration Committee of the Company also evaluates the performance of individual Directors based on certain specific parameters. In addition to the above, evaluation is made by the Board of its own performance as well as of the statutory Committees and individual directors. The Board has adopted a questionnaire for evaluation purposes. The individual directors participate in the evaluation process and give their feedback so that a considered view is taken.

PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in the statement attached to this Report. **(marked Annexure 'D')**.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has put in place an Anti Sexual Harassment Policy in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has also been set up to redress complaints. All employees are covered under this Policy.

No complaint about sexual harassment has been made so far including the year under review.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that :

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for that year;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company had transferred a sum of Rs. 3.85 Million during the year to the Investor Education and Protection Fund being Dividends paid in the year 2008 which remained unclaimed/unpaid in the Unpaid Dividend Account for seven years.

Other Disclosures

The Managing Director and the Deputy Managing Director of the Company, who receive commission as part of their

remuneration, also receive remuneration by way of sitting fees and commission from the subsidiary companies of your Company where they are appointed as Non-Executive Directors.

Your Directors further state the following in respect of the year under review:

1. The Company does not have any deposits covered under Chapter V of the Companies Act, 2013.
2. The Company did not issue equity shares with differential rights as to dividend, voting or otherwise
3. The Company did not issue any shares (including sweat equity shares) to employees of the Company under any scheme
4. No significant or material order was passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company's operations in future
5. No case of fraud has been reported by the Auditors under sub-section (12) of Section 143 of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014

Acknowledgment

The Directors express their sincere appreciation to the valued shareholders, bankers, clients and employees for their support.

Place : Kolkata
Dated : 25th June, 2016

Registered Office :

"PEERLESS BHAVAN"
3, Esplanade East
Kolkata-700 069

For and on behalf of the Board

Susim Mukul Datta
Chairman



Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U66010WB1932PLC007490
- ii) Registration Date : 25.10.1932
- iii) Name of the company : The Peerless General Finance & Investment Company Limited
- iv) Category/Sub-Category of the company : Company limited by shares/
Indian Non-Government company
- v) Address of the Registered Office and contact details : Peerless Bhavan,
3, Esplanade East, Kolkata 700069
Tel: 03322483247, Fax : 91 3322485197
E-mail: feedback@peerless.co.in,
Website: www.peerless.co.in
- vi) Whether listed company : Yes/No
- vii) Name, Address and contact details of Registrar & Transfer Agents, if any : Nil

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Other Financial services, except investment banking, insurance services and pension services	9971190	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Peerless Financial Products Distribution Limited	U70109WB1987PLC042819	Subsidiary	100	2(87)(ii)
2	Peerless Hospitex Hospital & Research Center Limited	U85110WB1989PLC046938	Subsidiary	93.64	2(87)(ii)
3	Peerless Hotels Limited	U55101WB1990PLC049988	Subsidiary	99.95	2(87)(ii)
4	Peerless Securities Limited	U67120WB1995PLC067616	Subsidiary	97.54	2(87)(ii)
5	Peerless Trust Management Company Limited	U65990WB2009PLC134536	Subsidiary	99.97	2(87)(ii)
6	Peerless Funds Management Company Limited	U65990WB2009PLC134537	Subsidiary	99.99	2(87)(ii)

THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

7	Peerless Financial Services Limited	U65993WB1988PLC044077	Subsidiary	94.11	2(87)(ii)
8	Peerless Commodities Limited	U74900WB2013PLC196191	Subsidiary	98.60*	2(87)(ii)
9	Bengal Peerless Housing Development Company Limited	U70101WB1994PLC063280	Associate	36.70	2(6)

* held through a subsidiary viz., Peerless Securities Limited.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	NIL	1220139	1220139	36.80%	NIL	1220523	1220523	36.81%	0.01%
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	NIL	1017861	1017861	30.70%	NIL	1017861	1017861	30.70%	NIL
e) Banks/FI	—	—	—	—	—	—	—	—	—
f) Any Other	—	—	—	—	—	—	—	—	—
Sub-total (A)(1):-	NIL	2238000	2238000	67.50%	NIL	2238384	2238384	67.51%	0.01%
(2) Foreign	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any Other									
Sub-total (A) (2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	NIL	2238000	2238000	67.50%	NIL	2238384	2238384	67.51%	0.01%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

i) Category-wise Share Holding (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	NIL	330720	330720	9.98%	NIL	330720	330720	9.98%	NIL
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	NIL	47512	47512	1.43%	NIL	47128	47128	1.42%	0.01%
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	NIL	699352	699352	21.09%	NIL	699352	699352	21.09%	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	NIL	1077584	1077584	32.50%	NIL	1077200	1077200	32.49%	0.01%
Total Public Shareholding (B)= (B)(1) + (B)(2)	NIL	1077584	1077584	32.50%	NIL	1077200	1077200	32.49%	0.01%
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	NIL	3315584	3315584	100%	NIL	3315584	3315584	100%	NIL

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Mr. Sunil Kanti Roy & Mrs. Shikha Roy	742720	22.40%	NIL	742720	22.40%	NIL	NIL
2	Mrs. Shikha Roy	81600	2.46%	NIL	81600	2.46%	NIL	NIL
3	Mr. Jayanta Roy	324640	9.79%	NIL	324640	9.79%	NIL	NIL
4	Mrs. Shikha Roy & Miss Debasree Roy	3019	0.09%	NIL	3019	0.09%	NIL	NIL
5	Miss Debasree Roy	33600	1.01%	NIL	33984	1.02%	NIL	0.01%
6	Miss Debasree Roy & Mrs. Shikha Roy	34304	1.03%	NIL	34304	1.03%	NIL	NIL
7	Mr. Tushar Kanti Roy	256	0.01%	NIL	256	0.01%	NIL	NIL
8	Shikha Holdings Private Limited	630192	19.01%	NIL	630192	19.01%	NIL	NIL
9	Bichitra Holdings Private Limited	327669	9.88%	NIL	327669	9.88%	NIL	NIL
10	Kaizen Hotels & Resorts Limited	60000	1.81%	NIL	60000	1.81%	NIL	NIL
	Total	2238000	67.50%	NIL	2238384	67.51%	NIL	0.01%

(iii) Change in Promoters' Shareholding (please specify, if there is no change) -

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	2238000	67.50%	2238000	67.50%
	Increase in Promoters Share holding during the year Transfer (Date : 11.01.2016)	NIL	NIL	384	0.01%
	At the End of the year	2238000	67.50%	2238384	67.51%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year					
1	Mr. Tuhin Kanti Ghosh	225920	6.81%	225920	6.81%
2	Poddar Projects Ltd.	218240	6.58%	218240	6.58%
3	Mr. R. L. Gaggar	179200	5.40%	179200	5.40%
4	Mr. Ajit Kumar Chatterjee	121600	3.67%	121600	3.67%
5	Bhagwati Developers Pvt. Ltd.	112480	3.39%	112480	3.39%
6	Ms. Kajal Chatterjee and Mr. Kuntal Chatterjee	31360	0.95%	31360	0.95%
7	Mr. Arghya Kusum Chatterjee	25600	0.77%	25600	0.77%
8	Mrs. Gayatri Chatterjee & Mr. Arupjyoti Chatterjee	6400	0.19%	6400	0.19%
9	Mrs. Jaba Sen & Mr. Saugata Sen	6400	0.19%	6400	0.19%
10	Mr. Keshabji Vasanji Vithlani	6400	0.19%	6400	0.19%
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NIL	NIL	NIL	NIL
At the End of the year (or on the date of separation, if separated during the year)					
1	Mr. Tuhin Kanti Ghosh	225920	6.81%	225920	6.81%
2	Poddar Projects Ltd.	218240	6.58%	218240	6.58%
3	Mr. R. L. Gaggar	179200	5.40%	179200	5.40%
4	Mr. Ajit Kumar Chatterjee	121600	3.67%	121600	3.67%
5	Bhagwati Developers Pvt. Ltd.	112480	3.39%	112480	3.39%
6	Ms. Kajal Chatterjee and Mr. Kuntal Chatterjee	31360	0.95%	31360	0.95%
7	Mr. Arghya Kusum Chatterjee	25600	0.77%	25600	0.77%
8	Mrs. Gayatri Chatterjee & Mr. Arupjyoti Chatterjee	6400	0.19%	6400	0.19%
9	Mrs. Jaba Sen & Mr. Saugata Sen	6400	0.19%	6400	0.19%
10	Mr. Keshabji Vasanji Vithlani	6400	0.19%	6400	0.19%

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year					
1.	Mr. Sunil Kanti Roy	742720	22.40%	742720	22.40%
2.	Mr. Jayanta Roy	324640	9.79%	324640	9.79%
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	NIL	NIL	NIL	NIL
At the End of the year					
1.	Mr. Sunil Kanti Roy	742720	22.40%	742720	22.40%
2.	Mr. Jayanta Roy	324640	9.79%	324640	9.79%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	—	—	9406.61	9406.61
ii) Interest due but not paid	—	—	6296.97	6296.97
iii) Interest accrued but not due	—	—	0.03	0.03
Total (i+ii+iii)	—	—	15703.61	15703.61
Change in Indebtedness during the financial year				
• Addition	—	—	—	—
• Reduction	—	—	(119.07)	(119.07)
Net Change	—	—	(119.07)	(119.07)
Indebtedness at the end of the financial year				
i) Principal Amount	—	—	9324.63	9324.63
ii) Interest due but not paid	—	—	6259.91	6259.91
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	15584.54	15584.54



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. S K Roy	Mr. B Lahiri	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11485000	7845000	19330000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3123589	1669567	4793156
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission			
	– as % of profit	20790000	7920000	28710000
	– others, specify	—	—	—
5.	Others, please specify	—	—	—
	Total (A)	35398589	17434567	52833156
	Ceiling as per the Act			136631518

Note:

Remuneration pursuant to Section 197 of Companies Act, 2013

37442179

18917903

THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

B. Remuneration to other directors:

(Rs.)

Sl. No.	Particulars of Remuneration	Name of the Directors					Total Amount
		P K Choudhury	D Mukerjee	S M Datta	J Roy	P S Datta	
1.	Independent Directors						
	• Fee for attending board/ committee meetings	525000	595000	—	—	260000	1380000
	• Commission	755625	780625	—	—	755625	2291875
	• Others, please specify	—	—	—	—	—	—
	Total (1)	1280625	1375625	—	—	1015625	3671875
2.	Other Non-Executive Directors						
	• Fee for attending board/ committee meetings	—	—	530000	290000	—	820000
	• Commission	—	—	1028125	755625	—	1783750
	• Others, please specify	—	—	—	—	—	—
	Total (2)	—	—	1558125	1045625	—	2603750
	Total (B)=(1+2)	1280625	1375625	1558125	1045625	1015625	6275625
	Total Managerial Remuneration	—	—	—	—	—	59108781
	Overall Ceiling as per the Act	—	—	—	—	—	150294670

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

(Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	2274662	4728017	7002679
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	159779	337688	497467
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission				
	– as % of profit	—	—	—	—
	– others, specify	—	—	—	—
5.	Others, please specify	—	—	—	—
	Total	—	2434441	5065705	7500146



VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

(Rs.)

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Place : Kolkata
Dated : 25th June, 2016

Registered Office :
"PEERLESS BHAVAN"
3, Esplanade East
Kolkata-700 069

For and on behalf of the Board
Susim Mukul Datta
Chairman

Annexure – B

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,
The Members,
M/s. Peerless General Finance & Investment Company Limited
Peerless Bhavan,
3, Esplanade East,
Kolkata – 700 069**

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Peerless General Finance & Investment Company Limited (hereinafter called 'the Company') during the financial year ended 31st March 2016. Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the company as shown to us during the said audit and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of the instant secretarial audit, we hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the Secretarial compliance of the statutory provisions listed hereunder and we are also of the opinion that the Company has adequate Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We further report that compliance with applicable laws is the responsibility of the Company and our Report constitutes an independent opinion. Our report is neither an assurance for future viability of the company nor a confirmation of efficient management by the company.
4. (a) We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by M/s. Peerless General Finance & Investment Company Limited for the financial year ended on 31st March, 2016 and as shown to us during our audit, according to the provisions of the following laws:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (b) We have also examined the secretarial compliance on test check basis of the books, papers, minute books, forms and returns filed and other records maintained by M/s. Peerless General Finance & Investment Company Limited for the financial year ended on 31st March, 2016 according to the provisions of the following law specifically applicable to the company and as shown to us during our audit, as also referred in above paragraphs of this report;
 - (i) The Reserve Bank of India Laws relating to Non-Banking Financial Companies/Residuary Non Banking Company.
5. We have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013.



6. That on the basis of the audit as referred above, to the best of our knowledge, understanding and belief, we are of the view that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above in paragraph 4(a), 4(b) and paragraph 5 of this report.
7. We further report that,
 - a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - b) Adequate notice is given to all directors to schedule the board meetings, agenda and notes on agenda were sent at least seven days in advance and further information and clarifications on the agenda items are also provide for meaningful participation at the meeting.
 - c) Majority decision is carried through and recorded as part of the minutes.
8. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, such as laws related to taxation, local laws applicable to the area of operation of business and other laws generally applicable to Company.
9. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For, **ANJAN KUMAR ROY & CO.**
Company Secretaries

ANJAN KUMAR ROY
Proprietor
FCS No. 5684
CP. No. 4557

Place: Kolkata
Date: 25/06/2016

‘Annexure A’

(To the Secretarial Audit Report of M/s. Peerless General Finance & Investment Company Limited for the Financial Year ended 31/03/2016)

**To,
The Members,
M/s. Peerless General Finance & Investment Company Limited
Peerless Bhavan,
3, Esplanade East,
Kolkata – 700 069**

Our Secretarial Audit Report for the financial year ended 31/03/2016 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were, to the best of our understanding, appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness, appropriateness or adequacy of financial records, Books of Accounts and decisions taken in board and in committees of the Company, during the period under review. However, we have verified as to whether or not the board process and approvals in various committees have been complied with or not, during the period under review.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis to assess the compliance of secretarial duties and board process.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **ANJAN KUMAR ROY & CO.**
Company Secretaries

ANJAN KUMAR ROY
Proprietor
FCS No. 5684
CP. No. 4557

Place: Kolkata
Date: 25/06/2016

Annexure – 'C'

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Peerless Corporate Social Responsibility Philosophy

Peerless, in its 80 long years of glorious existence, has been committed to the philosophy of 'Bahujana Hitaya, Bahujana Sukhayacha' ('Welfare for Many and Happiness for Many'). As a natural consequence, the best interests of all our stakeholders and compassion for the community at large, particularly the underprivileged segment, are the cornerstones of Peerless' Corporate Social Responsibility ("CSR") Policy.

Peerless has always cared for the deprived segments of our society and extended generous help towards their upliftment.

Management's vision

The Board of Directors and the Management of the Peerless Group are committed to assisting the underprivileged and needy sections of society and to help building a sustainable way of living for them.

Areas covering Peerless' CSR Initiatives

Based on Peerless' philosophy and past practices, the following areas shall be covered under the Company's CSR Policy in accordance with Schedule VII of the Companies Act, 2013. As has been clarified in the General Circular No.21/2014 dated 18th June, 2014 issued by Govt. of India, the entries in Schedule VII will be interpreted liberally so as to capture the essence of the subjects enumerated in the said Schedule.

- i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.
- ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, the elderly, and the differently-abled, and livelihood enhancement projects.
- iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries, promotion and development of traditional arts and handicrafts.
- vi) Measures for the benefit of armed forces veterans, war widows and their dependents.
- vii) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports.
- viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- x) Rural development projects.
- xi) Slum area development.

Website of the Company : www.peerless.co.in

2. The Composition of the CSR Committee.

The Corporate Social Responsibility Committee comprised two Non - executive Directors, namely, Mr. P. K. Choudhury (Independent Director) as Chairman, Mr. Deepak Mukerjee, Independent Director and, two Executive Directors, namely Mr. S. K. Roy, Managing Director and Mr. B. Lahiri, Deputy Managing Director, as members.

3. Average net profit of the company for last three financial years – Rs. 1514.10 million

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) – Rs. 3,03,00,000

5. Details of CSR spent during the financial year :

(a) Total amount to be spent for the financial year – Rs. 3,03,00,000

(b) Amount unspent, if any – Rs. 24,55,000

(c) Manner in which the amount spent during the financial year is detailed below :

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs.)	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting period (Rs.)	Amount spent : Direct or through implementing agency
1	Financial assistance for construction of bridge	Rural Development; Schedule VII (x)	West Bengal; Sonarpur; South 24 Parganas	18,00,000/-	Direct expenditure	18,00,000/-	B.K. Roy Foundation
2	Financial assistance for Construction of Hall for primary school & vocational training center	Promoting education & Skill Development; Schedule VII (ii)	West Bengal; Kakdwip; South 24 Parganas	7,00,000/-	Direct expenditure	7,00,000/-	Bharat Sevashram Sangha, Kakdwip
3	Financial assistance for organising medical camp during Amarnath Yatra	Promoting Healthcare; Schedule VII (i)	Jammu & Kashmir; Pahelgam	2,00,000/-	Direct expenditure	2,00,000/-	Bharat Sevashram Sangha, Kolkata
4	Financial assistance for organising medical camp during Kumbh Mela	Promoting Healthcare; Schedule VII (i)	Maharashtra; Nasik	3,00,000/-	Direct expenditure	3,00,000/-	Bharat Sevashram Sangha, Kolkata
5	Financial assistance for feeding poor people, organizing medical camps,	Eradication of hunger, poverty, promoting healthcare; Schedule VII (i)	West Bengal; Dakshineswar; North 24 Parganas	7,00,000/-	Direct expenditure	7,00,000/-	Dakshineswar Ramkrishna Sangha, Adyapeath

	distribution of clothes to poor, equipment for pathology Laboratory						
6	Financial assistance for providing Computer Training	Promoting education; Schedule VII (ii)	West Bengal; Dakshineswar; North 24 Parganas	2,00,000/-	Direct expenditure	2,00,000/-	Dakshineswar Ramkrishna Sangha, Adyapeath
7	Financial assistance for arrangement for Hot water supply for old Age Home	Facilities for senior citizen at old age home; Schedule VII (iii)	West Bengal; Dakshineswar; North 24 Parganas	1,00,000/-	Direct expenditure	1,00,000/-	Dakshineswar Ramkrishna Sangha, Adyapeath
8	Financial assistance for construction of toilet blocks in the girls school	Promoting sanitation; Schedule VII (i)	West Bengal; Kamarpukur; Hooghly	2,92,000/-	Direct expenditure	2,92,000/-	Ramakrishna Math, Baghbazar
9	Financial assistance for education, training and rehabilitation of visually impaired boys	Promoting education to differently abled; Schedule VII (ii)	West Bengal; Narendrapur; South 24 Parganas	40,000/-	Direct expenditure	40,000/-	Ramakrishna Mission Blind Boy's Academy, Narendrapur
10	Financial assistance for Non Formal school for poor students, free Coaching Centre for poor students, scholarship for Higher studies for poor, meritorious students	Promoting education; Schedule VII (ii)	West Bengal; Baranagar; North 24 Parganas	29,35,000/-	Direct expenditure	29,35,000/-	Ramakrishna Math, Baranagar

11	Financial assistance for running Charitable Dispensary, pecuniary help for poor old and crippled, organizing health Awareness Programme	Eradication of Poverty, promoting healthcare; Schedule VII (i)	West Bengal; Baranagar; North 24 Parganas	15,30,000/-	Direct expenditure	15,30,000/-	Ramakrishna Math, Baranagar
12	Financial assistance for free health clinic	Promoting healthcare; Schedule VII (i)	West Bengal; Barasat; North 24 Parganas	12,00,000/-	Direct expenditure	12,00,000/-	Ramakrishna Math, Barasat
13	Financial assistance for running a free education centre	Promoting education; Schedule VII (ii)	Odisha; Kothar; Bhadrak	6,00,000/-	Direct expenditure	6,00,000/-	Ramakrishna Mission Ashrama, Kothar
14	Financial assistance for organizing medical and dental camps	Promoting healthcare; Schedule VII (i)	West Bengal; Shihore; Bankura	30,000/-	Direct expenditure	30,000/-	Sri Sarada Math, Shihore
15	Financial assistance for construction of toilet blocks	Promoting sanitation; Schedule VII (i)	West Bengal; Rahara; North 24 Parganas	12,00,000/-	Direct expenditure	12,00,000/-	Ramakrishna Mission Vivekananda Centenary College, Rahara
16	Financial assistance for construction of a floor for diagnostic block having Laboratory, Physiotherapy Unit and Dental Unit	Promoting healthcare; Schedule VII (i)	West Bengal; Kolkata	52,23,000/-	Direct expenditure	52,23,000/-	Ramakrishna Sarada Mission, Matri Bhavan, Kolkata
17	Financial assistance for educational Help to poor students in remote, rural areas, providing free learning materials	Promoting education; Schedule VII (ii)	West Bengal; Kolkata	3,00,000/-	Direct expenditure	3,00,000/-	Dibyayan Yoga Research Centre Kolkata

18	Financial assistance for providing free education to poor students, Scholarship to poor and meritorious students	Promoting education; Schedule VII (ii)	West Bengal; Ichapur; Hooghly	5,03,000/-	Direct expenditure	5,03,000/-	Ramakrishna Math, Ichapur, Hooghly
19	Financial assistance for free Health clinic, Medical Camps and Mobile Medical Service and financial help to old people	Promoting healthcare; Schedule VII (i)	West Bengal; Ichapur; Hooghly	7,82,000/-	Direct expenditure	7,82,000/-	Ramakrishna Math, Ichapur, Hooghly
20	Financial assistance for running charitable dispensaries	Promoting healthcare; Schedule VII (i)	Karnataka; Bangaluru	60,000/-	Direct expenditure	60,000/-	Bharat Sevashram Sangha, Bangaluru
21	Financial assistance for running charitable dispensaries	Promoting healthcare; Schedule VII (i)	Tamil Nadu; Chennai	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha, Minjur, Chennai
22	Financial assistance for running charitable dispensaries	Promoting healthcare; Schedule VII (i)	Tamil Nadu; Kanyakumari	60,000/-	Direct expenditure	60,000/-	Bharat Sevashram Sangha, Kanyakumari
23	Financial assistance for running charitable dispensaries	Promoting healthcare; Schedule VII (i)	Rajasthan; Puskar; Ajmer	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha, Puskar
24	Financial assistance for running charitable dispensaries	Promoting healthcare; Schedule VII (i)	Tamil Nadu; Rameswaram	60,000/-	Direct expenditure	60,000/-	Bharat Sevashram Sangha, Rameswaram
25	Financial assistance for running charitable dispensaries	Promoting healthcare; Schedule VII (i)	Kerala ; Trivandrum	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha, Trivandrum

26	Financial assistance for running charitable dispensaries	Promoting healthcare; Schedule VII (i)	Uttar Pradesh; Varanasi	90,000/-	Direct expenditure	90,000/-	Bharat Sevashram Sangha, Varanasi
27	Financial assistance for running schools and hostel for tribal orphan children	Promoting education; Schedule VII (ii)	West Bengal; Suri, Birbhum	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha, Suri
28	Financial assistance for running School & Hostels for orphan boys and girls	Promoting education; Schedule VII (ii)	West Bengal; Dakshineswar; North 24 Parganas	1,20,000/-	Direct expenditure	1,20,000/-	Dakshineswar Ramkrishna Sangha, Adyapeath
29	Financial assistance for computer training centre	Promoting education, Skill Development Schedule VII (ii)	Odisha; Kothar; Bhadrak	1,20,000/-	Direct expenditure	1,20,000/-	Ramakrishna Mission Ashrama, Kothar
30	Financial assistance for free Major Eye Surgeries	Promoting healthcare; Schedule VII (i)	Tamil Nadu; Chennai; West Bengal; Kolkata,	1,00,00,000/-	Direct expenditure	80,00,000/-	Sankara Nethralaya Chennai/ Kolkata
31	Financial assistance for education and training of poor, street girl children	Promoting education; Schedule VII (ii)	West Bengal; Dum Dum; North 24 Parganas	3,60,000/-	Direct expenditure	1,20,000/-	Niharkana Rehabilitation Centre, Dum Dum
32	Financial assistance for educational help to poor and meritorious students	Promoting education; Schedule VII (ii)	West Bengal; Ramharipur; Bankura	70,000/-	Direct expenditure	60,000/-	Ramakrishna Mission Ashrama, Ramharipur
33	Financial assistance for running charitable dispensaries	Promoting healthcare; Schedule VII (i)	West Bengal; Gangasagar; South 24 Parganas	1,20,000/-	Direct expenditure	40,000/-	Bharat Sevashram Sangha, Gangasagar



6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

The Company could spend Rs. 2,78,45,000 during the year 2015 - 16 out of the required amount of Rs. 3.03 crore on CSR activities. Out of the unspent amount of Rs. 24,55,000 for the year 2015-16, Rs. 23,30,000 being balance amount of outlay sanctioned for education and healthcare is required to be disbursed in the year 2016 - 17 and Rs. 1,25,000 could not be spent for want of appropriate proposals.

7. In the opinion of the CSR Committee, the implementation and monitoring of CSR Policy are in compliance with CSR objectives and Policy of the Company.

Place: Kolkata
Date: 25th June 2016

Registered Office:
"Peerless Bhavan"
3, Esplanade East,
Kolkata – 700 069.

Sd/-	Sd/-
(S. K. Roy)	(P. K. Choudhury)
Managing Director	Chairman, CSR Committee

Annexure – D**ANNEXURE TO THE DIRECTORS' REPORT**

Information as per Sub-Rule (2) of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the Financial year ended 31st March, 2016

Name	Age (Years)	Designation	Gross Remuneration (Rs.)	Qualifications	Experience (Years)	Date of Commencement of Employment	Last Employment/ Post Held
1	2	3	4	5	6	7	8

A. Employed throughout the financial year and in receipt of remuneration aggregating Rs. 60,00,000/- or more per annum

1.	Roy Sunil Kanti	70	Managing Director	3,74,42,179	B.Com.	47	04.12.1968	Not applicable.
2.	Lahiri Bhargab	74	Dy. Managing Director	1,89,17,903	B.A., LL.B. (Professional)	47	01.01.2001	Not applicable.

B. Employed for a part of the financial year and in receipt of remuneration aggregating Rs. 5,00,000/- or more per month :

None

- Notes :**
- Gross remuneration comprises salary and allowances, Company's contribution to provident, superannuation and gratuity funds, monetary value of perquisites. With respect to the Directors, such remuneration also includes commission and sitting fees.
 - All appointments are contractual and subject to the rules and regulations of the Company for the time being in force.
 - Shri Sunil Kanti Roy is a relative of Shri Jayanta Roy, Director. Save as aforesaid, none of the above employees is a relative of any Director of the Company.

Place : Kolkata
Dated : 25th June, 2016

Registered Office :
"PEERLESS BHAVAN"
3, Esplanade East
Kolkata-700 069

For and on behalf of the Board

Susim Mukul Datta
Chairman



BALANCE SHEET

AS AT 31ST MARCH, 2016

(Rs. in Million)

	Particulars	Note No.	Figures as at 31.03.2016	Figures as at 31.03.2015
I	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	2	331.56	331.56
	(b) Reserves and Surplus	3	16,656.69	16,081.49
(2)	Share Application Money Pending Allotment		—	—
(3)	Non-Current Liabilities			
	(a) Deposit from Public	4	—	0.09
	(b) Deferred Tax Liabilities (Net)	34	9.99	10.52
	(c) Other Long Term Liabilities	5	8.03	10.72
	(d) Long-Term Provisions	6	99.46	109.61
(4)	Current Liabilities			
	(a) Deposit from Public	4	15,584.54	15,703.52
	(b) Trade Payables	7	7.61	7.61
	(c) Other Current Liabilities (Includes dues of Micro & small enterprises Rs. 0.18 Million (Prev. Year Rs. 0.01 Million))	8	383.48	359.13
	(d) Short-Term Provisions	9	28.38	242.11
	TOTAL		33,109.74	32,856.36
II	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets	10		
	(i) Tangible Assets		529.56	561.24
	(ii) Intangible Assets		0.80	1.66
	(iii) Capital Work in Progress		3.46	45.85
	(b) Non-Current Investments	11	23,082.67	16,098.08
	(c) Long-Term Loans and Advances	12	411.32	484.12
	(d) Other Non-Current Assets	13	55.14	89.58
(2)	Current Assets			
	(a) Current Investments	11	7,822.45	14,662.20
	(b) Inventories	14	133.50	98.13
	(c) Cash and Cash Equivalents	15	363.07	245.50
	(d) Short-Term Loans and Advances	16	68.40	59.56
	(e) Other Current Assets	17	639.37	510.44
	TOTAL		33,109.74	32,856.36

The Notes to Account forms integral part of Financial Statements

1 to 46

As per our Report of even date

For MUKUND M CHITALE & CO.

Chartered Accountants

Firm Reg. No. 106655W

(M. M. Chitale)

Partner

M. No. 14054

Kolkata

Dated : 25th June, 2016.

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Sunil Kanti Roy

Bhargab Lahiri

Deepak Mukerjee

Managing Director

Dy. Managing Director

Director

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in Million)

	Particulars	Note No.	For the year ended	
			31.03.2016	31.03.2015
I	Revenue from Operations	18	2,346.28	2,454.80
II	Other Income	19	389.52	223.29
III	Total Revenue (I+II)		2,735.80	2,678.09
IV	Expenses			
	Interest to Certificateholders		—	4.29
	Employee Benefits Expense	20	568.60	574.46
	Finance Costs	21	0.69	1.78
	Provision for Doubtful Debts and Receivables/Investments	22	371.57	58.38
	Amortisation of premium - Govt. Securities/Bonds/Debentures		12.95	31.38
	Depreciation and Amortisation	23	24.82	53.00
	Other Expenses	24	532.81	482.24
	Total Expenses		1,511.44	1,205.53
V	Profit before Prior Period Adjustments and tax (III-IV)		1,224.36	1,472.56
VI	Prior Period Adjustments		(0.35)	(1.10)
VII	Profit before tax (V+VI)		1,224.01	1,471.46
VIII	Tax Expenses			
	(I) Current Tax		370.00	370.00
	(II) Tax of Earlier Years		—	10.00
	(III) Deferred Tax		(0.53)	(15.17)
			369.47	364.83
IX	Profit for the year from continuing operations carried forward to Balance Sheet (VII-VIII)		854.54	1,106.63

Basic & Diluted Earnings per Equity Share in Rs.
(Face Value of Rs. 100/- per Equity Share)

257.73

333.77

The Notes to Account forms integral part of Financial Statements 1 to 46

As per our Report of even date

For MUKUND M CHITALE & CO.
Chartered Accountants
Firm Reg. No. 106655W

(M. M. Chitale)

Partner

M. No. 14054

Kolkata

Dated : 25th June, 2016.

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Sunil Kanti Roy
Bhargab Lahiri
Deepak Mukerjee

Managing Director
Dy. Managing Director
Director



THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in Million)

PARTICULARS	For the year ended 31.03.2016	For the year ended 31.03.2015
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxation	1,224.01	1,471.46
Adjustments for :		
Interest to Certificateholders	—	4.29
Depreciation & Amortisation	24.82	53.00
Provision for Diminution in Value of Investment	371.20	58.34
Provision for Diminution in Value of Fixed Assets Held for Sale	4.93	—
Provision for Doubtful Debts and Receivables	0.37	0.04
Amortisation of Premium - Government Securities/Bonds/Debentures	12.95	31.38
Prior Period Adjustments	0.35	1.10
Profit on Sale of Fixed Assets	(17.48)	(3.27)
(Profit)/Loss on Sale of Investments	(85.26)	(166.37)
Interest	(2,167.45)	(2,110.40)
Dividend	(134.69)	(181.95)
Advances/Branch & Other Office Adjustments Written Off	0.09	1.91
Provisions/Liability no longer required written back	(107.35)	(34.02)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(873.51)	(874.49)
Adjustments for :		
Increase/(Decrease) in Deposits from Public	(119.42)	(911.21)
(Increase)/Decrease in Current & Non-Current Assets	(8.28)	12.98
(Increase)/Decrease in Inventories	(35.37)	(68.00)
Increase/(Decrease) in Current & Non-Current Liabilities	7.85	(113.01)
CASH (UTILISED IN)/GENERATED FROM OPERATIONS	(1,028.73)	(1,953.73)
Direct Tax Refund/(Paid)	(299.69)	(376.82)
Interest received	2,120.43	2,071.39
Dividend received	134.69	183.61
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES (A)	926.70	(75.55)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	21.51	0.86
Purchase of Fixed Assets	(3.82)	(8.16)
Investments (Net) : Long-Term	(6,400.15)	(389.08)
Current	6,050.34	718.19
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES (B)	(332.12)	321.81
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(396.36)	(269.62)
Tax on Dividend	(80.65)	(48.65)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES (C)	(477.01)	(318.27)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	117.57	(72.01)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	245.50	317.51
CASH AND CASH EQUIVALENTS (CLOSING BALANCE) - NOTE 1	363.07	245.50
NOTE 1 : CASH AND CASH EQUIVALENTS COMPRISE :		
Cash in hand	1.55	1.62
Cheques/Demand Drafts in hand	0.58	0.05
Stamps in Hand	0.10	0.19
Bank Balance with Scheduled bank in Current Accounts & Unpaid Dividend Accounts	360.84	243.64
CLOSING CASH AND CASH EQUIVALENTS	363.07	245.50
The Notes on Accounts forms integral part of Cash Flow Statement	1 to 46	

As per our Report of even date

For MUKUND M CHITALE & CO.

Chartered Accountants

Firm Reg. No. 106655W

(M. M. Chitale)

Partner

M. No. 14054

Kolkata

Dated : 25th June, 2016.

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Sunil Kanti Roy
Bhargab Lahiri
Deepak Mukerjee

Managing Director
Dy. Managing Director
Director

NOTES ON ACCOUNTS

NOTE – 1: SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with generally accepted accounting principles ('GAAP') prevalent in India and the mandatory Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Account) Rules, 2014 as adopted consistently by the company and the provisions of the Companies Act 2013 (to the extent notified and applicable).

The Company has classified all its assets/liabilities into current/non-current portion based on the time frame of 12 months from the date of Financial Statements. Accordingly, assets/liabilities expected to be realized/settled within 12 months from the date of financial statements are classified as current and other assets/liabilities are classified as non-current.

The understated significant accounting policies have been followed by the Company consistently unless specifically stated otherwise.

- a. Financial Statements have been prepared on historical cost basis other than revalued assets and on the principle of a going concern. All expenses and income unless stated otherwise have been accounted for on accrual basis.
- b. The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates and are given effect to as and when determined.
- c. All amounts received from Certificate-holders including renewal subscription, other than Processing and maintenance charges as allowed by Reserve Bank of India (RBI), which were credited to income, are accounted for as Deposit from Public along with interest thereon as accrued from year to year, so as to meet the obligations to the Certificate-holders on or before maturity in terms of the schemes and/or the directions issued by RBI in this respect. Repayments to Certificate-holders are reduced therefrom.
- d. (i) Commission, Incentive, Bonus to the field force is provided as payable in terms of the circulars issued by the Company from time to time. Amounts not considered payable and/or not claimed for a considerable period are written back.
(ii) Interest to certificate-holders is provided at the rates or amounts determined in terms of contract entered into with Certificate-holders depending upon the status of the respective certificates i.e. continued or discontinued as at the year end in terms of approval received from RBI and is added to and shown as Deposit from Public. Interest to certificate-holders on unidentified subscription deposit has been provided for at the contractual rate/ minimum rate prescribed by RBI.
- e. Long-term investments are carried at cost less provisions for diminution there against other than temporary, as determined by the management. Current investments, (determined in accordance with AS-13) other than mutual fund units and investments held as stock-in-trade are carried at the lower of cost or fair/ realizable value. Mutual funds are valued at Net Asset Value. In respect of the bonds held as investments, which are unquoted or the market value of which are not available, realisable value has been determined considering 'yield to maturity' as prescribed by RBI in case of commercial banks. Excess of cost over redemption value of long-term securities is amortised over the period of maturity of the respective securities.
- f. Provision/write off against loans and advances and investments are made as per the RBI guidelines applicable to the Company, unless a higher provision is considered appropriate by the management. In case of secured loans, the provision against the same is made by considering the value of securities as per agreement and other relevant documents and or information available in this respect.
- g. Income on account of interest and dividends to the extent considered realisable has been accounted for on accrual basis. Income in cases where possibility of recovery has been considered to be remote, including on non-performing assets as determined as per Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, as amended has been accounted for to the extent realised/since realised.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

- h. In case of Real Estate Projects revenue is recognised applying percentage completion method on transfer of all significant risk and rewards of ownership to the buyers on sufficient assurance of there being no significant uncertainty regarding the amount of consideration thereof and ultimate collection there against. As per percentage completion method, the revenue is recognised in proportion to the cost incurred in respect of project under execution subject to necessary approvals for commencement of project being in place.

Estimated costs for applying the percentage completion method is revised from time to time based on current costs and other information available and consequential adjustments are given effect to on such revisions. Losses if any foreseeable against any contracts are fully provided for as and when ascertained.

Inventories, consisting of Project Work in Progress are valued at cost or net realizable value whichever is lower.

- i. Income in respect of Commercial Papers and Certificate of Deposits etc. which are redeemable at face value on maturity, is accrued on a year to year basis so that the cost of investment along with the income so accrued, is equal to the amount receivable on redemption on maturity date.
- j. Fixed assets are stated at cost of acquisition or construction or at revalued amounts less depreciation. Depreciation on Fixed Assets has been provided on pro-rata basis from the date of addition based on useful life as specified in Schedule II of the Companies Act, 2013 as follows:
- Furniture & Fixtures and Office Appliances (excluding Computers) – SLM Basis
 - All Other Fixed Assets – WDV Basis.

Intangible Assets have been amortised on straight line basis over a period of 3 years.

- k. Fixed assets are reviewed on each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined and impairment loss is recognized. The impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased.
- l. Earning per equity share (basic/diluted) is arrived at based on net profit after taxation attributable to equity shareholders to the basic/weighted average number of equity shares.
- m. Provision for Tax is made for current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent periods are recognized using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is “virtual certainty” that such deferred tax assets can be realized against future taxable profits.
- n. Employee benefits are accrued in the year services are rendered by the employees.

Contribution to defined contribution schemes such as Provident Fund, Superannuation Fund etc. are recognized as and when incurred.

Long-term employee benefits such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gain and losses are recognized in the year when they arise.

- o. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed by way of notes.

NOTES ON ACCOUNTS (Contd.)

(Rs. in Million)

NOTE - 2 : SHARE CAPITAL

	31.03.2016	31.03.2015
Authorised Capital		
35,00,000 Equity Shares of Rs. 100/- each	350.00	350.00
	<u>350.00</u>	<u>350.00</u>
Issued, Subscribed & Called up Capital		
33,15,584 Equity Shares of Rs. 100/- each fully paid up	331.56	331.56
TOTAL	<u>331.56</u>	<u>331.56</u>

	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	Rs. in Million	No. of Shares	Rs. in Million
a) Movement of Share Capital:				
No. of Shares Outstanding as at 01.04.2015/01.04.2014	33,15,584	331.56	33,15,584	331.56
New Shares issued during the year	—	—	—	—
No. of Shares Outstanding as at 31.03.2016/31.03.2015	<u>33,15,584</u>	<u>331.56</u>	<u>33,15,584</u>	<u>331.56</u>

b) Disclosure with respect to Shareholding in excess of 5%:

	As at 31.03.2016		As at 31.03.2015	
Sl. No. Name of the Shareholder	No. of Shares Held	% of Shareholding	No. of Shares Held	% of Shareholding
1 Mr. Sunil Kanti Roy & Mrs. Shikha Roy	742,720	22.40%	742,720	22.40%
2 Mr. Jayanta Roy	324,640	9.79%	324,640	9.79%
3 Shikha Holdings Private Limited	630,192	19.01%	630,192	19.01%
4 Bichitra Holdings Private Limited	327,669	9.88%	327,669	9.88%
5 Poddar Projects Limited	218,240	6.58%	218,240	6.58%
6 Mr. R. L. Gaggar	179,200	5.40%	179,200	5.40%
7 Mr. Tuhin Kanti Ghosh	225,920	6.81%	225,920	6.81%
TOTAL	<u>2,648,581</u>	<u>79.87%</u>	<u>2,648,581</u>	<u>79.87%</u>

c) Rights, Preferences & Restrictions attached to Shares:

Equity Shares - The Company has one class of equity shares having a par value of Rs 100 per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.



NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 3 : RESERVES & SURPLUS		
(A) Capital Reserve	0.18	0.18
(B) Revaluation Reserve as at 01.04.15/01.04.14	11.92	17.68
Less : Transfer to Statement of Profit & Loss [Note 23]	—	0.63
Less : Transfer to Surplus in Statement of Profit & Loss [Note 43]	—	5.13
Less : Transfer to General Reserves [Note 10]	0.59	—
	<u>11.33</u>	<u>11.92</u>
(C) Capital Redemption Reserve	0.02	0.02
(D) Special Reserve**		
Opening Balance as at 01.04.15/01.04.14	4,783.34	4,558.34
Add: Transfer from Surplus in Statement of Profit & Loss	175.00	225.00
	<u>4,958.34</u>	<u>4,783.34</u>
(E) General Reserve		
Opening Balance as at 01.04.15/01.04.14	6,150.00	5,900.00
Add: Transfer from Surplus in Statement of Profit & Loss	100.00	250.00
Add: Transfer from Revaluation Reserve [Note 10]	0.59	—
	<u>6,250.59</u>	<u>6,150.00</u>
(F) Surplus in Statement of Profit & Loss		
Opening Balance as at 01.04.15/01.04.14	5,136.03	4,914.60
Add: Profit After Tax for the Year	854.54	1,106.63
Add: Transfer From Revaluation Reserve - [Note 43]	—	5.13
Less :		
Adjustment relating to Fixed Assets (net of Deferred Tax) - [Note 43]	—	60.33
Transfer to Special Reserve	175.00	225.00
First Interim Dividend [Rs. 20 per share (Prev. Year Rs. 35 per share)]	66.31	116.04
Second Interim Dividend [Rs. 50 per share (Prev. Year Rs. Nil per share)]	165.78	—
Dividend Distribution Tax on Interim Dividend	47.25	23.20
Proposed Final Dividend [Rs.Nil per share (Prev. Year Rs. 55 per share)]	—	182.36
Dividend Distribution Tax on Proposed Final Dividend	—	33.40
Transfer to General Reserve	100.00	250.00
	<u>5,436.23</u>	<u>5,136.03</u>
TOTAL OF (A) TO (F)	<u>16,656.69</u>	<u>16,081.49</u>

** Created in accordance with provisions of Section 45-IC of The Reserve Bank of India Act, 1934.

NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 4 : DEPOSIT FROM PUBLIC		
4.1 Deposit From Public		
Closing Liability as at year ended 31.03.2016/31.03.2015*	15,584.54	15,703.61

* Consists of liability on account of Unpaid/Unclaimed certificates [also including liability for Returned Money Orders, Stale Cheques and Unidentified Subscription Deposit] Rs. 15,584.51 million (Prev. Year Rs. 15,703.52 million)

BREAKUP OF DEPOSIT LIABILITY

NON-CURRENT PORTION	—	0.09
CURRENT PORTION	15,584.54	15,703.52
TOTAL	15,584.54	15,703.61

4.2 The Closing Deposit Liability of Rs. 15,584.54 million (Prev. Year Rs. 15,703.61 million), includes liability in respect of Unclaimed/Unpaid Certificates of Rs.491.95 million (Prev. Year Rs. 491.95 million) which has been ascertained on the basis of details received from branches or as certified by Independent Firm of Chartered Accountants. The said amount is after considering reinvestment /payments during the intervening period which has been considered as provided by management.

Further the liability in respect of Unclaimed/Unpaid Certificates [also including liability for Returned Money Orders, Stale Cheques and Unidentified Subscription Deposit] includes Rs. 99.21 million (Prev. Year Rs. 99.21 million) for which certain particulars are not available.

4.3 Based on exercise of reconciliation of unclaimed/unpaid certificates, carried out by the management during the year ended 31.03.2016, Rs. 0.35 million [debit] (Prev. Year Rs.1.10 million [debit]) were ascertained and accordingly has been debited in the Statement of Profit and Loss as Prior Period Adjustments.

4.4 In accordance with directives received from Reserve Bank of India vide letter dated 31st October 2014, read with letter dated 03rd February 2015, the Company was required to open an Escrow Account and investments to the extent of Liability towards Depositors as at 31st December 2014 needed to be linked to such escrow account so that any proceeds thereof including coupon payment received are credited only to Escrow Account. The Company has complied with the directive of Reserve Bank of India. The book value & accrued interest of Investments Linked with Escrow Account (including Escrow Bank Account) amounts to Rs.15,987.59 million as at 31st March 2016 (Prev. Year Rs. 16,002.03 million) against outstanding Liability towards Depositors of Rs. 15,584.54 million as at 31st March 2016 (Prev. Year Rs. 15,703.61 million).

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 5 : OTHER LONG-TERM LIABILITIES		
Security Deposit*	8.03	10.72
TOTAL	8.03	10.72

* Includes an amount of Rs. 0.51 million [Previous Year Rs. 0.51 million] due to related party

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 6 : LONG-TERM PROVISIONS		
Provision for Standard Assets	0.60	0.60
Provision for Employee Benefits – Gratuity & Leave Encashment	98.86	109.01
TOTAL	99.46	109.61



NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 7 : TRADE PAYABLES		
Agent's Commission	7.61	7.61
TOTAL	7.61	7.61

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 8 : OTHER CURRENT LIABILITIES		
Advance against Sale of Right to Property - Investments	124.05	69.18
Advance against Sale of Flats - Construction Project	32.91	28.85
Income Received in Advance *	1.72	59.67
Unclaimed/Unpaid Dividends #	94.02	75.93
Security/Other Deposits	8.04	10.17
Statutory Liabilities	7.00	10.98
Book Overdraft	1.79	—
Liability for Expenses		
Due to Micro, Small and Medium Enterprises	0.18	0.01
Others @	99.23	88.92
Branch and Other Office Adjustments (Net)	—	0.26
Other Liabilities \$	14.54	15.16
TOTAL	383.48	359.13

* Also includes amount of Rs. 1.72 million (Prev. Year Rs. 1.72 million) due to related parties.

@ Also includes amount of Rs. 29.55 million (Prev. Year Rs. 29.93 million) due to related parties.

\$ Also includes amount of Rs. 1.13 million (Prev. Year Rs. 2.06 million) due to related parties.

There are no amounts due for payment to the Investor Education & Protection Fund on account of Unclaimed Dividend under Section 205C of the Companies Act, 1956 [Section 125 of the Companies Act, 2013] as at the year end.

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 9 : SHORT-TERM PROVISIONS		
Provision for Employee Benefits -		
Gratuity & Leave Encashment	27.98	25.95
Provision for Standard Assets	0.40	0.40
Proposed Final Dividend	—	182.36
Dividend Distribution Tax	—	33.40
TOTAL	28.38	242.11

NOTES ON ACCOUNTS (Contd.)

NOTE - 10: FIXED ASSETS

(Rs. in Million)

PARTICULARS	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	As at 01.04.2015	Additions	Transfer/ Adjustment	As at 31.03.2016	As at 01.04.2015	Additions	Transfer/ Adjustment	Adjustment (on account of Change in Useful Life)	As at 31.03.2016	As at 31.3.2015
TANGIBLE ASSETS										
LAND (Note 1)	250.86	—	9.67	241.19	—	—	—	—	241.19	250.86
LEASEHOLD LAND	38.73	—	—	38.73	—	—	—	—	38.73	38.73
BUILDING INCLUDING OWNERSHIP FLATS (Note 1 & 2)	503.49	3.32	5.15	501.66	333.37	8.53	1.59	—	161.35	170.12
LEASEHOLD BUILDING	255.30	—	—	255.30	187.95	3.37	—	—	63.98	67.35
LIFT	9.66	—	—	9.66	9.66	—	—	—	—	—
FURNITURE & FIXTURES	201.38	0.15	1.43	200.10	193.03	2.16	1.37	—	6.28	8.35
COMPUTER	420.78	0.40	16.79	404.39	420.78	0.19	16.79	—	0.21	—
ELECTRICAL INSTALLATION	139.07	0.49	1.59	137.97	116.29	6.48	1.25	—	16.45	22.78
OFFICE APPLIANCES	22.24	0.13	0.20	22.17	21.79	0.20	0.17	—	0.35	0.45
VEHICLES	46.38	1.50	8.33	39.55	43.78	3.03	8.28	—	1.02	2.60
TOTAL	1,887.89	5.99	43.16	1,850.72	1,326.65	23.96	29.45	—	529.56	561.24
PREVIOUS YEAR	1,885.94	6.68	4.73	1,887.89	1,186.92	52.56	4.19	91.36	1,326.65	—
INTANGIBLE ASSETS										
COMPUTER SOFTWARE	53.20	—	—	53.20	51.54	0.86	—	—	0.80	1.66
PREVIOUS YEAR	51.72	1.48	—	53.20	50.43	1.07	—	0.04	1.66	—
TOTAL	1,941.09	5.99	43.16	1,903.92	1,378.19	24.82	29.45	—	530.36	562.90
PREVIOUS YEAR	1,937.66	8.16	4.73	1,941.09	1,237.35	53.63	4.19	91.40	562.90	—
CAPITAL WORK IN PROGRESS										
PREVIOUS YEAR									3.46	45.85
										45.85

Notes : 1. Certain Land & Buildings including ownership flats were revalued by an approved valuer as on 31st March, 1994 on the basis of the market value and a sum of Rs. 403.41 million (net of amount capitalised by issue of bonus shares), being an increase in the value of these assets due to revaluation, was credited to Revaluation Reserve.

2. In accordance with the provisions of Guidance Note on Depreciation in Companies in the context of Schedule II to the Companies Act, 2013 issued by ICAI, depreciation for the year has been charged on Revalued Fixed Assets and the entire depreciation has been charged to Statement of Profit and Loss. Proportionate amount of Revaluation Reserve relating to it of Rs. 0.59 million has been transferred to General Reserve as against treatment of transferring to the Statement of Profit and Loss (reduction from depreciation expense) in the previous financial year. Further Revaluation Reserve of Rs. Nil million (Prev. Year Rs. 5.13 million) relating to building whose useful life as per Schedule II of Companies Act, 2013 has been completed as at 01st April 2014 has been transferred back to retained earnings.

3. The Company has charged depreciation in 2014-15 based on the remaining useful life of the assets as per requirement of Schedule II of Companies Act, 2013 effective from 1st April, 2014. Based on transitional provision provided in note 7 (b) of Schedule II of Companies Act, 2013, an amount of Rs. Nil (Prev. Year Rs. 91.40 million) has been adjusted against accumulated depreciation and an amount of Rs. Nil million [Prev. Year Rs. 60.33 million (net of deferred tax of Rs. 31.07 million)] has been adjusted to retained earnings in the year 2014-15.

4. Disclosure of Assets given on Operating Leases has been provided in Note No. 35 of Financial Statements.

NOTES ON ACCOUNTS (Contd.)

NOTE - 11 : INVESTMENTS – CURRENT AND NON-CURRENT INVESTMENTS

	As at 31 March, 16 (Rs. in Million)	As at 31 March, 15 (Rs. in Million)
(A) INVESTMENTS – CURRENT* :		
I] Investment in Fixed Deposits	3,012.18	5,780.96
II] Investment in Mutual Funds	1,997.60	2,711.57
III] Investment in Gold ETF	—	43.34
IV] Investment in E-Silver	16.12	16.12
V] Investment in Shares - Other than Subsidiaries	267.03	185.08
VI] Investment in Debentures - Other than Subsidiaries	397.01	851.68
VII] Investment in Bonds	1,319.21	2,086.96
VIII] Investment in Government Securities	737.25	3,000.70
IX] Investment in Right to Property	301.22	301.22
X] Investment in Shares - Subsidiary Companies	180.00	—
XI] Investment in Debentures - Subsidiary Company	—	176.20
	<u>8,227.62</u>	<u>15,153.83</u>
Less: Provision for Diminution in Value of Investments	405.17	491.63
TOTAL	<u>7,822.45</u>	<u>14,662.20</u>
(B) INVESTMENTS – NON-CURRENT*		
I] Investment in Fixed Deposits	1,633.26	4,174.23
II] Investment in Mutual Funds	350.00	160.00
III] Investment in Shares - Other than Subsidiaries	593.21	564.71
IV] Investment in Debentures - Other than Subsidiaries	851.18	1,249.32
V] Investment in Bonds	5,450.02	6,053.60
VI] Investment in Government Securities	11,605.82	1,229.50
VII] Investment in Shares - Subsidiary Companies	3,107.40	2,811.20
VIII] Investment in Shares - Joint Venture Company	6.63	6.63
IX] Investment in Debentures - Subsidiary Company	100.00	100.00
	<u>23,697.52</u>	<u>16,349.19</u>
Less: Provision for Diminution in Value of Investments	614.85	251.11
TOTAL	<u>23,082.67</u>	<u>16,098.08</u>
GRAND TOTAL	<u>30,905.12</u>	<u>30,760.28</u>
* Classification as per Schedule III requirements.		
	Book Value (Net of Provisions) (Rs. In Million)	Market Value (Rs. In Million)
Aggregate Quoted Investments	647.63	619.12
Previous Year	620.44	628.94
Aggregate of Investments listed but not quoted	20,075.82	
Previous Year	14,187.11	
Aggregate of Unquoted Investments	10,181.67	
Previous Year	15,952.73	
Current Year Total	<u>30,905.12</u>	
Previous Year Total	<u>30,760.28</u>	

NOTES ON ACCOUNTS (Contd.)

NOTE - 11 (Contd.)

(I) - (A) INVESTMENT IN FIXED DEPOSITS

— CURRENT

— INVESTMENTS - TRADE

Description	Face Value 31.03.2016 (Rs.in Million)	Book Value 31.03.2016 (Rs.in Million)	Face Value 31.03.2015 (Rs.in Million)	Book Value 31.03.2015 (Rs.in Million)
Fixed Deposits with Scheduled Banks # \$		3,012.18		5,157.72
Fixed Deposits with NBFC's - HDFC Ltd		—		623.24
TOTAL (I) (A)		3,012.18		5,780.96

(I) - (B) INVESTMENT IN FIXED DEPOSITS

— NON-CURRENT

— INVESTMENTS - TRADE

Description	Face Value 31.03.2016 (Rs.in Million)	Book Value 31.03.2016 (Rs.in Million)	Face Value 31.03.2015 (Rs.in Million)	Book Value 31.03.2015 (Rs.in Million)
Fixed Deposits with Scheduled Banks * # \$		4.33		2,679.10
Fixed Deposits with NBFC's - HDFC Ltd		139.68		1,282.74
Fixed Deposits with NBFC's - Mahindra & Mahindra Financial Services Ltd		1,489.25		212.39
TOTAL (I) (B)		1,633.26		4,174.23

\$ Includes Rs. 3,015.07 millions (Prev. Year Rs. 7,781.84 million) earmarked under an escrow account as security amount towards repayment of Liability towards depositors. [Note 4.4]. (*This amount includes amount Rs.3.55 millions (Prev. Year. Rs. 3.51 millions) invested as per the order of Hon'ble High Court of Calcutta. [Refer Note No. 28].)

Also includes fixed deposits amounting to Rs. 1.43 millions (Prev. Year Rs. 0.87 million) which have been kept as margin money for Bank Guarantee availed from Bank.



NOTES ON ACCOUNTS (Contd.)

NOTE - 11 (Contd.)

(II) (A) INVESTMENTS IN MUTUAL FUNDS (UNQUOTED)

— CURRENT

— INVESTMENTS - TRADE

Description	No. of Units 31.03.2016	Book Value 31.03.2016 (Rs.in Million)	No. of Units 31.03.2015	Book Value 31.03.2015 (Rs.in Million)
Birla Sun Life Govt. Securities Long Term Growth - Regular Plan	2,318,673.90	100.00	2,401,479.31	100.00
Birla Sun Life Income Plus Growth Regular Plan	1,538,106.59	100.00	1,616,297.10	100.00
ICICI Prudential Gilt Invest PF Plan - Growth	1,752,418.34	50.00	1,816,042.19	50.00
ICICI Prudential Income Plan - Regular Growth	2,243,243.91	100.00	3,465,675.85	150.00
Reliance Growth Fund - Growth Plan - Growth Plan	59,348.45	50.00	39,301.91	30.00
Reliance Vision Fund - Growth Plan - Growth Option	67,338.59	30.00	67,338.59	30.00
Reliance Floating Rate Fund - Short Term Plan Growth	—	—	9,547,815.46	200.00
Reliance Income Fund - Growth Plan - Growth Option	3,186,980.12	150.00	—	—
Reliance Short Term Fund - Growth Plan - Growth Option	5,381,783.74	150.00	—	—
Birla Sun Life Frontline Equity Fund - Growth	213,789.15	35.00	190,262.22	30.00
HDFC Top 200 Fund - Growth	27,237.05	10.00	27,237.05	10.00
HDFC Gilt Fund Long Term - Growth	—	—	1,756,524.61	50.00
HDFC High Int. Fund - Dynamic Growth	—	—	2,115,231.54	100.00
SBI Magnum Multicap Fund - Growth	599,860.06	20.00	311,561.42	10.00
SBI Magnum Gilt Fund - Long Term - Growth -Regular Plan	3,161,595.47	100.00	3,293,720.85	100.00
Franklin India Govt. Securities Fund - Long Term Plan - Growth	2,939,844.89	100.00	3,041,085.06	100.00
UTI-Gilt Advantage Fund - LTP - Growth	3,170,335.80	100.00	1,639,204.53	50.00
Canara Rebeco Short Term Regular Monthly Dividend Fund	—	—	19,702,327.67	200.00
DWS Insta Cash Plus Fund - Daily Dividend Reinvestment	—	—	499,217.02	50.07
HSBC Cash Fund - Daily Div.	—	—	50,047.18	50.08
IDBI Liquid Fund - Daily Dividend Reinvestment	—	—	49,823.02	50.08
Kotak FMP Series 154 - Dividend	—	—	5,000,000.00	50.00
Kotak Liquid (Inst. Premium) -Daily Dividend	—	—	40,955.68	50.08
LIC NOMURA MF Savings Plus Fund - Growth	4,388,197.50	100.00	—	—
Peerless Flexible Income Fund - Quarterly Dividend	8,337,710.63	100.00	9,026,411.28	100.00
Peerless 3 in 1 Fund - Direct Growth	3,346,612.77	50.00	—	—
Peerless Liquid Fund - Direct Plan - Growth	90,174.20	150.00	—	—
Peerless Short Term Fund - Monthly Dividend	18,049,401.21	200.00	18,200,680.71	200.00
Peerless Ultra Short Term Fund - Direct Plan - Daily Dividend	200,463.65	201.80	398,117.92	400.77
Peerless Liquid Fund - Direct Plan Daily Div.	100,666.68	100.80	—	—
Principal Debt Opportunities Fund Daily Div.	—	—	150,017.74	150.25
Principal Pnb Fixed Maturity Plan - Series B15-377 days - Regular	—	—	5,000,000.00	50.00
Peerless Liquid Fund - Direct Plan - Daily Div.	—	—	99,972.96	100.10
Religare Invesco Liquid Fund - Daily Div.	—	—	50,016.25	50.07
Tata Fixed Maturity Plan Series 47 Scheme D - Plan A - Dividend	—	—	5,000,000.00	50.00
Taurus Liquid Fund - Existing Plan - Super Instt. Daily Div.	—	—	50,056.77	50.07
TOTAL (II) (A)		1,997.60		2,711.57

NOTES ON ACCOUNTS (Contd.)**NOTE - 11** (Contd.)**(II) (B) INVESTMENTS IN MUTUAL FUNDS (UNQUOTED)**

- NON-CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2016	Book Value 31.03.2016 (Rs.in Million)	No. of Units 31.03.2015	Book Value 31.03.2015 (Rs.in Million)
DSP BR Small and Mid Cap Fund - Regular Plan- Growth	1,316,394.66	50.00	1,141,314.86	40.00
L&T Equity Fund - Growth	395,721.94	25.00	315,422.59	20.00
Peerless Equity Fund Growth	6,305,446.05	110.00	3,095,082.90	50.00
Peerless Midcap Fund - Growth	10,000,000.00	100.00	—	—
Peerless Long Term Advantage Fund - Growth	1,500,000.00	15.00	—	—
Kotak Opportunities Fund - Growth - Regular Plan	592,322.28	50.00	625,871.79	50.00
TOTAL (II) (B)		350.00		160.00
TOTAL OF INVESTMENTS IN MUTUAL FUNDS		2,347.60		2,871.57

(III) (A) INVESTMENT IN GOLD ETF

- CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2016	Book Value 31.03.2016 (Rs.in Million)	No. of Units 31.03.2015	Book Value 31.03.2015 (Rs.in Million)
SBIGETS Gold ETF	—	—	4,000	11.25
UTI Mutual Fund Gold ETF	—	—	7,000	19.53
GoldmanSach Mutual Fund Gold ETF	—	—	4,500	12.56
TOTAL (III) (A)		—		43.34

(IV) (A) INVESTMENT IN SILVER

- CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2016	Book Value 31.03.2016 (Rs.in Million)	No. of Units 31.03.2015	Book Value 31.03.2015 (Rs.in Million)
E- Silver *	2,800	16.12	2,800	16.12
TOTAL (IV) (A)		16.12		16.12

* 1 unit = 100 gms, 10 unit = 1 Kg of Silver



NOTES ON ACCOUNTS (Contd.)

NOTE - 11 (Contd.)

(V) (A) INVESTMENT IN SHARES - OTHER THAN SUBSIDIARIES

— CURRENT

— INVESTMENTS - TRADE

Equity Shares (Quoted) - Fully Paid

Name of the Company	No. of Equity Shares 31.03.16	Face Value per Share Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Equity Shares 31.03.15	Book Value 31.03.15 (Rs.in Million)
ACC Limited	10,000	10	13.07	2,575	3.51
Alstom India Limited	9,245	10	6.89	—	—
Axis Bank Limited	17,350	2	7.70	7,600	3.26
Asian Paints Limited	4,225	1	3.59	—	—
Bank of Rajasthan Ltd.	50	10	0.03	50	0.03
Canara Bank	3,800	10	1.81	11,250	5.37
Engineers India Ltd	6,750	5	1.82	18,500	5.00
Essar Shipping Ltd. *	50	10	0.00	50	0.00
Emami Limited	10,000	1	11.68	—	—
FAL Industries Ltd.	9,006	10	0.28	9,006	0.28
The Great Eastern Shipping Co. Ltd.	250	10	0.01	8,500	0.32
Gujarat Ambuja Cements Ltd.	75,750	2	2.15	75,750	2.15
HDFC Ltd	10,000	2	11.47	7,450	8.01
HDFC Bank	9,825	2	9.74	2,975	2.46
Hindustan Motors Ltd.	3,100	5	0.17	3,100	0.17
ICICI Bank Ltd.	22,000	2	6.26	22,000	6.26
IFCI Ltd.	900	10	0.04	900	0.04
India Cements Ltd. *	150	10	0.00	150	0.00
India Glycols Ltd.	16,600	10	1.50	16,600	1.50
Infosys Limited	5,000	5	4.88	7,125	13.92
ITC Limited	12,950	1	4.05	1,050	0.33
ING Vysya Bank Ltd.	4,769	10	0.77	4,769	0.77
Jaiprakash Associates Ltd.	1,825	2	0.04	1,825	0.04
JK Tyre Ltd.	-	2	-	20,500	2.79
Kotak Mahindra Bank Ltd	11,750	5	7.48	2,075	2.53
Lakshmi Vilas Bank Ltd.	1,550	10	0.27	1,550	0.27
Larsen & Toubro Ltd.	1,170	2	0.34	1,170	0.34
LUPIN Ltd	10,000	2	18.22	—	—
Maharashtra Seamless Ltd.	2,900	5	0.18	2,900	0.18
Nagarjuna Fertilisers & Chemicals Ltd. *	300	1	0.00	300	0.00
Reliance Industries Ltd.	2,018	10	0.47	2,018	0.47
Reliance Infrastructure Limited	—	10	—	8,550	5.40
Sanghi Industries Ltd.	200	10	0.02	200	0.02
Soma Textile & Industries Ltd.	200	10	0.01	200	0.01
Spentex Industries Ltd.	3,500	10	0.09	3,500	0.09
State Bank of India	78,000	1	2.18	78,000	2.18
Supreme Petrochem Ltd. *	100	10	0.00	100	0.00
Sun Pharma Limited	10,000	1	9.59	—	—
Tata Consultancy Limited	9,600	1	22.57	5,000	12.24
Tata Iron & Steel Company Ltd.	225	10	0.03	225	0.03
Tech Mahindra Limited	18,000	5	10.70	10,000	6.36
Tata Motors Ltd.	4,375	2	1.61	—	—
Ultratech Cement Ltd.	936	10	0.34	936	0.34
YES Bank Ltd.	8,950	10	6.57	—	—
SUB TOTAL			168.62		86.67

NOTES ON ACCOUNTS (Contd.)

NOTE - 11 (Contd.)

(V) (A) INVESTMENT IN SHARES - OTHER THAN SUBSIDIARIES (Contd.)

— CURRENT

— INVESTMENTS - TRADE

Others (Unquoted) - Fully Paid

Name of the Company	No. of Equity Shares 31.03.16	Face Value per Share Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Equity Shares 31.03.15	Book Value 31.03.15 (Rs.in Million)
Allahabad Bank	262	10.00	0.01	262	0.01
Continental Commercial Company Ltd.	15,145	100.00	1.52	15,145	1.52
Ohmtron India Ltd.	500	100.00	0.05	500	0.05
Rajban Sea Food Ltd. *	10	10.00	0.00	10	0.00
Saraswati Engineering Ltd.	600,000	10.00	9.90	600,000	9.90
Travancore Titanium Products Ltd.	192,228	10.00	86.93	192,228	86.93
SUB TOTAL			98.41		98.41
TOTAL (V) (A)			267.03		185.08

* The figures represent amounts rounded off to millions

(III) (B) INVESTMENT IN SHARES - OTHER THAN SUBSIDIARIES

— NON-CURRENT

— INVESTMENTS - TRADE

Equity & Preference Shares (Quoted) - Fully Paid

Name of the Company	No. of Shares 31.03.16	Face Value per Share Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Shares 31.03.15	Book Value 31.03.15 (Rs.in Million)
Bank of Baroda	118,750	2	23.00	118,750	23.00
Bharat Heavy Electricals Ltd.	175,450	2	83.74	185,000	88.30
Coal India Ltd.	25,775	10	9.97	27,025	10.45
The Indian Hotels Company Ltd.	3,175	1	0.33	16,875	1.77
Larsen & Toubro Ltd.	31,925	2	38.56	21,200	26.07
Larsen & Toubro Finance Ltd.	100,000	10	5.20	100,000	5.20
LIC Housing Finance Ltd.	30,050	2	7.74	65,850	16.97
Oil & Natural Gas Corporation Ltd.	143,525	5	48.74	143,525	48.74
Punjab National Bank	114,250	2	26.40	114,250	26.40
Reliance Industries Ltd.	100,300	10	105.30	100,300	105.30
State Bank of India	357,750	1	90.96	352,325	89.92
Tata Power Co. Ltd.	202,246	1	24.31	202,246	24.31
Union Bank of India	25,500	10	8.94	25,500	8.94
Larsen & Toubro Finance Ltd. - Preference Shares - 8.75%	—	10	—	393,385	39.34
Larsen & Toubro Finance Ltd. - Preference Shares - 8.40%	500,000	10	50.00	500,000	50.00
Tata Capital Ltd. (8.33% CRPS)	70,000	1,000	70.02	—	—
TOTAL (III) (B)			593.21		564.71
TOTAL OF INVESTMENT IN SHARES - OTHER THAN SUBSIDIARIES			860.24		749.78



NOTES ON ACCOUNTS (Contd.)

NOTE - 11 (Contd.)

(VI) (A) INVESTMENT IN DEBENTURE - OTHER THAN SUBSIDIARIES

— CURRENT *

— INVESTMENTS - TRADE

Name of the Company	Description	No. of Debenture 31.03.16	Face Value per Debenture Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Debenture 31.03.15	Book Value 31.03.15 (Rs.in Million)
LIC Housing Finance Limited @ \$	8.64%	250	1,000,000	247.63	—	—
Dewan Housing Finance Corporation \$	10.60%	—	1,000,000	—	500	501.56
Dewan Housing Finance Corporation \$	10.80%	—	1,000,000	—	100	100.42
IDFC Limited \$	8.85%	—	1,000,000	—	50	49.70
Reliance Capital Ltd.	10.40%	—	1,000,000	—	200	200.00
Tata Sons Limited \$	9.75%	100	1,000,000	100.15	—	—
HDB Financial Services Ltd. \$	8.54%	50	1,000,000	49.23	—	—
TOTAL OF (VI)(A)				397.01		851.68

* These investments are of long term nature in accordance with categorisation as per AS-13, however these have been reflected under Current Investments (in accordance with Schedule III) as they are due for maturity within a period of one year as at year end.

@ Represents Investments earmarked (\$ Previous Year) under an escrow account as security amount towards repayment of Liability towards depositors [Note 4.4]

(IV) (B) INVESTMENT IN DEBENTURE - OTHER THAN SUBSIDIARIES

— NON-CURRENT

— INVESTMENTS - TRADE

Name of the Company	Description	No. of Debenture 31.03.16	Face Value per Debenture Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Debenture 31.03.15	Book Value 31.03.15 (Rs. in Million)
Reliance Capital Ltd.	10.00%	250	1,000,000	249.63	250	249.63
Reliance Capital Ltd.	9.70%	250	1,000,000	250.00	250	250.00
HDB Financial Services Ltd. \$	9.97%	200	1,000,000	201.41	200	201.92
HDB Financial Services Ltd. \$	8.54%	—	1,000,000	—	50	49.23
Aditya Birla Finance Ltd \$	9.75%	150	1,000,000	150.14	150	150.26
LIC Housing Finance Limited \$	8.64%	—	1,000,000	—	250	247.63
Tata Sons Limited \$	9.75%	—	1,000,000	—	100	100.65
TOTAL (IV) (B)				851.18		1,249.32

TOTAL OF INVESTMENT IN DEBENTURES - OTHER THAN SUBSIDIARIES **1248.19** **2101.00**

\$ Represents Investments earmarked (Previous Year) under an escrow account as security amount towards repayment of Liability towards depositors [Note 4.4]

NOTES ON ACCOUNTS (Contd.)**NOTE - 11** (Contd.)**(VII) (A) INVESTMENT IN BONDS (FULLY PAID UP)****— CURRENT*****— INVESTMENTS - TRADE**

Name of the Company	Description	Nominal Value	Book Value	Nominal Value	Book Value
		31.03.2016 (Rs.in Million)	31.03.2016 (Rs.in Million)	31.03.2015 (Rs.in Million)	31.03.2015 (Rs.in Million)
Steel Authourity of India Ltd. \$	8.80%	50.00	50.06	—	—
Vijaya Bank \$	9.25%	200.00	200.32	—	—
Punjab National Bank	9.15%	500.00	534.12	—	—
Power Grid Corporation of India Ltd. \$	10.90%	—	—	22.90	22.92
Power Grid Corporation of India Ltd. \$	8.90%	—	—	50.00	50.13
Power Grid Corporation of India Ltd. \$	8.84%	—	—	150.00	150.35
Power Grid Corporation of India Ltd. (08/07/15) \$	8.64%	—	—	100.00	100.05
Power Grid Corporation of India Ltd. (08/07/16) \$	8.64%	250.00	250.06	—	—
Food Corporation of India Ltd. \$	7.58%	—	—	125.00	125.00
Bank of Baroda \$	7.45%	—	—	100.00	100.00
EXIM Bank \$	8.45%	—	—	100.00	100.00
ICICI Bank Ltd. \$	7.50%	—	—	8.00	7.67
Indian Overseas Bank \$	7.25%	—	—	500.00	500.00
Power Finance Corporation \$	7.60%	—	—	100.00	96.12
Power Finance Corporation \$	8.70%	—	—	300.00	300.07
State Bank of India \$	7.45%	—	—	250.00	250.00
Hindustan Photofilms Mfg. Co. Ltd.	13.00%	302.49	284.65	302.49	284.65
SUB - TOTAL - (VII) (A)		1,302.49	1,319.21	2,108.39	2,086.96

* These investments are of long term nature in accordance with categorisation as per AS-13, however these have been reflected under Current Investments (in accordance with Schedule III) as they are due for maturity within a period of one year as at year end.

\$ Represents Investments earmarked (Previous Year) under an escrow account as security amount towards repayment of Liability towards depositors [Note 4.4]



NOTES ON ACCOUNTS (Contd.)

NOTE - 11 (Contd.)

(V) (B) PUBLIC SECTOR BONDS (FULLY PAID UP)

— NON-CURRENT

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value 31.03.2016 (Rs. in Million)	Book Value 31.03.2016 (Rs. in Million)	Nominal Value 31.03.2015 (Rs. in Million)	Book Value 31.03.2015 (Rs. in Million)
HUDCO Ltd. (Tax Free)	8.51%	300.00	300.00	300.00	300.00
HUDCO Ltd. (Tax Free)	7.34%	100.00	101.12	—	—
HUDCO Ltd. (Tax Free)	8.10%	50.00	51.71	—	—
India Infrastructure Finance Company Limited (Tax Free)	8.16%	250.00	250.00	250.00	250.00
India Infrastructure Finance Company Limited (Tax Free)	7.19%	500.00	489.44	500.00	489.58
Indian Railway Finance Corporation Limited (Tax Free)	6.32%	100.00	100.00	100.00	100.00
Indian Railway Finance Corporation Limited (Tax Free)	8.00%	141.88	140.61	141.88	140.61
Indian Railway Finance Corporation Limited (Tax Free)	7.18%	500.00	483.63	500.00	483.68
Indian Railway Finance Corporation Limited (Tax Free)	8.35%	200.00	200.00	200.00	200.00
Indian Railway Finance Corporation Limited (Tax Free)	8.23%	500.00	500.00	500.00	500.00
National Highways Authority Of India (Tax Free)	8.20%	207.56	208.57	207.56	208.79
National Highways Authority Of India (Tax Free)	8.27%	200.00	200.00	200.00	200.00
National Housing Bank (Tax Free)	8.26%	72.19	72.19	72.19	72.19
National Housing Bank (Tax Free)	6.87%	500.00	460.45	500.00	460.45
Power Finance Corporation (Tax Free)	8.20%	250.00	251.83	250.00	252.19
Power Finance Corporation (Tax Free)	7.21%	500.00	504.00	500.00	504.61
Power Grid Corporation of India Ltd. (08/07/16) \$	8.64%	—	—	250.00	250.29
Punjab National Bank	9.15%	—	—	534.00	536.98
Rural Electrification Corporation Ltd. (Tax Free)	8.18%	500.00	500.23	500.00	500.27
Rural Electrification Corporation Ltd. (Tax Free)	7.21%	350.00	352.19	350.00	352.53
IREDA (Tax Free)	7.17%	250.00	249.98	—	—
IREDA (Tax Free)	7.28%	34.06	34.07	—	—
Vijaya Bank \$	9.25%	—	—	200.00	201.26
SUB - TOTAL - (V) (B)		5,505.69	5,450.02	6,105.63	6,053.60
TOTAL OF INVESTMENT IN BONDS			6,769.23		8,140.56

@ [P.Y. \$] Represents Investments earmarked under an escrow account as security amount towards repayment of Liability towards depositors [Note 4.4]

(VIII) (A) INVESTMENT IN GOVT. SECURITIES (FULLY PAID UP)

— CURRENT* \$

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value 31.03.2016 (Rs.in Million)	Book Value 31.03.2016 (Rs.in Million)	Nominal Value 31.03.2015 (Rs.in Million)	Book Value 31.03.2015 (Rs.in Million)
Government of India Bond 2016	7.02%	750.00	737.25	—	—
Government of India Bond 2015	7.38%	—	—	2,700.00	2,708.72
State Development Loans 2015	7.77%	—	—	291.90	291.98
TOTAL - (VIII) - (A)		750.00	737.25	2,991.90	3,000.70

* These investments are of long term nature in accordance with categorisation as per AS-13, however these have been reflected under Current Investments (in accordance with Revised Schedule III) as they are due for maturity within a period of one year as at year end.

\$ Represents Investments earmarked under an escrow account as security amount towards repayment of Liability towards depositors. [Note 4.4]

NOTES ON ACCOUNTS (Contd.)

NOTE - 11 (Contd.)

(VI) (B) INVESTMENT IN GOVT. SECURITIES (FULLY PAID UP)

— NON-CURRENT \$

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value 31.03.2016 (Rs.in Million)	Book Value 31.03.2016 (Rs.in Million)	Nominal Value 31.03.2015 (Rs.in Million)	Book Value 31.03.2015 (Rs.in Million)
Government of India Bond 2017	7.49%	500.00	492.25	500.00	492.25
Government of India Bond 2016	7.02%	—	—	750.00	737.25
Government of India Bond 2024	8.40%	450.00	465.95	—	—
State Development Loans 2025	8.00%	350.00	346.62	—	—
State Development Loans 2025	8.06%	100.00	99.98	—	—
State Development Loans 2025	8.07%	100.00	100.10	—	—
State Development Loans 2025	8.08%	403.84	402.08	—	—
State Development Loans 2025	8.09%	250.00	250.57	—	—
State Development Loans 2025	8.10%	150.00	150.16	—	—
State Development Loans 2025	8.12%	400.00	400.52	—	—
State Development Loans 2025	8.14%	900.00	901.33	—	—
State Development Loans 2025	8.15%	450.00	450.68	—	—
State Development Loans 2025	8.16%	650.00	651.19	—	—
State Development Loans 2025	8.17%	100.00	100.15	—	—
State Development Loans 2025	8.18%	50.00	50.17	—	—
State Development Loans 2025	8.23%	700.00	698.97	—	—
State Development Loans 2025	8.25%	950.00	954.45	—	—
State Development Loans 2025	8.27%	1,144.57	1,151.39	—	—
State Development Loans 2025	8.28%	650.00	650.73	—	—
State Development Loans 2025	8.30%	1,020.78	1,025.45	—	—
State Development Loans 2025	8.31%	1,700.00	1,712.43	—	—
State Development Loans 2025	8.38%	180.00	180.07	—	—
State Development Loans 2025	8.53%	320.00	320.14	—	—
State Development Loans 2025	8.88%	50.00	50.44	—	—
TOTAL - (VI) - (B)		11,569.19	11,605.82	1,250.00	1,229.50
TOTAL OF INVESTMENT IN GOVT. SECURITIES			12,343.07		4,230.20

\$ Represents Investments earmarked under an escrow account as security amount towards repayment of Liability towards depositors.
[Note 4.4]

Investment in State Development Loans are made across various States in India.



NOTES ON ACCOUNTS (Contd.)

NOTE - 11 (Contd.)

(IX) (A) INVESTMENT IN RIGHT TO PROPERTY

— CURRENT

— TRADE

Description	Book Value 31.03.2016 (Rs. in Million)	Book Value 31.03.2015 (Rs. in Million)
Right to Property	301.22	301.22
TOTAL OF INVESTMENTS IN RIGHT TO PROPERTY TOTAL (IX)(A)	301.22	301.22
TOTAL OF NON -CURRENT INVESTMENTS - TRADE - (1)	20,483.50	13,431.36
TOTAL OF CURRENT INVESTMENTS - TRADE - (2)	8,047.60	14,977.63

(X) (A) INVESTMENT IN SHARES - SUBSIDIARY COMPANIES

—CURRENT

—INVESTMENTS - OTHER THAN TRADE

(Unquoted) - Fully Paid (unless otherwise stated)

Name of the Company	No. of Shares 31.03.16	Face Value per Share Rs. P.	Book Value 31.03.16 (Rs. in Million)	No. of Shares 31.03.15	Book Value 31.03.15 (Rs. in Million)
Peerless Hospitex Hospital & Research Center Ltd. (Pref.) - 7%	1,800,000	100.00	180.00	—	—
TOTAL (X)(A)			180.00		—

(VII) (B) INVESTMENT IN SHARES - SUBSIDIARY COMPANIES

—NON-CURRENT

—INVESTMENTS - OTHER THAN TRADE

(Unquoted) - Fully Paid (unless otherwise stated)

Name of the Company	No. of Shares 31.03.16	Face Value per Share Rs. P.	Book Value 31.03.16 (Rs. in Million)	No. of Shares 31.03.15	Book Value 31.03.15 (Rs. in Million)
Peerless Financial Product Distribution Ltd	44,068,536	10.00	440.69	44,068,536	440.69
Peerless Financial Product Distribution Ltd (Pref.) - 7%	450,000	100.00	45.00	450,000	45.00
Peerless Hospitex Hospital & Research Center Ltd. (Pref.) - 7%	—	100.00	—	1,800,000	180.00
Peerless Hospitex Hospital & Research Center Ltd.	22,071,333	10.00	338.18	16,198,000	161.98
Peerless Hotels Ltd.	4,577,716	10.00	419.69	4,577,716	419.69
Peerless Securities Ltd.	24,080,000	10.00	341.91	24,080,000	341.91
Peerless Funds Management Company Ltd.	98,998,600	10.00	989.99	98,998,600	989.99
Peerless Trust Management Company Ltd.	1,999,300	10.00	19.99	1,999,300	19.99
Peerless Financial Services Ltd. [3,44,89,408 Eq. Shares of Rs. 10, Fully Paid Up - (P.Y. 3,33,33,333 Eq. Shares of Rs. 10 each ,6 paid up)]	34,489,408	10.00	511.95	34,489,408	211.95
TOTAL - (VII) (B)			3,107.40		2,811.20

NOTES ON ACCOUNTS (Contd.)

NOTE - 11 (Contd.)

(VIII) (B) INVESTMENT IN SHARES - JOINT VENTURE COMPANY

— NON-CURRENT

— INVESTMENTS - OTHER THAN TRADE

(Unquoted) - Fully Paid

Name of the Company	No. of Shares 31.03.16	Face Value per Share Rs. P.	Book Value 31.03.16 (Rs. in Million)	No. of Shares 31.03.15	Book Value 31.03.15 (Rs. in Million)
Bengal Peerless Housing Development Ltd.	662,850	10.00	6.63	662,850	6.63
TOTAL - (VIII) (B)			6.63		6.63

(XI) (A) INVESTMENT IN DEBENTURES - SUBSIDIARY COMPANY

— CURRENT

— INVESTMENTS - OTHER THAN TRADE

(Unquoted)

Name of the Company	Rate	No. of Debentures 31.03.16	Book Value 31.03.16 (Rs. in Million)	No. of Debentures 31.03.15	Book Value 31.03.15 (Rs. in Million)
Peerless Hospitex Hospital & Research Centre Ltd.	7.00%	—	—	1,762,000	176.20
TOTAL - (XI) (A)			—		176.20

(IX) (B) INVESTMENT IN DEBENTURES - SUBSIDIARY COMPANY

— NON-CURRENT

— INVESTMENTS - OTHER THAN TRADE

(Unquoted)

Name of the Company	Rate	No. of Debentures 31.03.16	Book Value 31.03.16 (Rs. in Million)	No. of Debentures 31.03.15	Book Value 31.03.15 (Rs. in Million)
Peerless Hospitex Hospital & Research Centre Ltd.	8.00%	1,000,000	100.00	1,000,000	100.00
TOTAL - (IX) (B)			100.00		100.00

TOTAL OF NON-CURRENT INVESTMENTS - NON TRADE - (3) **3,214.03** **2,917.83**

TOTAL OF CURRENT INVESTMENTS - NON TRADE - (4) **180.00** **176.20**

GRAND TOTAL OF NON-CURRENT INVESTMENTS - (5) = (1) + (3) **23,697.53** **16,349.19**

GRAND TOTAL OF CURRENT INVESTMENTS - (6) = (2) + (4) **8,227.60** **15,153.83**

TOTAL OF ALL INVESTMENTS (5) + (6) **31,925.14** **31,503.02**

NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)		
	<u>31.03.2016</u>		<u>31.03.2015</u>
NOTE - 12: LONG-TERM LOANS AND ADVANCES			
(Unsecured, unless otherwise stated)			
(Considered good by Management except to the extent provided for)			
Loan secured against mortgage/hypothecation of Properties/ Shares/Vehicles	8.29		8.39
Less : Provided for	<u>4.10</u>	4.19	<u>4.10</u>
House Building Loan [Secured against mortgage of properties]		16.40	
Consumer Durable Loan [Secured against hypothecation of consumer durable items]		1.23	
Personal Loan to Employees		0.27	
Sundry Deposits @		15.07	
Capital Advance		0.88	
Earnest Money Deposit		0.64	
Advance Recoverable in cash or in kind or for value to be received			
Advance	3.31		4.82
Less : Provided for	<u>0.74</u>	2.57	<u>0.74</u>
Advance Taxes (including Interest Tax, Wealth Tax and Income Tax Deducted at Source) - net of provisions		366.17	
Prepaid Expenses		3.90	
TOTAL		<u>411.32</u>	<u>484.12</u>

@ Includes an amount of Rs. 0.10 million [Prev. Year Rs. 0.10 million] deposit with related party

	(Rs. in Million)		
	<u>31.03.2016</u>		<u>31.03.2015</u>
NOTE - 13: OTHER NON-CURRENT ASSETS			
(Unsecured, unless otherwise stated)			
(Considered good by Management except to the extent provided for)			
Accrued Interest on Investments #		0.02	
Accrued Interest on Loan to Employees@		35.94	
Amount Receivable - ESI Matters		19.18	
TOTAL		<u>55.14</u>	<u>89.58</u>

@ Out of above Rs. 35.86 million (Prev. Year Rs. 38.37 million) is also secured against mortgage of properties and hypothecation of consumer durable items.

This includes interest accrued of Rs. 0.02 million (Prev. Year Rs. 31.99 million) on Investments earmarked in an Escrow Account on account of security towards Aggregate Liability to Depositors (ALD). - Note [4.4]

	(Rs. in Million)		
	<u>31.03.2016</u>		<u>31.03.2015</u>
NOTE - 14: INVENTORIES			
(Valued at Lower of Cost and Net Realisable Value)			
Project Work in Progress		133.50	
TOTAL		<u>133.50</u>	<u>98.13</u>
Breakup of Project Work in Progress			
Cost of Land		19.82	
Cost of Construction		99.52	
Other Development Costs		14.20	
		<u>133.50</u>	<u>98.13</u>

NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)		
	<u>31.03.2016</u>		<u>31.03.2015</u>
NOTE - 15 : CASH AND CASH EQUIVALENTS			
Cash in hand	1.55		1.62
Cheques/Demand Drafts in hand	<u>0.58</u>	2.13	<u>0.05</u>
Stamps in hand		0.10	
Bank Balance with Scheduled Banks			
in Current Accounts @		266.82	167.71
Bank Balance for Unpaid Dividend		94.02	75.93
TOTAL		<u>363.07</u>	<u>245.50</u>

@ Includes Rs.101.71 million (Prev. Year Rs. 18.54 million) kept in an Escrow Bank Account, on account of security towards Aggregate Liability to Depositors (ALD). [Note 4.4]

	(Rs. in Million)		
	<u>31.03.2016</u>		<u>31.03.2015</u>
NOTE - 16: SHORT-TERM LOANS AND ADVANCES			
(Unsecured, unless otherwise stated)			
(Considered good by Management except to the extent provided for)			
Loan secured against mortgage/hypothecation of Properties/Shares/Vehicles	10.42		11.92
Less : Provided for	<u>5.32</u>	5.10	<u>6.07</u>
House Building Loan [Secured against mortgage of properties]	7.92		10.09
Less : Provided for	<u>1.40</u>	6.52	<u>1.78</u>
Consumer Durable Loan [Secured against hypothecation of consumer durable items]	1.72		2.72
Less : Provided for	<u>0.21</u>	1.51	<u>0.21</u>
Personal Loan to Employees	0.53		0.64
Less : Provided for	<u>—</u>	0.53	<u>0.01</u>
Advance Recoverable in cash or in kind or for value to be received			
Advance @	42.72		30.94
Less : Provided for	<u>2.55</u>	40.17	<u>2.50</u>
Prepaid Expenses		14.57	
TOTAL		<u>68.40</u>	<u>59.56</u>

@ Includes Rs. Nil million (Prev. Year Rs. 0.32 million) receivable from related parties [considered good].

NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 17: OTHER CURRENT ASSETS		
(Unsecured, unless otherwise stated)		
(Considered good by Management except to the extent provided for)		
Stock of printed matters	0.08	0.12
Branch and Other Office Adjustments (Net)	0.03	—
Accrued Interest on Investments \$	546.01	467.02
Accrued Interest on Loan to Employees #	4.30	4.57
Amount Receivable @	197.27	192.83
Less : Provided for	154.32	154.10
Fixed Assets Held for Sale	46.00	—
TOTAL	639.37	510.44

\$ Out of above, Rs.280.09 million (Prev. Year Rs. 234.09 million) is on account of interest accrued on Investments earmarked in an Escrow Account on account of security towards Aggregate Liability to Depositors (ALD). - Note [4.4]

@ Includes Rs. 5.00 million (Prev. Year Rs. 3.77 million) receivable from related parties [considered good].

Out of above Rs. 4.22 million (Prev. Year Rs. 4.33 million) is also secured against mortgage of properties and hypothecation of consumer durable items.

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 18 : REVENUE FROM OPERATIONS		
Interest	2,091.17	2,106.48
Dividend	134.69	181.95
Profit on Sale of Investments	85.26	166.37
Construction Project Income	35.16	—
TOTAL	2,346.28	2,454.80
a) Interest on Investments :		
– Investments - Trade : Long-Term	1,435.03	1,150.56
: Current	649.88	942.75
– Investments - Other than Trade		
: Current	5.03	12.33
– Others	1.23	0.84
TOTAL	2,091.17	2,106.48
b) Dividend (Gross)		
Long-Term Investments - Other than Trade		
– Subsidiaries	13.73	18.31
– Associates	43.09	4.97
Long-Term Investments - Trade	19.04	13.23
Current Investments - Trade		
– Associates	29.79	46.72
– Others - Shares & Mutual Fund	29.04	98.72
TOTAL	134.69	181.95

NOTES ON ACCOUNTS (Contd.)

NOTE - 18 : REVENUE FROM OPERATIONS (Contd.)

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
c) Profit/(Loss) on Sale of Investments, etc		
– Trade Investments		
Long - Term Investments		
– Associates	2.88	14.24
– Others	9.07	72.31
Other Investments		
– Associates	9.53	—
– Others @	63.78	79.82
TOTAL	85.26	166.37

@ Includes Profit on Sale of Right to Property of Rs. Nil million (Prev. Year Rs. 34.78 million)

Note: The bifurcation/categorisation of income above has been made based on classification of Investments into Current and Long Term in accordance with AS-13.

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 19 : OTHER INCOME		
Interest - Others	76.28	3.92
Rent	60.59	74.94
Profit on Sale of Fixed Assets	17.48	3.27
Service Fees from Insurance Companies & Others	82.22	102.28
Provisions/Liabilities no longer required written back	107.35	34.02
Miscellaneous Income	45.60	4.86
TOTAL	389.52	223.29
a) Interest - Others:		
Interest on Income tax refund	73.80	—
Interest on Employee Loans/Others	2.48	3.92
TOTAL	76.28	3.92
b) Provisions/Liabilities no longer required written back consists of:		
Diminution in Investments	93.92	20.97
Loans and Advances	1.24	4.25
Liability for Expenses	8.69	8.71
Others	3.50	0.09
TOTAL	107.35	34.02
c) Miscellaneous Income consists of:		
Realisation of Non-Performing Loan/Advance written off in previous years	42.68	—
Others	2.92	4.86
	45.60	4.86

NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 20 : EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus, Gratuity etc.	448.21	453.03
Contribution to Provident & Other Funds	42.27	42.65
Directors' Remuneration :		
Managing/Wholetime Directors		
Salary	19.51	20.44
Contribution to Provident & Other Funds	4.86	4.38
Other Benefits	31.93	31.36
Staff Amenities & Welfare	21.82	22.60
TOTAL	568.60	574.46

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 21: FINANCE COSTS		
Interest on Service Tax/Others	0.01	1.02
Bank & Finance Charges	0.68	0.76
TOTAL	0.69	1.78

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 22 : PROVISION FOR DOUBTFUL DEBTS AND RECEIVABLES/INVESTMENTS		
Provision for Doubtful Debts and Receivables	0.37	0.04
Provision for Diminution in Value of Investments	371.20	58.34
TOTAL	371.57	58.38

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 23 : DEPRECIATION AND AMORTISATION		
Depreciation on Tangible Assets	23.96	52.56
Amortisation of Intangible Assets	0.86	1.07
	24.82	53.63
Less: Transfer from Revaluation Reserve	—	0.63
TOTAL	24.82	53.00

NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 24: OTHER EXPENSES		
Construction Project Expenses	32.17	—
Service Activity Expenses	45.14	79.64
Insurance Premium under Accident Benefit Scheme	—	0.12
Commission to Other Directors	4.08	4.10
Directors' Fees	1.65	1.19
Charities and Donation	14.08	5.27
Rent	36.64	39.66
Rates & Taxes	15.69	13.13
Insurance	2.25	2.77
Electricity charges	18.55	18.89
Advertisement & Publicity	65.51	63.54
Legal & Professional Charges	127.40	106.03
Repairs -		
Building	7.21	8.05
Others	25.22	20.58
Security & Manpower/Contract Cost	31.54	32.89
Advances/Branch & Other Office Adjustments Written Off	0.09	1.91
Provision for Diminution in Value of Fixed Assets Held for Sale	4.93	—
Corporate Social Responsibility Expenses (Note 41)	27.85	5.54
Other Expenditure	72.81	78.93
TOTAL	532.81	482.24

NOTES ON ACCOUNTS

25. In accordance with the Directions issued by the Reserve Bank of India to discontinue its Residuary Non- Banking (RNBC) business in a phased manner, the Company has not accepted any fresh/ new deposits from 1st April 2010 and also stopped accepting any renewals/installments of existing deposits with effect from 1st April 2011. The Company has assets/investments which are sufficient to discharge liabilities towards depositors as per the guidelines issued by RBI. The Company has already identified diversification/expansion in businesses of Mutual Fund, Financial Products Distribution, and expansion of Hotels & Hospitals through its subsidiaries.

26. In respect of various Direct tax matters, the position as per Assessment Orders is as follows:

Income Tax

In respect of AY 1985-86 and 1986-87 The Order of Hon'ble High Court treating the first year's subscription prior to 15.05.87 as revenue receipt and thereafter capital receipt, has been stayed by Hon'ble Supreme Court on Special Leave Petition filed by the Company.

In respect of A.Y's 1987-88 to 2012-13, for certain years, the Company / Department have gone into appeal and the assessments are pending for adjudication at various stages [Gross Demand Rs. 5,467.19 million and Net demand Rs. (26.02) million after adjusting TDS, Advance Tax and refund sanctioned]. Amount of demands not determinable have presently been not included herein.

In respect of Interest tax, Assessment years 1993-94 to 2000-01, full appeal effects are yet to be given. [Gross demand Rs. 296.30 million, Net Demand Rs. (50.00) million]. Wealth Tax assessment orders are pending at various levels [Gross Demand Rs. 49.97 million, Net Demand Rs. 0.92 million].

Advance Tax (including Interest Tax & Wealth Tax/Tax deducted at source, net of provisions) amounting to Rs.366.17 million shown under Note 12 [Long Term Loans and Advances] of financial statements includes Income Tax deducted at source of Rs.177.98 million for which credit is yet to be accepted by the Income Tax Department pending verification.

In respect of taxation matters pending assessment and taxation matters contested as above, in the view of the management, sufficient provision is existing in the accounts which is based on accounting policies followed by the Company and for which legal and professional opinions are received by the management and as such no further adjustments in this respect is considered necessary. Liability for taxation, interest, penalty etc. on account of adjustments made/to be made on/for revivals, settlements etc. or otherwise will be provided/made as and when these are finally ascertained.

27. The disclosures required under Accounting Standard - 15 on "Employee Benefits" are given below:

Defined Contribution Scheme

	(Rs. in Million)	
Description	2015-16	2014-15
Employer's Contribution to Provident Fund	19.78	21.88
Employer's Contribution to Pension Fund	12.59	10.68
Employer's Contribution to Superannuation Fund	4.90	4.87
Total	37.27 *	37.43 *

* excludes employers contribution of Rs. 9.86 million (Prev. Year Rs. 9.60 million) on account of insurance scheme for employees.

Defined Benefit Scheme

Obligation in respect of employee's gratuity fund scheme managed by Life Insurance Corporation of India is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes 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:

NOTES ON ACCOUNTS (contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :		
Liability at the beginning of the year	289.15	263.91
Interest Cost	20.94	22.10
Current Service Cost	10.22	9.26
Actuarial (gain) / loss on obligations	6.44	21.20
Benefits paid	(35.81)	(27.32)
Liability at the end of the year	290.94	289.15
Changes in the Fair Value of Plan Asset representing reconciliation of opening and closing balances thereof are as follows:		
Fair value of Plan Assets at the beginning of the year	246.48	238.85
Expected Return on Plan Assets	16.22	15.90
Contributions by the Company	30.08	14.37
Benefits paid	(35.81)	(27.32)
Actuarial gain / (loss) on Plan Assets	3.57	4.68
Fair value of Plan Assets at the end of the year	260.54	246.48
Total actuarial gain/(loss) to be Recognized	2.87	16.52
Actual return on Plan Assets		
Expected return on Plan assets	16.22	15.90
Actuarial gain / (loss) on Plan Assets	3.57	4.68
Actual Return on Plan Assets	19.79	20.58
Amount Recognized in Balance Sheet		
Liability at the end of the year	290.94	289.15
Fair value of Plan Assets at the end of the year	260.54	246.48
Amount Recognized in the Balance Sheet	30.40	42.67
	31.03.2016	31.03.2015
Expenses Recognized in the Income Statement		
Current Service Cost	10.22	9.26
Interest Cost	20.94	22.10
Expected Return on Plan Assets	(16.22)	(15.90)
Net Actuarial (gain)/loss to be Recognized	2.87	16.52
Expenses Recognized in Profit & Loss Account	17.81	31.98
Investment Details of Plan Assets		
– Insurer Managed Fund (100%)	260.54	246.48
	31.03.2016	31.03.2015
Balance Sheet Reconciliation		
Opening Net Liability	42.67	25.06
Expenses as above	17.81	31.98
Employers Contribution	(30.08)	(14.37)
Amount Recognized in Balance Sheet	30.40	42.67

NOTES ON ACCOUNTS (contd.)

Amounts recognized in current year and previous four years	(Rs. in Million)				
	2015-16	2014-15	2013-14	2012-13	2011-12
Defined Benefit Obligation	290.94	289.15	263.91	263.78	244.23
Plan Assets	260.54	246.48	238.85	233.88	223.76
(Surplus)/Deficit	30.40	42.67	25.06	29.90	20.47
Experience adjustments on plan liabilities					
Loss/(Gain)	3.53	4.12	13.63	9.65	6.38
Experience adjustments on plan Assets					
(Loss)/Gain	3.57	4.68	3.83	9.19	4.06

Compensated Absences

The obligation for compensated absences is determined based on actuarial valuation using the Projected Unit Credit Method. The actuarial liability of Compensated Absences (unfunded) of accumulated privileged and sick leaves of the employees of the company as at year end is given below:

	(Rs. in Million)	
	As at 31st March 2016	As at 31st March 2015
Privileged Leave	88.16	83.48
Sick Leave	8.28	8.81
Total	96.44	92.29

Principal Actuarial assumptions as at the Balance Sheet date

Discount Rate	7.80%	8.00%
Rate of Return on Plan Assets	7.50%	7.50%
Salary Escalation Rate	8.00%	8.00%
Retirement Age	58 years	58 years
Leaving Service	Age Rate	Age Rate
	21-30 10%	21-30 10%
	31-40 5%	31-40 5%
	41-50 3%	41-50 3%
	51-57 2%	51-57 2%

Notes : i) Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.

ii) The Company expects to contribute Rs. 15 million to Gratuity fund in 2016-17.

28. (a) The Company has been legally advised that the provisions of section 205C of the Companies Act, 1956 (Section 125 of the Companies Act, 2013) in respect of subscription amounts collected from the Certificate-holders are not applicable to it. Accordingly, such amounts, which are lying unclaimed for 7 years or more, have not been transferred to the Investors Education and Protection Fund.

(b) In respect of the notice received from Deputy Registrar of Companies, West Bengal for non deposit of amount of unpaid deposit to the extent of Rs. 3.55 million to the said fund, pursuant to a writ petition filed by the Company before the Hon`ble High Court at Calcutta, the said sum was deposited in earlier year in a separate account with a nationalized bank and continues to remain so till final judgement of Hon`ble High Court at Calcutta is received.

NOTES ON ACCOUNTS (contd.)

29. Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act). There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance sheet date. Relevant disclosures as required under the Act are as follows:

Particulars	(Rs. in Million)	
	As at 31.03.2016	As at 31.03.2015
a) i. Principal amount remaining unpaid to supplier under the MSMED Act 2006	0.18	0.01
ii. Interest on a) (i) above	Nil	Nil
b) i. Amount of Principal paid beyond the appointed date	Nil	Nil
ii. Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	Nil	Nil
c) Amount of Interest due and payable for the period of delay in making payment, but without adding the interest specified under section 16 of the said Act	Nil	Nil
d) Amount of Interest accrued and due	Nil	Nil
e) Amount of further interest remaining due and payable even in succeeding years	Nil	Nil

30. Contingent Liability :

	(Rs. in Million)	
	As at 31.03.2016	As at 31.03.2015
i. Claims against the Company not acknowledged as debts (to the extent ascertained from the available records)		
• ESI Matters (sub judice)	245.37	245.37
• Other Matters (including those pending before consumer forums)	2.65	2.85
ii. Service Tax matters (under dispute)	185.37	142.06
iii. Direct Tax matters (refer note 26 above) – Amount not determinable	—	—
Note : Future cash outflows, if any, in respect of (i) to (iii) above is dependent upon the outcome of judgement/decisions etc.		

31. Estimated Value of contracts remaining to be executed on capital accounts and not provided for, net of advances:

	(Rs. in Million)	
	As at 31.03.2016	As at 31.03.2015
Capital Commitment	—	—
Investments Partly paid – Equity Shares of Rs. 10 each in Peerless Financial Services Limited (Rs. 6 paid up) [excluding securities premium of Rs. 5 per share]	—	133.33

32. Payment to Auditors, exclusive of Service Tax (considered under Other expenditure) is on account of:

Description	(Rs. in Million)	
	For the year ended 31.03.2016	For the year ended 31.03.2015
Statutory Audit	3.00	3.00
Certification, Out of pocket Expenses, etc.	5.00	4.31

NOTES ON ACCOUNTS (contd.)

33. Disclosures as required as per Accounting Standard (AS-18) on Related Party Disclosures are as below :

- a) Enterprise where control exist

Subsidiary Companies

Peerless Financial Products Distribution Ltd

Peerless Hospitex Hospital & Research Center Ltd.

Peerless Securities Ltd.

Peerless Hotels Ltd.

Peerless Funds Management Company Ltd.

Peerless Trust Management Company Ltd.

Peerless Financial Services Ltd.

Peerless Commodities Ltd. – (Subsidiary of Peerless Securities Ltd.)

- b) Other related parties with whom transactions have taken place during the year

Joint Venture/Group Enterprises

Bengal Peerless Housing Development Co. Ltd.

Kaizen Leisure & Holidays Ltd. (earlier known as Kaizen Leisure & Holidays Pvt. Ltd.)

Kaizen Hotels & Resorts Ltd. (earlier known as Hotel Durgapur International)

Bichitra Holdings Private Ltd.

Shikha Holdings Private Ltd.

Peerless Mutual Fund (managed by Peerless Funds Management Company Ltd.)

Peerless Golden Jubilee Charitable Trust

- c) Key Management Personnel/Relatives of Key Management Personnel

Mr. S K Roy, Managing Director

Mr. B. Lahiri, Deputy Managing Director

Mr. Jayanta Roy – Director – Relative of Managing Director

Mr. S. Bhattacharyya – Chief Financial Officer (Upto 31st March 2016)

Mr. A. K. Mukhuty – Chief Financial Officer (w.e.f 01st April, 2016)

Mr. K. Balasubramanian – Company Secretary

Mr. T.K Roy - Relative of Managing Director

Mrs. Shikha Roy - Relative of Managing Director

Miss. Debasree Roy – Relative of Managing Director

NOTES ON ACCOUNTS (contd.)

d) The Company's related party transactions are herein disclosed below:

(Rs. in Million)

Sl. No.	Nature of transaction	Subsidiaries	Joint Venture/ Group Enterprises	Key Management Personnel/ Relatives	Grand Total
1.	EXPENSES				
	Receiving of Services/Reimbursement of Expenses *	8.98	4.67	—	13.65
	Previous Year	10.69	6.55	0.18	17.42
	Remuneration @	—	—	36.65	36.65
	Previous Year	—	—	34.03	34.03
	Commission to Directors	—	—	29.47	29.47
	Previous Year	—	—	29.39	29.39
	Rent Expense	0.68	0.13	—	0.81
	Previous Year	0.70	0.13	—	0.83
	Dividend	—	127.23	152.55	279.78
	Previous Year	—	86.52	103.72	190.24
	Total - Current Year	9.66	132.03	218.67	360.36
	Total - Previous Year	11.39	93.20	167.32	271.91
2	INCOME				
	Rendering of Services/ Reimbursement of Expenses	20.63	1.14	—	21.77
	Previous Year	23.14	3.22	—	26.36
	Interest	13.03	—	—	13.03
	Previous Year	20.40	—	—	20.40
	Rental Income	44.09	5.75	—	49.84
	Previous Year	48.57	3.50	—	52.07
	Dividend on Preference/Equity Shares/Mutual fund	13.73	72.88	—	86.61
	Previous Year	18.31	51.69	—	70.00
	Profit on sale of Units of Mutual fund	—	12.41	—	12.41
	Previous Year	—	14.24	—	14.24
	Total - Current Year	91.48	92.18	—	183.66
	Total - Previous Year	110.42	72.65	—	183.07
3.	ASSETS				
	Amounts Receivable/Advance	5.01	0.09	—	5.10
	Previous Year	3.74	0.36	—	4.10
	INVESTMENTS				
	Shares – Equity	3,062.40	6.63	—	3,069.03
	Previous Year	2,586.20	6.63	—	2,592.83
	Shares – Preference	225.00	—	—	225.00
	Previous Year	225.00	—	—	225.00
	Debentures	100.00	—	—	100.00
	Previous Year	276.20	—	—	276.20
	Schemes of Mutual Fund	—	1,027.59	—	1,027.59
	Previous Year	—	850.87	—	850.87
	Total - Current Year	3,392.41	1,034.31	—	4,426.72
	Total - Previous Year	3,091.14	857.86	—	3,949.00

NOTES ON ACCOUNTS (contd.)

(Rs. in Million)

Sl. No.	Nature of transaction	Subsidiaries	Joint Venture/ Group Enterprises	Key Management Personnel/ Relatives	Grand Total
4	LIABILITY				
	Amounts Payable / Advance / Security Deposit / Earnest Money	2.91	0.53	29.47	32.91
	Previous Year	4.32	0.51	29.39	34.22
	Provision for Investment in Shares – Equity	371.59	—	—	371.59
	Previous Year	40.09	—	—	40.09
	Provision for Investment in Shares – Preference	135.00	—	—	135.00
	Previous Year	135.00	—	—	135.00
	Provision for Investment in Debentures	—	—	—	—
	Previous Year	88.10	—	—	88.10
	Total - Current Year	509.50	0.53	29.47	539.50
	Total - Previous Year	267.51	0.51	29.39	297.41
5	TRANSACTIONS				
	Purchase of Fixed Assets	—	—	—	—
	Previous Year	0.50	—	—	0.50
	Sale of Fixed Assets	0.22	—	—	0.22
	Previous Year	—	—	—	—
	Provision written back on Investments	88.10	—	—	88.10
	Previous Year	—	—	—	—
	Provision made on Investments	331.50	—	—	331.50
	Previous Year	—	—	—	—
	Conversion of Debentures into Equity	176.20	—	—	176.20
	Previous Year	—	—	—	—
	Investment in Equity Shares	300.00	—	—	300.00
	Previous Year	340.00	—	—	340.00
	Investment in Schemes of Mutual Fund	—	3,404.05	—	3,404.05
	Previous Year	—	7,912.66	—	7,912.66
	Redemption of Schemes of Mutual Fund	—	3,239.74	—	3,239.74
	Previous Year	—	7,827.03	—	7,827.03

* Includes Brokerage on purchase/sale of Investments.

@ Excludes perquisites amounting to Rs. 0.06 millions [Prev Year Rs. 0.06 millions]

Note :- Transactions above are inclusive of Service Tax, wherever applicable.

NOTES ON ACCOUNTS (contd.)

34. The break up of Deferred Tax Assets and Liabilities are as under :

Description	Opening as at 01.04.2015	Charge or (credit) for the year ended 31.03.2016	Closing as at 31.03.2016
Deferred Tax Assets			
Expenses allowed on payment basis	46.71	2.81	43.90
Deferred Tax Liability			
Depreciation	(57.23)	(3.34)	(53.89)
Net Deferred Tax Asset/(Liability)	(10.52)	(0.53)	(9.99)

35. The Company's significant leasing arrangements (both as a lessor and lessee) are in respect of operating leases for premises. These leasing arrangements which are not non-cancellable relate to the period between 3 to 10 years and are usually renewable by mutual consent on mutual agreeable terms. The aggregate lease rentals amounting to Rs. 36.64 million (Prev. Year Rs. 39.66 million) have been charged as rent under Note 24 of Financial Statements. Rs. 5.44 million (Prev. Year Rs. 7.40 million) have been recognised as sub-lease payments received in respect of these leases which is disclosed as Rental Income under Note 19.

Disclosure with respect to assets given on lease are as follows:-

(Rs. in Million)

Description of Assets given on lease	Gross Block as on 31.03.2016	Accumulated Depreciation as on 31.03.2016	Depreciation for the year ended 31.03.2016
Buildings*	658.63 (Prev. Year – 639.10)	473.07 (Prev. Year – 452.62)	9.75 (Prev. Year – 10.42)
Software	8.21 (Prev. Year – 8.21)	8.21 (Prev. Year – 8.21)	Nil (Prev. Year – Nil)

* includes entire cost for certain buildings which is used by the Company and tenants both

36. In accordance with Accounting Standard – 20 “Earnings per Share” basic and diluted Earnings per Share (EPS) have been calculated as follows :

	For the year ended 31.03.2016	For the year ended 31.03.2015
a) Profit attributable to Equity Shareholders – (Rs. in millions)	854.54	1,106.63
b) Basic and weighted average number of Equity Shares outstanding during the year	33,15,584	33,15,584
c) Nominal value per Equity Share	Rs. 100	Rs. 100
d) Basic and Diluted EPS	Rs. 257.73	Rs. 333.77

NOTES ON ACCOUNTS (contd.)

37. The disclosure requirements of AS 17 on Segment Reporting is as below:

Segments have been identified in line with the Accounting Standard 17 taking into account the organization structure as well as the risk and return from operations of the Company. Accordingly the Company has identified business segments as the primary segment. The reportable segment in this segment is Residuary Non Banking operations within India. The business of Construction (Development of Real Estate) has been categorized under Others (Unallocated Reconciling items). The Company has single geographical segment i.e. within India.

(Rs. in Million)

Particulars	31st March 2016			31st March 2015		
	RNBC & allied activities	Unallocated Reconciling items	Total	RNBC & allied activities	Unallocated Reconciling items	Total
Revenue						
Revenue from Operations	2,311.12	35.16	2,346.28	2,454.80	—	2,454.80
Other Income	389.52	—	389.52	223.29	—	223.29
Total Income	2,700.64	35.16	2,735.80	2,678.09	—	2,678.09
Expenses	1,479.62	32.17	1,511.79	1,206.63	—	1,206.63
Segment Results	1,221.02	2.99	1,224.01	1,471.46	—	1,471.46
Profit Before Tax			1,224.01			1,471.46
Provision for Taxation			369.47			364.83
Profit After Tax			854.54			1,106.63
Other Information						
Segment Assets	33,060.32	49.42	33,109.74	32,705.97	150.39	32,856.36
Other Assets	—	—	—	—	—	—
Total Assets	33,060.32	49.42	33,109.74	32,705.97	150.39	32,856.36
Segment Liabilities	16,075.06	46.43	16,121.49	16,393.35	49.96	16,443.31
Other Liabilities	—	—	—	—	—	—
Total Liabilities	16,075.06	46.43	16,121.49	16,393.35	49.96	16,443.31
Depreciation			24.82			53.00
Capital Expenditure			5.99			8.16
Non-Cash Expenditure			389.54			91.67

Note: Segment revenue, results, assets and liabilities have been accounted for based on amounts allocated as considered reasonable by the management.

NOTES ON ACCOUNTS (contd.)

(Rs. in Million)

	31.03.2016	31.03.2015
38. Expenditure in Foreign Currency:		
Travelling/Leave Travel Concession, etc.	—	0.55

39. Sharing of Costs

The Company shares certain expenses/services charges with its subsidiaries. These expenses/service charges have been allocated on a basis mutually agreed to between the Companies and have been relied upon by the Auditors.

40 Disclosure as required in terms of Accounting Standard 29 (AS 29) on Provisions, Contingent Liabilities and Contingent Assets as at year end is as follows:

(Rs. in Million)

	2015-16	2014-15
Provision for Standard Assets as at 01.04.2015/01.04.2014	1.00	1.00
Add: Amount provided for during the year	Nil	Nil
Closing balance as at 31.03.2016/31.03.2015	1.00	1.00

41 As per provisions of the Companies Act, 2013 the Company was required to spend Rs. 30.30 million (Prev. Year Rs. 31.40 million) on CSR activities for the year ended 31st March, 2016. The Company has incurred an expenditure of Rs. 27.85 million (Prev. Year Rs. 5.54 million) relating to CSR activities and the same is reflected in Other Expenses in Note 24.

42 Disclosure as required by AS-27 on Financial Reporting of Interest in Joint Ventures is shown below:-

Investment in Joint venture – Bengal Peerless Housing Development Company Limited with 36.70% share

(Rs. in Million)

Sl. No.	Particulars	2015-16	2014-15
1.	Assets	1,293.86	1,468.75
2.	Liabilities	766.49	1,029.87
3.	Income	474.31	440.46
4.	Expenditure	278.53	273.63
5.	Share of Profit	125.59	109.82

43 The Company has charged depreciation based on the remaining useful life of the assets as per the requirements of Schedule II of Companies Act, 2013 effective from 1st April 2014. Further, based on transitional provision provided in note 7(b) of Schedule II of Companies Act, 2013, an amount of Rs. Nil million (Prev. Year Rs.91.40 million) has been adjusted in accumulated depreciation as shown in Note 10 and Rs. Nil million (Prev. Year Rs. 60.33 million (net of Deferred Tax)) has been adjusted in Retained Earnings as shown in Note 3.

Revaluation Reserve of Rs. Nil million (Prev. Year Rs. 5.13 million) relating to building whose useful life as per Schedule II of Companies Act, 2013 has been completed as at 01st April 2014 has been transferred back to retained earnings.

NOTES ON ACCOUNTS (contd.)

44 Disclosure with respect to Real Estate Transactions

Sl. No	Particulars	(Rs in Million)	
		2015-16	2014-15
1	Total Contract Revenue recognized during the year (In respect of Contracts in Progress at the end of the year)	35.16	—
2	Particulars about contracts in progress at the end of the period		
	Aggregate amount of cost incurred up to year end	32.17	—
	Aggregate amount of Profit/(Loss) Recognized	2.99	—
	Advance Received	60.17	28.85
3	Gross Amount due to Customers for Contract Work	32.91	28.85

Percentage Completion Method for income recognition involves estimates by management of percentage of work completed and profit/loss is allocated on the basis of cost incurred to the total estimated cost to completion of each project/contract.

45 Disclosure in accordance with RBI circular no. DNBR (PD) CC No. 002/03.10.001/2014-15 dated 10th November, 2014 and notification issued by RBI on 27th March, 2015 and 10th April, 2015 relating to Non Banking Financial Companies - Corporate Governance (Reserve Bank) Directions 2015:

a) Capital Risk Adequacy Ratio

Sr. No.	Particulars	(Rs. in Million)	
		31.03.2016	31.03.2015
1	CRAR (%)	102.95	86.13
2	CRAR - Tier I Capital (%)	102.92	86.09
3	CRAR - Tier II Capital (%)	0.03	0.04
4	Amount of subordinated debt raised as Tier-II capital	—	—
5	Amount raised by issue of Perpetual Debt Instruments	—	—

b) Investments

Sr. No.	Particulars	(Rs. in Million)	
		31.03.2016	31.03.2015
1	Value of Investments		
	i) Gross Value of Investments		
	a) In India	31,925.14	31,503.02
	b) Outside India	—	—
	ii) Provisions for Depreciation		
	a) In India	1,020.02	742.74
	b) Outside India	—	—
	iii) Net Value of Investments		
	a) In India	30,905.12	30,760.28
	b) Outside India	—	—
2	Movement of provisions held towards depreciation on investments.		
	i) Opening balance	742.74	705.37
	ii) Add : Provisions made during the year	371.20	58.34
	iii) Less : Write-off/write-back of excess provisions during the year	93.92	20.97
	iv) Closing balance	1020.02	742.74

NOTES ON ACCOUNTS (contd.)

c) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

(Rs.in Million)

Particulars	Investments (having stated maturity period)		Advances		Deposits*
	31.03.2016	31.3.2015	31.03.2016	31.3.2015	
1 day to 30/31 days (one month)	634.12	1,561.25	14.44	15.94	
Over one month to 2 months	247.63	2,188.49	0.01	0.01	
Over 2 months to 3 months	49.23	905.80	0.01	0.01	
Over 3 months to 6 months	1,401.55	4,530.58	0.02	0.02	
Over 6 months to 1 year	2,848.46	2,710.36	0.05	0.04	
Over 1 year & up to 3 years	3,141.54	7,589.80	0.18	0.17	
Over 3 year & up to 5 years	80.00	201.92	0.18	0.17	
Over 5 years	16,463.59	5,014.96	3.82	3.95	
Total	24,866.12	24,703.16	18.71	20.31	
	@	@			

* The Deposit Liability of Rs.15,584.51 million (Prev. Year Rs. 15,703.52) has already matured and is remaining unclaimed as at 31st March 2016. Thus maturity pattern relating to deposits is not disclosed herein above.

@ Includes investment earmarked amounting to Rs.15,606.47 million (Prev. Year Rs. 15,717.41 million) in an escrow account as security towards repayment of liability to depositors (ALD).

d) Exposure To Real Estate Sector – Lending towards Commercial/Residential Mortgages & Investment in Mortgage Backed Securities – The Company has made an Investment in Right to Property and the amount outstanding as at 31st March 2016 is Rs. 301.22 million [P.Y. Rs. 301.22 million]

e) Exposure to Capital Market

Particulars	31.03.2016	31.03.2015
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1,132.34	836.44
(ii) advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;		
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;		
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds 'does not fully cover the advances;		
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;		
(vi) loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;		

NOTES ON ACCOUNTS (contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
(vii) bridge loans to companies against expected equity flows/issues;		
(viii) all exposures to Venture Capital Funds (both registered and unregistered)		
Total Exposure to Capital Market	1,132.34	836.44

f) Provisions and Contingencies

	(Rs. in Million)	
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	31.03.2016	31.03.2015
Provisions for depreciation on Investment	371.20	58.34
Provision towards NPA	0.37	0.04
Provision made towards Income tax	370.00	380.00
Other Provision and Contingencies (Provision for diminution in the value of Fixed Asset held for sale)	4.93	—
Provision for Standard Assets	—	—

g) Concentration of Deposits, Advances, Exposures and NPA's

	(Rs. in Million)	
Concentration of Deposits (for deposits taking NBFCs)	31.03.2016	31.03.2015
Total Deposits of twenty largest depositors	5.88	6.31
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	0.04%	0.04%

	(Rs. in Million)	
Concentration of Advances [Top 20 borrowers]	31.03.2016	31.03.2015
Gross Advances	18.71	20.31
Provision towards advances	9.42	10.17
Net Advances	9.29	10.14
Percentage of advances of twenty largest borrowers to Total Exposure@#	100%	100%

@ Includes net NPA Advances of Rs.5.02 million (Prev. Year Rs.5.77 million)

Advances excludes Advances & Loans to Staff and Receivables.

	(Rs. in Million)	
Concentration of Exposures	31.03.2016	31.03.2015
Total Exposures to twenty largest borrowers/Customers	15.17	16.45
Percentage of Exposure to twenty largest borrowers/Customers to Total Exposure of the NBFC on borrowers/Customers	0.10%	0.10%

	(Rs. in Million)	
Concentration of NPAs –[Top 4 NPAs based on Net Advances]	31.03.2016	31.03.2015
Gross Advances	10.04	11.54
Provision towards Advances	5.02	5.77
Net Advances #	5.02	5.77

Advances excludes Advance & Loans to Staff and Receivables.

NOTES ON ACCOUNTS (contd.)

h) Sector – wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	—
2	MSME	—
3	Corporate borrowers	96.58% (Prev. Year 96.90%)
4	Services	—
5	Unsecured personal loans#	—
6	Auto loans	—
7	Other personal loans	7.30% (Prev. Year 7.19%)

Excludes Staff Advances & Receivables.

i) Movement in NPAs

Particulars	(Rs. in Million)	
	31.03.2016	31.03.2015
(i) Net NPAs to Net Advances (%)	2.89%	4.84%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	175.43	182.07
(b) Additions during the year	0.35	0.21
(c) Reductions during the year	2.12	6.85
(d) Closing balance @	173.66	175.43
(iii) Movement of Net NPAs		
(a) Opening balance	5.93	8.36
(b) Additions during the year	—	0.16
(c) Reductions during the year	0.91	2.59
(d) Closing balance @	5.02	5.93
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	169.50	173.71
(b) Additions during the year	0.37	0.38
(c) Reductions during the year	1.24	4.59
(d) Closing balance @	168.63	169.50

@ Includes Net advances of Rs. 5.02 million (Prev. Year Rs.5.77 million) as disclosed in (g) above. This balance also includes Staff Loans & Advances and Other Receivables.

j) Customer Complaints

	2015-2016	2014-2015
No. of Complaints as at beginning of year	3	5
No. of Complaints received during the year	99	145
No. of Complaints redressed during the year	101	147
No. of Complaints as at end of year	1	3



NOTES ON ACCOUNTS (*contd.*)

46. Previous year figures have been reclassified to conform to this year's classification.

Signatures to Notes 1 to 46

For MUKUND M CHITALE & CO.
Chartered Accountants
Firm Reg. No. 106655W

(M. M. Chitale)
Partner
M. No. 14054

Kolkata
Dated : 25th June, 2016.

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Sunil Kanti Roy
Bhargab Lahiri
Deepak Mukerjee

Managing Director
Dy. Managing Director
Director

INDEPENDENT AUDITORS' REPORT

To the Members of THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

Report on the Financial Statements

1. We have audited the accompanying Standalone Financial Statements of The Peerless General Finance & Investment Company Limited (the Company), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information annexed thereto in which are incorporated the returns of Twenty Seven branches and Offices audited by us and in respect of remaining Branches and Offices not visited by us including those covered by internal audit, returns of such Branches are taken as certified by the management.

Management's Responsibility for the Financial Statements

2. 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 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

3. Our responsibility is to express an opinion on these standalone 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 and fair presentation of the 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 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 qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

4. a) Provision for Taxation and matters pending finalisation including those pending resolution, as per Note 26 of Financial Statements, effect whereof including on the provisions with respect to these and on the refunds granted to the Company, as such being not determinable.

- b) Note 28 of Financial Statements regarding non-transfer/ disclosure of unclaimed deposit to Investor Education and Protection Fund based on the legal opinion received by the Company; the matter being subjudice and legal, reliance has been placed by us on the said opinion.
- c) The Company has furnished the requisite statements, returns, information or particulars required to be furnished to RBI and has generally complied with the directions/ directives issued by RBI. The aggregate amount of total deposits outstanding as per accounting policies followed by the Company as at the last date of year ended i.e., 31st March 2016 as reflected in Note No. 4.1 includes liability for unclaimed/ unpaid deposits and adjustments thereagainst, as specified in Note No. 4.2, 4.3 and 4.4.
- d) The impact of the items in para 4 (a) to 4 (c) above and compliance /impact with/on legal and other requirements has not been ascertained and accordingly the comments on the adjustments, compliances with respect to these cannot be made.

Opinion

- 5. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph [para 4], the standalone 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:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2016;
 - ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 6 As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, and on the basis of such verification of the books and records as considered appropriate and available and according to the information and explanations given to us, we enclose in the Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the said order.
- 7 During the course of our examination of books of account, certain matters noticed by us are to be reported to RBI as at year end by a separate report dealing with matters which includes non-fulfillment of certain procedural aspects of normal business operations in branches and non-payment of interest on delay in payment of maturity amounts in certain cases. As informed, the above matters are being closely monitored by the management and steps are being taken for ensuring compliances.
- 8. As required by Section 143(3) of the Act, except for the points described in the Basis for Qualified Opinion Paragraph 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us.
 - (d) In our opinion, the aforesaid standalone 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 written representations received from directors as on 31st March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as 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, refer to our separate Report in Annexure 'B'.
- (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 we report that:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements to the extent determinable/ascertainable – Refer Note 26, 28 and 30 to the financial statements.
 - The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.
 - Except to the extent mentioned in Basis of qualified opinion in para 4 (b) relating to a subjudice matter of non-transfer of amounts to Investor Education and Protection fund, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Kolkata
Dated : June 25th, 2016.

**For Mukund M. Chitale
& Co.
Chartered Accountants
Firm Registration No.
106655W
M. M. Chitale
Partner
Membership No. 14054**

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT – Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2016

(Referred to in paragraph 6 of our Audit Report of even date)

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets, except for certain particulars in respect of computer, furniture & fixture and other office appliances which were under process of being compiled.
- b) According to information and explanations given to us, fixed assets of the Company are being physically verified according to a phased programme of verification so as to verify all assets within a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, during the year discrepancies identified have been reconciled with the books of accounts and appropriately dealt with.
- c) According to the information and explanation given to us, the title deeds of immovable properties as disclosed in Note 10 to the Standalone financial statements are held in the name of the Company. Further in respect of immovable properties that have been taken on lease as disclosed in Note 10 to the Standalone financial statements, the lease agreements are in the name of the Company.
- ii) As informed, physical verification of inventories has been carried out as at the year end. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable. Discrepancies as and when reconciled and ascertained are adjusted in the accounts. As informed, no material discrepancies were noticed on such verifications.
- iii) According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, Paragraph 3 (iii) of the Order is not applicable to the Company.
- iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. As explained to us since the Company is engaged in the business of Non Banking Financial Company (permitted to conduct RNBC business) whose principal business is acquisition of securities, thus provisions of Section 186 of the Act are not applicable to the Company.
- v) As informed, the Company being a Residuary Non Banking Company and accepting deposits in the form of subscriptions in earlier years and based on legal opinion received by the Company on which reliance has been placed by us, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under (erstwhile Section 58A, 58AA of the Companies Act, 1956 and the rules framed thereunder) are not applicable to the Company.
- vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under of sub-section (1) of Section 148 of the Act to the company.
- vii) a) According to the information and explanations given to us and subject to note 26 of Financial Statements (relating to Income tax etc.), note 28 of Financial Statements (relating to a subjudice matter of non-transfer of amounts to Investor Education and Protection fund), the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund , Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues applicable to it as per the available records as far as ascertained by us on our verification.

Subject to note 28 of Financial Statements and according to the information and explanations given to us, there were no undisputed amounts payable in respect of outstanding statutory dues as aforesaid as at 31st March 2016 for a period of more than six months from the date they became payable.
- b) Subject to note 26 of Financial Statements (relating to Income tax etc.), note 28 of Financial Statements (relating to a subjudice matter of non-transfer of amounts to Investor Education and Protection Fund) and according to the information and explanations given to us, dues in respect of Sales tax, Income tax, Custom

duty, Wealth tax, Service tax, Excise duty, and Cess that have not been deposited with the appropriate authorities on account of any dispute are as under:

Name of the Statute	Nature of Tax	Amount (Rs. in Million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs. 37.04	For the assessment year 2008-2009	CIT (Appeals)
Income Tax Act, 1961	Income Tax	Rs. 16.53	For the assessment year 2013-14	CIT (Appeals)
Wealth Tax Act	Wealth Tax	Rs. 18.87	For assessment years 1984-85 to 1992-93 and 1998-99	Assessing Officer
Service Tax	Service Tax	Rs. 185.37	For financial year 2004-05 to 2012-13	Commissioner of Service Tax

- viii) According to information and explanation provided to us, the Company has not defaulted in repayment of loans to Banks or financial institutions. The Company has not issued any Debentures as at the Balance Sheet date.
- ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly the provisions of Clause 3 (ix) of the Order are not applicable to the Company.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us, and based on our examination of the records, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Accordingly paragraph 3 (xii) of the Order is not applicable.
- xiii) According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approvals by the Board and Audit Committee, the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable. The details of such related party transactions have been disclosed in the financial statements as required by applicable accounting standard.
- xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has received Certificate of Registration dated 9th May 2003 from Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934 and is permitted to carry on the business as Residuary Non-Banking Company as per the provisions of the Reserve Bank of India Act, 1934.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W

M. M. Chitale
Partner

Membership No. 14054

Place : Kolkata

Dated : June 25th, 2016.

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT – Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 8 (f) of our Audit Report of even date)

1. We have audited the internal financial controls over financial reporting of The Peerless General Finance and Investments Company Limited ("the Company") as of 31 March 2016, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 Companies Act, 2013.

Auditors' Responsibility

3. 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 issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

4. 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

- 5 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

- 6 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, 2016, 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.

Place: Kolkata

Dated : June 25th, 2016.

**For Mukund M. Chitale
& Co.
Chartered Accountants
Firm Registration No.
106655W**

**M. M. Chitale
Partner
Membership No. 14054**

Form No. AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statements of subsidiaries/associates/joint ventures

Part "A": SUBSIDIARIES

Sl. No.	Name of Subsidiary	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital/ Partner's Capital/ Unit holder's Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of Shareholding (including holdings through subsidiaries)
													(Rs. in Million)
1	Peerless Financial Products Distribution Ltd.	INR	485.69	(416.36)	166.48	97.16	3.45	230.80	(63.26)	—	(63.26)	—	100.00%
2	Peerless Hospitex Hospital & Research Center Ltd.	INR	415.70	114.03	890.28	360.54	0.00	1,509.45	74.34	5.21	69.13	—	93.64%
3	Peerless Securities Ltd.	INR	246.86	(44.89)	262.75	60.77	17.85	124.75	(28.84)	1.17	(30.00)	—	97.54%
4	Peerless Hotels Ltd.	INR	45.80	774.75	1,002.49	181.94	21.18	376.11	25.49	6.45	19.05	9.85	99.95%
5	Peerless Funds Management Company Ltd.	INR	990.00	(493.66)	508.88	12.54	379.64	84.54	(100.07)	—	(100.07)	—	99.99%
6	Peerless Trust Management Company Ltd.	INR	20.00	3.77	24.13	0.36	—	3.20	(0.04)	0.03	(0.07)	—	99.97%
7	Peerless Financial Services Ltd.	INR	372.58	200.03	578.14	5.53	246.62	58.71	7.29	4.13	3.16	—	94.11%
8	Peerless Commodities Ltd. - Subsidiary of Peerless Securities Ltd.	INR	5.50	(0.03)	5.50	0.03	5.00	0.34	0.18	0.06	0.12	—	98.60%

Notes - Part A

(1) Reporting period for all subsidiaries is the same as holding company.

PART "B": JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to
Joint Venture Companies

(Rs. in Million)

Sl. No.	Name of Joint Venture	1. Latest audited Balance Sheet date	2. Shares of Joint Venture held by the Company on the year end			3. Description of how there is significant influence	4. Reason why the joint venture has not been consolidated	5. Networth attributable to shareholding as per latest audited Balance Sheet	6. Profit/(Loss) for the year	
			No. of Shares	Amount of Investment in Joint Venture	Extent of Holding %				i. Considered in consolidation	ii. Not Considered in consolidation
1	Bengal Peerless Housing Development Co. Ltd.	31.03.2016	662,850	6.63	36.70%	Since the Company holds more than 20% of voting power, significant influence is assumed.	N. A.	1,436.99	125.59	216.61

Place: Kolkata

Dated: 25th June, 2016.

Registered Office:

"PEERLESS Bhavan"
3, Esplanade East,
Kolkata – 700 069

For and on behalf of the Board

Sunil Kanti Roy
Bhargab Lahiri
Deepak Mukerjee

Asoke Kumar Mukhuty
Chief Financial Officer

K. Balasubramanian
Company Secretary

Managing Director
Dy. Managing Director
Director



Schedule to the Balance Sheet as at 31.03.2016 of The Peerless General Finance & Investment Company Limited

[as required in terms of Paragraph 13 of Non-Banking Financial (Deposit Accepting or Holding) Companies, Prudential Norms (Reserve Bank) Directions, 2007]

(Rs. in Lakh)

Particulars			
Liabilities side :			
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid	Amount outstanding	Amount overdue
	(a) Debenture: Secured	—	—
	: Unsecured	—	—
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	—	—
	(c) Term Loans	—	—
	(d) Inter-corporate loans and borrowings	—	—
	(e) Commercial Paper	—	—
	(f) Public Deposits*	155,845	—
	(g) Other Loans (Specify nature)		—
	*Please see Note 1 below		
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	(a) In the form of Unsecured debentures	—	—
	(b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	—	—
	(c) Other public deposits	155,845	—
	*Please see Note 1 below		

(Rs. in Lakh)

	Asset side :	
		Amount outstanding
(3)	Break-up of Loans and advances including bills receivables [other than those included in (4) below] :* (a) Secured (b) Unsecured	750 446
(4)	Break-up of Leased Assets and stock on hire and other Assets counting towards AFC activities (i) Lease assets including lease rentals under sundry debtors : (a) Financial lease (b) Operating lease (ii) Stock on hire including the hire charges under sundry debtors: (a) Assets on hire (b) Repossessed assets (iii) Other loans counting towards AFC activities: (a) Loans where assets have been repossessed (b) Loans other than (a) above	— — — — — —
(5)	Break-up of Investments Current Investments 1. Quoted (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of Mutual Funds (iv) Government Securities (v) Others (please specify) Gold ETF E-Silver 2. Unquoted (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of Mutual Funds (iv) Government Securities (v) Others (please specify) Fixed Deposit Right to Property	1,523 — — — — — 103 1,800 — 14,316 19,976 7,372 30,122 3,012

* Does not includes Interest Accrued on Investment, etc

(Rs. in Lakh)

Asset side :	Amount outstanding
Long Term Investments	
1. Quoted :	
(i) Shares : (a) Equity	3,650
(b) Preference	1,200
(ii) Debentures and Bonds	—
(iii) Units of Mutual Funds	—
(iv) Government Securities	—
(v) Others (please specify)	—
2. Unquoted :	
(i) Shares : (a) Equity	26,074
(b) Preference	—
(ii) Debentures and Bonds	64,012
(iii) Units of Mutual Funds	3,500
(iv) Government Securities	116,058
(v) Others (please specify)	
Fixed Deposit	16,333
Right to Property	—

(6) Borrower group-wise classification of assets financed

as in (3) and (4) above :

Please see note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Others related parties	—	—	—
2. Other than related parties	750	446	1,196
Total	750	446	1,196

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Please see note 3 below

Category	Market value/ Break up or fair value or NAV	Book value (Net of Provisions)
1. Related Parties**		
(a) Subsidiaries	25,825	28,808
(b) Companies in the same group	5,248	66
(c) Other related parties	—	—
2. Other than related parties	287,958	280,177
Total	319,031	309,051

** As per Accounting Standard of ICAI (please see Note 3)

(Rs. in Lakh)

(8)	Other information	
	Particulars	Amount
	i) Gross Non-Performing Assets	1,736
	a) Related parties	—
	b) Other than related parties	1,736
	ii) Net Non-Performing Assets	50
	a) Related parties	—
	b) Other than related parties	50
	iii) Assets acquired in satisfaction of debt	—

Notes :

1. As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions, 1998
2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Deposit Accepting or Holding) Companies, Prudential Norms (Reserve Bank) Directions, 2007
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of Unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2016

(Rs. in Million)

	Particulars	Note No.	Figures as at 31.03.2016	Figures as at 31.03.2015
I	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	2	331.56	331.56
	(b) Reserves and Surplus	3	16,623.09	15,869.09
(2)	Share Application Money Pending Allotment		—	—
(3)	Minority Interest		39.02	30.72
(4)	Non-Current Liabilities			
	(a) Deposit from Public	4	—	0.09
	(b) Long Term Borrowings	5	62.00	122.80
	(c) Deferred Tax Liabilities (Net)	38	9.99	10.52
	(d) Other Long Term Liabilities	6	25.41	30.30
	(e) Long Term Provisions	7	154.52	155.83
(5)	Current Liabilities			
	(a) Short Term Borrowings	8	9.85	62.99
	(b) Deposit from Public	4	15,584.54	15,703.52
	(c) Trade Payables	9	287.28	303.19
	(d) Other Current Liabilities	10	1,080.99	1,358.86
	(e) Short Term Provisions	11	253.47	401.99
	TOTAL		34,461.72	34,381.46
II	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets	12		
	(i) Tangible Assets		1,453.77	1,284.69
	(ii) Intangible Assets		17.46	19.77
	(iii) Capital Work in Progress		4.37	40.63
	(iv) Goodwill on Consolidation [Note 3]		20.01	4.08
	(b) Deferred Tax Assets (Net)	38	19.98	20.19
	(c) Non-Current Investments	13	20,419.11	13,498.75
	(d) Long Term Loans and Advances	14	946.56	1,018.41
	(e) Other Non-Current Assets	15	62.21	91.58
(2)	Current Assets			
	(a) Current Investments	13	8,262.68	15,264.55
	(b) Inventories	16	608.98	572.12
	(c) Trade Receivable	17	233.68	222.36
	(d) Cash and Cash Equivalents	18	1,031.44	1,277.31
	(e) Short-Term Loans and Advances	19	658.00	441.22
	(f) Other Current Assets	20	723.47	625.80
	TOTAL		34,461.72	34,381.46

The Notes to Account forms integral part of Financial Statements

1 to 48

As per our Report of even date

For MUKUND M CHITALE & CO.

Chartered Accountants

Firm Reg. No. 106655W

(M. M. Chitale)

Partner

M. No. 14054

Kolkata

Dated : 25th June, 2016.

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Sunil Kanti Roy

Bhargab Lahiri

Deepak Mukerjee

Managing Director

Dy. Managing Director

Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in Million)

	Particulars	Note No.	For the year ended	
			31.03.2016	31.03.2015
I	Revenue from Operations	21	5,014.31	4,866.92
II	Other Income	22	366.07	303.96
III	Total Revenue (I+II)		5,380.38	5,170.88
IV	Expenses			
	Cost of Materials Consumed		228.68	436.67
	Purchase of Stock in Trade/Materials		203.77	200.56
	Changes in Inventories	23	0.81	16.30
	Interest to Certificateholders		—	4.29
	Employee Benefits Expense	24	1,358.13	1,296.88
	Finance Costs	25	28.29	30.53
	Provision for Doubtful Debts, Receivables and Investments	26	52.97	83.35
	Amortisation of Premium - Govt. Securities/Bonds/Debentures		12.95	31.38
	Depreciation and Amortisation	27	182.87	283.69
	Other Expenses	28	1,833.98	1,506.13
	Total Expenses		3,902.45	3,889.78
V	Profit before Prior Period Adjustments and tax (III-IV)		1,477.93	1,281.10
VI	Prior Period Adjustments		(0.35)	(1.10)
VII	Profit before tax (V-VI)		1,477.58	1,280.00
VIII	Tax Expenses			
	(I) Current Tax		445.95	437.90
	(II) Tax of Earlier Years		—	8.12
	(III) MAT Credit		(1.46)	—
	(IV) Deferred Tax		(0.32)	(19.96)
			444.17	426.06
IX	Profit for the year (before adjustment for Minority Interest) (VII - VIII)		1,033.41	853.94
X	Add: Share of Loss transferred to Minority Interest		0.57	0.39
XI	Profit for the year (after adjustment for Minority Interest) carried forward to Balance Sheet (IX + X)		1,033.98	854.33

Basic & Diluted Earnings per Equity Share in Rs.
(Face Value of Rs. 100/- per Equity Share)

311.85

257.67

The Notes to Account forms integral part of Financial Statements

1 to 48

As per our Report of even date

For MUKUND M CHITALE & CO.
Chartered Accountants
Firm Reg. No. 106655W

(M. M. Chitale)

Partner

M. No. 14054

Kolkata

Dated : 25th June, 2016.

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Sunil Kanti Roy
Bhargab Lahiri
Deepak Mukerjee

Managing Director
Dy. Managing Director
Director



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in Million)

PARTICULARS	For the year ended 31.03.2016	For the year ended 31.03.2015
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxation	1,477.58	1,280.00
Adjustments for :		
Interest to certificate holders	—	4.29
Depreciation	182.87	283.69
Finance Cost	24.74	25.21
Provision for diminution in Investment	45.66	77.10
Provision for doubtful debts and receivables	7.31	5.43
Provision for Standard Assets	—	0.82
Amortisation of Premium - Government Securities/Bonds/Debentures	12.95	31.38
Prior Period Adjustments	0.35	1.10
Profit on sale of Fixed Assets	(19.00)	(3.03)
(Profit)/Loss on Sale of Investments	(115.82)	(203.53)
Interest	(2,165.59)	(2,184.52)
Dividend	(86.86)	(186.86)
Gains from Actuarial Valuation	—	(0.06)
Other Non Operating Income	(1.88)	(2.04)
Advance/Branch and Other Office Adjustments written off	41.66	14.56
Bad Debts Recovery	—	(58.29)
Provisions/Liability no longer required written back	(41.03)	—
	(2,114.64)	(2,194.75)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(637.06)	(914.75)
Adjustments for :		
Increase/(Decrease) in Deposits from Public	(119.42)	(911.21)
(Increase)/Decrease in Current & Non-Current Assets	(77.78)	(291.97)
(Increase)/Decrease in Inventories	(36.86)	(68.00)
Increase/(Decrease) in Current & Non-Current Liabilities	(263.93)	(24.12)
	(497.99)	(1,295.30)
CASH (UTILISED IN)/GENERATED FROM OPERATIONS	(1,135.05)	(2,210.05)
Direct Tax Refund/(Paid)	(427.43)	(441.97)
Interest received	2,118.76	2,050.98
Dividend received	78.01	160.32
Non Operating Income	—	2.33
	1,769.34	1,771.66
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES (A)	634.29	(438.39)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	22.33	2.17
Purchase of Fixed Assets	(316.71)	(135.17)
Capital Advance	(20.48)	(6.09)
Dividend Income	8.85	6.95
Interest Income	46.83	72.11
Investments (Net) :		
Long-Term	(6,857.33)	172.40
Current	7,001.87	819.44
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES (B)	(114.64)	931.81

CONSOLIDATED CASH FLOW STATEMENT (Contd.)

(Rs. in Million)

PARTICULARS	For the year ended 31.03.2016	For the year ended 31.03.2015
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid including Tax on Dividend	(510.29)	(322.24)
Proceeds from Borrowing	—	11.60
Repayment of Borrowings	(113.94)	(72.75)
Interest Paid	(25.54)	(32.99)
Government Grant Received	1.84	1.85
Interest Received on Government Grant	0.04	0.04
Contribution to Gratuity Fund	—	(2.03)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES (C)	(647.89)	(416.52)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(128.24)	76.90
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	1,012.99	936.09
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)-NOTE 1	<u>884.75</u>	<u>1,012.99</u>

NOTE 1 : CASH AND CASH EQUIVALENTS COMPRISE :

Cash in hand	26.68	31.35
Cheques in hand	2.34	1.43
Stamps in Hand	0.10	0.19
Bank Balance with Scheduled bank in Current Accounts, Unpaid Dividend Accounts & Fixed Deposits having Maturity of less than 3 Months	855.63	980.02
CLOSING CASH AND CASH EQUIVALENTS	<u>884.75</u>	<u>1,012.99</u>

The Notes to Account forms integral part of Financial Statements

1 to 48

For MUKUND M CHITALE & CO.

Chartered Accountants

Firm Reg. No. 106655W

(M. M. Chitale)

Partner

M. No. 14054

Kolkata

Dated : 25th June, 2016.

K. Balasubramanian
Company SecretaryAsoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Sunil Kanti Roy
Bhargab Lahiri
Deepak MukerjeeManaging Director
Dy. Managing Director
Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE – 1: SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of Consolidated Financial Statements:

The consolidated financial statements of The Peerless General Finance & Investment Company Limited ('Peerless' or 'the Company') its subsidiary companies (collectively known as "The Group") and jointly controlled entity have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with generally accepted accounting principles ('GAAP') prevalent in India and the mandatory Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Account) Rules, 2014 as adopted consistently by the company and the relevant provisions of the Companies Act 2013 (to the extent notified and applicable).

1.2 Principles of Consolidation:

1.2.1 The consolidated financial statements of the group have been prepared in accordance with the Accounting Standard 21 'Consolidated Financial Statements' and Accounting Standard 27 'Financial Reporting of Interest in Joint Venture' notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.

1.2.2 The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

1.2.3 The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating all intra group transactions, balances and unrealised profits and losses on transactions.

1.2.4 The excess of cost to the Company of its investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognised as 'Goodwill' being an asset in the Consolidated Financial Statements. However, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus' in the Consolidated Financial Statements.

1.2.5 Goodwill arising out of acquisition of subsidiary companies is subjected to impairment testing as at each balance sheet date & book value in excess of recoverable value is charged to Statement of Profit & Loss.

1.2.6 Minority interest in the net assets of the subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net Profit / Loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the profit attributable to shareholders of the Company.

1.2.7 Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 – "Financial Reporting of Interest in Joint Ventures."

1.2.8 All assets and liabilities have been classified as Current and Non current as per the Group's normal operating cycle and other criterion set out in the Schedule III to the Companies Act, 2013.

1.2.9 The companies considered in the Consolidated Financial Statements are listed below:

Sl. No.	Name of the Company	Proportion of ownership interest either directly or indirectly* As at 31.03.2016	Proportion of ownership interest either directly or indirectly* As at 31.03.2015
1	Peerless Financial Services Limited [including 1.54% (Previous Year 1.54%) through subsidiary]	94.11%	94.11%
2	Peerless Securities Limited	97.54%	97.54%
3	Peerless Financial Products Distribution Limited	100.00%	100.00%
4	Peerless Hotels Limited	99.95%	99.95%
5	Peerless Hospitals Hospitex & Research Centre Limited [including 0.30% (Previous Year 0.40%) through subsidiary]	93.64%	91.93%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

SIGNIFICANT ACCOUNTING POLICIES (Contd.)

6	Peerless Funds Management Limited	99.99%	99.99%
7	Peerless Trust Management Limited	99.97%	99.97%
8	Bengal Peerless Housing Development Co. Limited	36.70%	36.70%
9	Peerless Commodities Limited -Subsidiary of Peerless Securities Limited	98.60%	98.60%

* Based on the basis of number of equity shares held in each subsidiary.

1.3 Use of Estimates:

The preparation of the Consolidated Financial Statements in conformity with generally accepted accounting principles requires management of the Group to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from those estimates and are given effect to as and when determined.

1.4 Revenue Recognition:

Income on account of interest and dividends to the extent considered realisable has been accounted for on accrual basis. Income in cases where possibility of recovery has been considered to be remote, including on non-performing assets as determined as per Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, as amended has been accounted for to the extent realised / since realized (for Companies registered with RBI as NBFC's/RNBC's).

In case of Real Estate Projects revenue is recognised applying percentage completion method on transfer of all significant risk and rewards of ownership to the buyers on sufficient assurance of there being no significant uncertainty regarding the amount of consideration thereof and ultimate collection there against. As per percentage completion method, the revenue is recognised in proportion to the cost incurred in respect of project under execution subject to necessary approvals for commencement of project being in place.

Estimated costs for applying the percentage completion method is revised from time to time based on current costs and other information available and consequential adjustments are given effect to on such revisions. Losses if any foreseeable against any contracts are fully provided for as and when ascertained.

Interest Income from financing by way of loan is recognised in terms of the respective agreements with the borrowers.

Revenue comprises of sale of Room, Food & Beverages and related allied services. Discount allowed on sale of room has been deducted from gross proceeds.

Revenue is recognised on accrual basis on rendering of services and sale of Pharmaceutical Products.

Investment management fees are recognised on an accrual basis in accordance with respective terms of contract between the Company and Trustee Company and in conformity with the Securities and Exchange Board of India (SEBI) regulations.

Commission on insurance products is recognized on the commencement or renewal of the related policies after receipt of necessary approval from the Insurer.

Advisory and Portfolio Management Service fee are recognised on accrual basis in accordance with the respective terms of contract with counterparties.

Income from Academic Courses is recognised when there is no significant uncertainty as to the measurability or collectability thereof.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Income in respect of Deep Discount Bonds, Commercial Papers, treasury bills and Certificate of Deposits etc. which are redeemable at face value on maturity, is accrued on a year to year basis so that the cost of investment along with the income so accrued, is equal to the amount receivable on redemption on maturity date.

1.5 Scheme Expenses :

Expenses incurred (inclusive of advertisement / brokerage expense) with respect to schemes of Peerless Mutual Fund are charged to statement of profit and loss unless considered recoverable from the schemes of the Fund in accordance with the provision under SEBI (Mutual Fund) Regulations, 1996.

1.6 Deposits from public :

All amounts received from Certificate-holders including renewal subscription, other than Processing and maintenance charges as allowed by Reserve Bank of India (RBI), which were credited to income, are accounted for as Deposit from Public along with interest thereon as accrued from year to year, so as to meet the obligations to the Certificate-holders on or before maturity in terms of the schemes and/or the directions issued by RBI in this respect. Repayments to Certificate-holders are reduced therefrom.

Commission, Incentive, Bonus to the field force is provided as payable in terms of the circulars issued by the Company from time to time. Amounts not considered payable and/or not claimed for a considerable period are written back.

Interest to certificate-holders is provided at the rates or amounts determined in terms of contract entered into with Certificate-holders depending upon the status of the respective certificates i.e. continued or discontinued as at the year end in terms of approval received from RBI and is added to and shown as Deposit from Public. Interest to certificate-holders on unidentified subscription deposit has been provided for at the contractual rate/ minimum rate prescribed by RBI.

1.7 Investments :

Long-term investments are carried at cost less provisions for diminution there against other than temporary, as determined by the management. Current investments, (determined in accordance with AS-13) other than mutual fund units and investments held as stock-in-trade are carried at the lower of cost or fair/ realizable value. Mutual fund units are valued at Net Asset Value.

In respect of the bonds held as investments, which are unquoted or the market value of which are not available, realisable value has been determined considering 'yield to maturity' as prescribed by RBI in case of commercial banks. Excess of cost over redemption value of long-term securities is amortised over the period of maturity of the respective securities.

1.8 Loans and Advances :

Classification of loans and advances are made as per the guidelines prescribed by RBI (for Companies registered with RBI as NBFC's/RNBC's). Provision against performing (standard) and non-performing assets are made as required in terms of prudential norms prescribed by RBI. Further, assets which are considered non recoverable are fully provided for/written off.

1.9 Provision for Standard/Non Performing Assets and Doubtful Debts :

Provision/write off against loans and advances and investments are made as per the RBI guidelines applicable to the Company (for Companies registered with RBI as NBFC's/RNBC's) unless a higher provision is considered appropriate by the management. In case of secured loans, the provision against the same is made by considering the value of securities as per agreement and other relevant documents and or information available in this respect.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

SIGNIFICANT ACCOUNTING POLICIES (Contd.)

1.10 Inventories :

Inventories, consisting of Project Work in Progress is valued at cost or net realizable value whichever is lower.

Inventory of Raw Materials & Consumables including inventory of food and beverages is valued at lower of cost or net realisable value. Cost of Inventories are valued on FIFO basis.

1.11 Fixed Assets :

Fixed assets are stated at cost of acquisition or construction or at revalued amounts less depreciation. Depreciation on Fixed Assets has been provided on pro-rata basis from the month of addition at the rates specified in Schedule II of the Companies Act, 2013 as follows:

Furniture & Fixtures and Office Appliances (excluding Computers) – SLM Basis

All Other Fixed Assets – WDV Basis.

Intangible Assets have been amortised on straight line basis over estimated useful life.

Linen Carpet and other furnishing items in case of new project are capitalized as furniture and fixture and depreciated over 3 yrs. Subsequent expenditure in this respect are charged to Statement of Profit and Loss.

Pending completion/installation of the Fixed Assets, pre-operative expenses, cost of plant, machineries and equipments to be installed, construction and erection material, and other cost thereof are capitalized and shown under Capital Work in Progress.

1.12 Foreign Currency Transactions :

Foreign currency transactions are recorded on the basis of exchange rates prevailing on the date of their occurrence. Foreign currency monetary assets and liabilities at the period end are translated using closing exchange rates. The loss or gain thereon and also on the exchange differences on settlement of foreign currency transactions during the period are recognised as revenue or expenses and are adjusted to the Statement of Profit and Loss.

1.13 Borrowing Costs :

Borrowing costs attributable to the acquisition, construction of qualifying assets are capitalised as the part of the cost of such assets upto the date when such assets are ready for intended use. A qualifying asset is one that takes substantial period of time for completion. Other borrowing costs are charged as an expense in the year in which these are incurred.

1.14 Government Grants :

Capital:

Government Grants relating to depreciable fixed assets are shown as deduction from the gross value of the asset concerned in arriving at the book value. Where the grant related to a specific fixed asset equals the whole, or virtually the whole, of the cost of the asset, the asset is shown in the balance sheet at a nominal value. The grant is thus recognized in the statement of profit and loss over the useful life of a depreciable asset by way of reduced depreciation charge.

Revenue:

Government grants related to revenue is credited to the Statement of Profit and Loss to the extent of expenditure incurred thereagainst the year and shown separately under Other Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

SIGNIFICANT ACCOUNTING POLICIES (Contd.)

1.15 Earnings Per Share :

The basic earnings per share are computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

Number of equity shares used in computing diluted earnings per share comprises the 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.

1.16 Leases :

Lease rentals in respect of operating leases are recognized as expense in the Statement of Profit and Loss as per the terms and conditions of the respective agreements.

1.17 Provision for Tax :

Provision for Tax is made for current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent periods are recognized using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

1.18 Employee Benefits :

Employee benefits are accrued in the year services are rendered by the employees.

Contribution to defined contribution schemes such as Provident Fund; Superannuation Fund etc. are recognized as and when incurred.

Long-term employee benefits such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gain and losses are recognized in the year when they arise.

1.19 Provisions, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed by way of notes.

1.20 Impairment of Assets :

Fixed assets are reviewed on each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined and impairment loss is recognized. The impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(Rs. in Million)

NOTE - 2 : SHARE CAPITAL

	31.03.2016	31.03.2015
Authorised Capital		
35,00,000 Equity Shares of Rs. 100/- each	350.00	350.00
	<u>350.00</u>	<u>350.00</u>
Issued, Subscribed & Called up Capital		
33,15,584 Equity Shares of Rs. 100/- each fully paid up	331.56	331.56
TOTAL	<u>331.56</u>	<u>331.56</u>

As at 31.03.2016		As at 31.03.2015	
No. of Shares	Rs. in Million	No. of Shares	Rs. in Million

a) Movement of Share Capital:

No. of Shares Outstanding as at 01.04.2015/01.04.2014	33,15,584	331.56	33,15,584	331.56
New Shares issued during the year	—	—	—	—
No. of Shares Outstanding as at 31.03.2016/31.03.2015	<u>33,15,584</u>	<u>331.56</u>	<u>33,15,584</u>	<u>331.56</u>

b) Disclosure with respect to Shareholding in excess of 5%:

		As at 31.03.2016		As at 31.03.2015	
Sl. No.	Name of the Shareholder	No. of Shares Held	% of Shareholding	No. of Shares Held	% of Shareholding
1	Mr. Sunil Kanti Roy & Mrs. Shikha Roy	742,720	22.40%	742,720	22.40%
2	Mr. Jayanta Roy	324,640	9.79%	324,640	9.79%
3	Shikha Holdings Private Limited	630,192	19.01%	630,192	19.01%
4	Bichitra Holdings Private Limited	327,669	9.88%	327,669	9.88%
5	Poddar Projects Limited	218,240	6.58%	218,240	6.58%
6	Mr. R. L. Gaggar	179,200	5.40%	179,200	5.40%
7	Mr. Tuhin Kanti Ghosh	225,920	6.81%	225,920	6.81%
	TOTAL	<u>2,648,581</u>	<u>79.87%</u>	<u>2,648,581</u>	<u>79.87%</u>

c) Rights, Preferences & Restrictions attached to Shares:

Equity Shares - The Company has one class of equity shares having a par value of Rs 100 per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 3 : RESERVES & SURPLUS		
(A) Capital Reserve (Including Reserves arising out of Consolidation)	18.73	18.73
Less : Reduction on account of Increase in Holding Company's Share @	9.32	—
	9.41	18.73
(B) Revaluation Reserve as at 01.04.15/01.04.14	11.92	17.68
Less : Transfer to Statement of Profit & Loss - [Note 27]	—	0.63
Less : Transfer to Surplus in Statement of Profit & Loss - [Note 45]	—	5.13
Less : Transfer to General Reserves - [Note 12]	0.59	—
	11.33	11.92
(C) Capital Redemption Reserve	0.03	0.03
(D) Special Reserve**		
Opening Balance as at 01.04.15/01.04.14	4,785.93	4,560.03
Add: Transfer from Surplus in Statement of Profit & Loss	175.63	225.90
Add: Transferred from / (to) Minority Interest	0.25	—
Less : Reduction on account of Increase in Holding Company's Share @	0.06	—
	4,961.75	4,785.93
(E) General Reserve		
Opening Balance as at 01.04.15/01.04.14	7,041.72	6,716.67
Add: Transfer from Surplus in Statement of Profit & Loss	108.00	325.05
Add: Transfer from Revaluation Reserve	0.59	—
Less : Reduction on account of Increase in Holding Company's Share *	3.63	—
	7,146.68	7,041.72
(F) Surplus in Statement of Profit & Loss		
Opening Balance as at 01.04.15/01.04.14	4,009.89	4,130.14
Add: Profit After Tax for the Year	1,033.98	854.33
Add: Transfer from Revaluation Reserves - [Note 45]	—	5.13
Add: Adjusted on account of Increase in Holding Company's Share * @	12.03	—
	5,055.90	4,989.60
Less :		
Transfer to Special Reserve	175.63	225.90
Transfer to General Reserve	108.00	325.05
First Interim Dividend	66.31	116.04
Second Interim Dividend	165.78	—
Dividend Distribution Tax on Interim Dividend	51.50	23.20
Proposed Dividend	—	182.36
Dividend Distribution Tax on Proposed Dividend	3.62	40.72
Adjustment relating to Fixed Assets (net of Deferred Tax) - [Note 45]	—	66.44
	4,485.06	4,009.89
Add: Transferred from /(to) Minority Interest	7.77	—
	4,492.83	4,009.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
(G) Other Reserves		
Government Grant		
Opening Balance as at 01.04.15/01.04.14	0.87	0.16
Add: Received during the year	1.84	1.70
Add: Interest Received	0.04	0.04
Less: Transfer to Other Income	1.69	1.03
	1.06	0.87
TOTAL OF (A) TO (G)	16,623.09	15,869.09

** Created in accordance with provisions of Section 45-IC of The Reserve Bank of India Act, 1934.

* Rs. 3.63 million in General Reserve and Rs. (12.44) million in Profit and Loss are the amounts which are considered as Pre-acquisition profits/(losses) on account of acquisition of additional shares in one of the subsidiary Peerless Hospitex Hospital & Research Center Ltd. and resultant impact is Goodwill which is as reflected on the face of balance sheet. Goodwill represents consideration paid in excess of shares in net worth of subsidiaries acquired during the year.

@ Rs. 0.06 million in Special Reserve and Rs. 0.41 million in Profit and Loss are the amounts which are considered as Pre-acquisition profits on account of acquisition of additional shares in one of the subsidiary Peerless Financial Services Limited and resultant impact is Goodwill which is reduced from Capital Reserve created in earlier years at the time of acquisition of shares of same subsidiary.

NOTE - 4 : DEPOSIT FROM PUBLIC

4.1 Deposit From Public

Closing Liability as at year ended 31.03.2016/31.03.2015*	15,584.54	15,703.61
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* Consists of liability on account of Unpaid/Unclaimed certificates [also including liability for Returned Money Orders, Stale Cheques and Unidentified Subscription Deposit] Rs. 15,584.51 million (Prev. Year Rs. 15,703.52 million)

BREAKUP OF DEPOSIT LIABILITY

NON-CURRENT PORTION	—	0.09
CURRENT PORTION	15,584.54	15,703.52
TOTAL	15,584.54	15,703.61

4.2 The Closing Deposit Liability of Rs. 15,584.54 million (Prev. Year Rs. 15,703.61 million), includes liability in respect of Unclaimed/Unpaid Certificates of Rs.491.95 million (Prev. Year Rs. 491.95 million) which has been ascertained on the basis of details received from branches or as certified by Independent Firm of Chartered Accountants. The said amount is after considering reinvestment /payments during the intervening period which has been considered as provided by management.

Further the liability in respect of Unclaimed/Unpaid Certificates [also including liability for Returned Money Orders, Stale Cheques and Unidentified Subscription Deposit] includes Rs. 99.21 million (Prev. Year Rs. 99.21 million) for which certain particulars are not available.

4.3 Based on exercise of reconciliation of unclaimed/unpaid certificates, carried out by the management during the year ended 31.03.2016, Rs. 0.35 million [debit] (Prev. Year Rs.1.10 million [debit]) were ascertained and accordingly has been debited in the Statement of Profit and Loss as Prior Period Adjustments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

4.4 In accordance with directives received from Reserve Bank of India vide letter dated 31st October 2014, read with letter dated 3rd February 2015, the Company was required to open an Escrow Account and investments to the extent of Liability towards Depositors as at 31st December 2014 needed to be linked to such escrow account so that any proceeds thereof including coupon payment received are credited only to Escrow Account. The Company has complied with the directive of Reserve Bank of India. The book value & accrued interest of Investments Linked with Escrow Account (including Escrow Bank Account) amounts to Rs.15,987.59 million as at 31st March 2016 (Prev. Year Rs. 16,002.03 million) against Outstanding Liability towards Depositors of Rs. 15,584.54 million as at 31st March 2016 (Prev. Year Rs. 15,703.61 million).

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 5 : LONG TERM BORROWINGS		
Term Loan from Bank*	122.80	172.80
SUB - TOTAL	122.80	172.80
Less: Current Portion of Long Term Borrowing [Note 10]	60.80	50.00
TOTAL	62.00	122.80
* Term Loan from Allahabad Bank	—	26.80

Security

First Charge : Hypothecation of all tangible movable plant & machinery, equipments purchased out of term loan taken which shall be brought into or be stored or be in or upon or about the Company's premises & godowns or wherever else the same may be or be held by any party to the order or disposition of the Company relating to or pertaining to the Company's premises at 360, Panchasayar, Kolkata-700094 and at 223, Chittaranjan Avenue, Kolkata-700006.

Second Charge : Equitable mortgage of all that piece and parcel of leasehold land at 360, Panchasayar, Kolkata-700094.

Terms of Repayment:

In 20 quarterly instalments of Rs 7.25 million each commencing from April 2012 and last instalment falling due on March 2017. Interest is being charged at Allahabad Bank's base rate + 2.25% which is 12.50 % as at 31st March, 2016.

* Term Loan from Allahabad Bank	62.00	96.00
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Security

Secured against equitable mortgage of land measuring 15 cottah 09 chittak at 2, Chowringheepalace, and 1st charge on all tangible movable plant & equipments together with other movable assets both present and future.

Terms of Repayment:

2016-2017	—	34.00
2017-2018	40.50	40.00
2018-2019	21.50	22.00
	62.00	96.00

Interest Rate for the above Term loan is based on Floating Rate which is Bank's Base Rate Plus 1.80% Per Annum (currently 11.50%)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 6 : OTHER LONG TERM LIABILITIES		
Security Deposit	7.98	10.85
Other Liabilities	17.43	19.45
TOTAL	25.41	30.30

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 7 : LONG TERM PROVISIONS		
Provision for Standard Assets	1.09	1.29
Provision for Employee Benefits - Gratuity & Leave Encashment	153.43	154.54
TOTAL	154.52	155.83

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 8 : SHORT TERM BORROWINGS		
Loan Repayable on Demand	9.85	62.99
TOTAL	9.85	62.99

From Allahabad Bank	9.85	47.99
Secured by way of hypothecation of inventories, book debts, outstanding monies, receivables, claims, bills, contracts engagement and securities etc. of the Company		
From HDFC Bank	—	15.00
Partly secured against lien of Fixed Deposits with Bank		

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 9 : TRADE PAYABLES		
Payables for Goods & Services @	236.64	215.12
Payable to Clients	26.94	22.97
Agents Commission	7.61	7.61
Others	16.09	57.49
TOTAL	287.28	303.19

@ Includes Rs. 11.54 million (Prev Year Rs. Nil million) towards doctors expenses of Subsidiary Company provided on estimated basis pending confirmations of amount payable in terms of understanding with the doctors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 10 : OTHER CURRENT LIABILITIES		
Advance towards Sale of Right to Property - Investment	124.05	69.18
Advance against sale of Flat - Construction project	32.91	28.85
Income Received in Advance/Advance from Customers	421.10	860.12
Unclaimed/Unpaid Dividends @	94.02	75.93
Security/Other Deposit	22.98	22.10
Statutory Liabilities	27.67	31.33
Book Overdraft	1.79	—
Liability for Expenses		
Due to 'Micro, Small & Medium Enterprises	0.18	0.01
Others #	111.40	122.01
Branch and Other Office Adjustments (Net)	—	0.26
Amount Payable to Insurance Companies	23.06	27.60
Payable on account of Purchase of Fixed Assets	2.95	3.08
Margin Money Clients	17.79	12.02
Current maturities of Long Term Debt [Note 5]	60.80	50.00
Interest Accrued but not due	0.05	0.28
Interest Accrued and Due	1.30	1.87
Other Liabilities	138.94	54.22
TOTAL	1,080.99	1,358.86

Also includes amount of Rs. 29.64 million (Prev Year Rs. 30.75 million) due to related parties.

@ There are no amounts due for payment to the Investor Education & Protection Fund on account of Unclaimed Dividend under Section 205C of the Companies Act, 1956 [Section 125 of the Companies Act, 2013] as at the year end.

	(Rs. in Million)	
	31.03.2016	31.03.2015
NOTE - 11 : SHORT TERM PROVISIONS		
Provision for Employee Benefits -		
Gratuity & Leave Encashment	39.78	36.60
Provision for Standard Assets	0.60	0.55
Proposed Dividend	—	182.36
Dividend Distribution Tax	3.62	40.72
Provision for Income Tax	201.49	131.76
Provision for Expenses*	7.98	10.00
TOTAL	253.47	401.99

* Provision for Expenses represents claims by certain employees not acknowledged by the company pending resolution on the matter by the labour court and determination of the amount thereof. Carrying amount in this respect at the end of the year is Rs. 7.98 million (Prev Year Rs.10 millions). Rs. 1.35 million (Prev Year Rs. 1.42 million) has been created during the year and Rs. 3.37 million (Prev Year Rs. 2.40 million) has been paid during the year. [Note 43]

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 10: FIXED ASSETS

NOTE - 10: FIXED ASSETS										
PARTICULARS	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	Asat 01.04.2015	Additions	Transfer/ Adjustment	Asat 31.03.2016	Asat 01.04.2015	Additions	Transfer/ Adjustment	Adjustment (on account of Change in Useful Life)	Asat 31.03.2016	Asat 31.03.2015
TANGIBLE ASSETS										
LAND (Note 1)	500.03	59.97	3.33	556.67	—	—	—	—	556.67	500.03
LEASEHOLD LAND	43.55	—	—	43.55	—	—	—	—	43.55	43.55
BUILDING INCLUDING OWNERSHIP FLATS (Note 1, 2 & 5)	954.37	195.63	5.15	1,144.85	596.29	26.80	1.60	—	621.49	358.08
LEASEHOLD BUILDING	255.30	—	—	255.30	187.95	3.37	—	—	191.32	67.35
LEASEHOLD IMPROVEMENT	24.65	0.11	-	24.76	19.03	3.08	—	—	22.11	5.62
LIFT	9.66	—	—	9.66	9.66	—	—	—	9.66	—
FURNITURE & FIXTURES	343.39	13.03	3.47	352.95	245.11	18.14	3.04	—	260.21	98.28
COMPUTER HARDWARE/DATA PROCESSING EQUIPMENTS	471.30	3.72	16.95	458.07	464.78	5.11	16.94	—	452.95	6.52
OFFICE APPLIANCES	60.87	11.26	1.47	70.66	48.14	8.80	1.24	—	55.70	12.73
ELECTRICAL INSTALLATION & EQUIPMENT/ELECTRICAL MACHINERY	183.16	2.49	1.60	184.05	150.37	16.04	1.25	—	165.16	32.79
PLANT & EQUIPMENT/ MACHINERY/ MEDICAL EQUIPMENT	675.64	59.40	5.84	729.20	525.10	83.33	4.57	—	603.86	150.54
ROAD	3.68	—	—	3.68	3.66	0.01	—	—	3.67	0.02
VEHICLES	71.82	4.27	10.51	65.58	62.64	6.48	10.04	—	59.08	9.18
SUB-TOTAL	3,597.42	349.88	48.32	3,898.98	2,312.73	171.16	38.68	—	2,445.21	1,453.77
PREVIOUS YEAR	3,307.27	300.70	10.55	3,597.42	1,943.46	274.11	7.19	102.35	2,312.73	1,284.69
INTANGIBLE ASSETS										
COMPUTER SOFTWARE	100.06	9.40	0.28	109.18	80.29	11.71	0.28	—	91.72	17.46
SUB-TOTAL	100.06	9.40	0.28	109.18	80.29	11.71	0.28	—	91.72	17.46
PREVIOUS YEAR	88.01	12.05	—	100.06	70.04	10.21	—	0.04	80.29	19.77
TOTAL	3,697.48	359.28	48.60	4,008.16	2,393.02	182.87	38.96	—	2,536.93	1,471.23
PREVIOUS YEAR	3,395.28	312.75	10.55	3,697.48	2,013.50	284.32	7.19	102.39	2,393.02	1,304.46
CAPITAL WORK IN PROGRESS										
									4.37	40.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Notes:

1. Certain Land & Buildings including ownership flats were revalued by an approved valuer as on 31st March, 1994 on the basis of the market value and a sum of Rs.403.41 Million (net of amount capitalised by issue of bonus shares), being an increase in the value of these assets due to revaluation, was credited to Revaluation Reserve.
2. In accordance with the provisions of Guidance Note on Depreciation in Companies in the context of Schedule II to the Companies Act, 2013 issued by ICAI, depreciation for the year has been charged on Revalued Fixed Assets and the entire depreciation has been charged to Statement of Profit and Loss. Proportionate amount of Revaluation Reserve relating to it of Rs. 0.59 Million has been transferred to General Reserve as against treatment of transferring to the Statement of Profit and Loss (reduction from depreciation expense) in the previous financial year. Further Revaluation Reserve of Rs.Nil million (Prev Year Rs. 5.13 Millions) relating to building whose useful life as per Schedule II of Companies Act, 2013 has been completed as at 01st April 2014 has been transferred back to retained earnings.
3. The Company has charged depreciation in 2014-15 based on the remaining useful life of the assets as per requirement of Schedule II of Companies Act, 2013 effective from 1st April, 2014. Based on transitional provision provided in note 7 (b) of Schedule II of Companies Act, 2013, an amount of Rs. Nil (P.Y. Rs 102.39 million) has been adjusted against accumulated depreciation and an amount of Rs. Nil (P.Y. Rs.64.44 million [net of deferred tax of Rs. 35.95 million]) has been adjusted to retained earnings in the year 2014-15.
4. Disclosure of Assets given on Operating Leases has been provided in Note 42 of Financial Statements.
5. Pursuant to an agreement dated 16th October, 2015 entered by Subsidiary Company; Land, Building and other fixed assets of a hotel comprising of 65 rooms have been acquired with effect from said date at a lumpsum consideration of Rs. 277.05 million. The consideration so paid along with Stamp Duty and other cost incurred on acquisition has been segregated as per the independent technical estimate and capitalise as cost to the respective assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 : INVESTMENTS – CURRENT AND NON-CURRENT INVESTMENTS

	As at 31 March, 16 (Rs. in Million)	As at 31 March, 15 (Rs. in Million)
(A) INVESTMENTS – CURRENT* :		
I] Investment in Fixed Deposits	3,012.18	5,780.95
II] Investment in Mutual Funds	2,615.23	3,433.71
III] Investment in Gold ETF	-	43.34
IV] Investment in E-Silver	16.12	16.12
V] Investment in Shares - Other than Subsidiaries	272.67	192.69
VI] Investment in Debentures - Other than Subsidiaries	397.01	851.68
VII] Investment in Bonds	1,319.21	2,138.27
VIII] Investment in Government Securities	737.25	3,000.70
IX] Investment in Right to Property	301.22	301.22
	8,670.89	15,758.70
Less: Provision for Diminution in Value of Investments	408.21	494.15
TOTAL	8,262.68	15,264.55
(B) INVESTMENTS – NON-CURRENT*		
I] Investment in Fixed Deposits	1,633.26	4,174.22
II] Investment in Mutual Funds	381.02	184.48
III] Investment in Shares - Other than Subsidiaries	616.87	611.02
IV] Investment in Debentures - Other than Subsidiaries	851.18	1,249.32
V] Investment in Bonds	5,450.02	6,053.60
VI] Investment in Government Securities	11,605.82	1,229.50
	20,538.17	13,502.14
Less: Provision for Diminution in Value of Investments	119.06	3.39
TOTAL	20,419.11	13,498.75
GRAND TOTAL	28,681.79	28,763.30

* Classification as per Schedule III requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

(I) - (A) INVESTMENT IN FIXED DEPOSITS

- CURRENT
- INVESTMENTS - TRADE

Description	Face Value 31.03.2016 (Rs.in Million)	Book Value 31.03.2016 (Rs.in Million)	Face Value 31.03.2015 (Rs.in Million)	Book Value 31.03.2015 (Rs.in Million)
Fixed Deposits with Scheduled Banks # \$		3,012.18		5,157.72
Fixed Deposits with NBFC's - HDFC Ltd		—		623.24
TOTAL (I) (A)		3,012.18		5,780.96

(I) - (B) INVESTMENT IN FIXED DEPOSITS

- NON-CURRENT
- INVESTMENTS - TRADE

Description	Face Value 31.03.2016 (Rs.in Million)	Book Value 31.03.2016 (Rs.in Million)	Face Value 31.03.2015 (Rs.in Million)	Book Value 31.03.2015 (Rs.in Million)
Fixed Deposits with Scheduled Banks * # \$		4.33		2,679.10
Fixed Deposits with NBFC's - HDFC Ltd		139.68		1,282.74
Fixed Deposits with NBFC's - Mahindra & Mahindra Financial Services Ltd		1,489.25		212.39
TOTAL (I) (B)		1,633.26		4,174.23

\$ Includes Rs. 3,015.07 millions (Prev. Year Rs. 7,781.84 million) earmarked under an escrow account as security amount towards repayment of Liability towards depositors. [Note 4.4]. (*This amount includes amount Rs.3.55 millions (Prev. Year. Rs. 3.51 millions) invested as per the order of Hon'ble High Court of Calcutta. [Refer Note No. 32].)

Also includes fixed deposits amounting to Rs. 1.43 millions (Prev. Year Rs. 0.87 million) which have been kept as margin money for Bank Guarantee availed from Bank.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
NOTE - 13 (Contd.)
(II) (A) INVESTMENTS IN MUTUAL FUNDS (UNQUOTED)
— CURRENT
— INVESTMENTS - TRADE

Description	No. of Units 31.03.2016	Book Value 31.03.2016 (Rs.in Million)	No. of Units 31.03.2015	Book Value 31.03.2015 (Rs.in Million)
Birla Sun Life Govt. Securities Long Term Growth - Regular Plan	2,318,673.90	100.00	2,401,479.31	100.00
Baroda Pioneer Treasury Advantage Fund- Plan – B – Growth	2,928.11	5.01	—	—
Birla Sun Life Income Plus Growth Regular Plan	1,538,106.59	100.00	1,616,297.10	100.00
ICICI Prudential Gilt Invest PF Plan - Growth	1,752,418.34	50.00	1,816,042.19	50.00
ICICI Prudential Income Plan - Regular Growth	2,243,243.91	100.00	3,465,675.85	150.00
Reliance Growth Fund - Growth Plan - Growth Plan	59,348.45	50.00	39,301.91	30.00
Reliance Vision Fund - Growth Plan - Growth Option	67,338.59	30.00	67,338.59	30.00
Reliance Floating Rate Fund - Short Term Plan Growth	—	—	9,547,815.46	200.00
Reliance Income Fund - Growth Plan - Growth Option	3,186,980.12	150.00	—	—
Reliance Short Term Fund - Growth Plan - Growth Option	5,381,783.74	150.00	—	—
Birla Sun Life Frontline Equity Fund - Growth	213,789.15	35.00	190,262.22	30.00
HDFC Top 200 Fund - Growth	27,237.05	10.00	27,237.05	10.00
HDFC Gilt Fund Long Term - Growth	—	—	1,756,524.61	50.00
HDFC High Int. Fund - Dynamic Growth	—	—	2,115,231.54	100.00
SBI Magnum Multicap Fund - Growth	599,860.06	20.00	311,561.42	10.00
SBI Magnum Gilt Fund - Long Term - Growth -Regular Plan	3,161,595.47	100.00	3,293,720.85	100.00
Franklin India Govt. Securities Fund - Long Term Plan - Growth	2,939,844.89	100.00	3,041,085.06	100.00
Franklin India Ultra Short Bond Fund – Direct Plan - Growth	8,856,001.42	180.00	—	—
UTI-Gilt Advantage Fund - LTP - Growth	3,170,335.80	100.00	1,639,204.53	50.00
Canara Rebeco Short Term Regular Monthly Dividend Fund	—	—	19,702,327.67	200.00
DSP Black Rock FMP-Series 154- 12.5M -Growth	—	—	317,500.00	3.18
DWS Insta Cash Plus Fund - Daily Dividend Reinvestment	—	—	499,217.02	50.07
HSBC Cash Fund - Daily Div.	—	—	50,047.18	50.08
IDBI Liquid Fund - Daily Dividend Reinvestment	—	—	49,823.02	50.08
Kotak FMP Series 154 - Dividend	—	—	5,000,000.00	50.00
Kotak Liquid (Inst. Premium) -Daily Dividend	—	—	40,955.68	50.08
LIC NOMURA MF Savings Plus Fund - Growth	4,388,197.50	100.00	—	—
Peerless Flexible Income Fund - Quarterly Dividend	8,337,710.63	100.00	9,026,411.28	100.00
Peerless Flexible Income Fund - Quarterly Dividend	—	—	8,474,583.55	101.31
Peerless Flexible Income Fund- growth	24,176.79	0.30	4,775,615.67	57.28
Peerless 3 in 1 Fund - Direct Growth	8,415,060.26	126.97	—	—
Peerless Liquid Fund - Direct Plan - Growth	93,180.00	155.00	—	—
Peerless Short Term Fund - Monthly Dividend	18,049,401.21	200.00	18,200,680.71	200.00
Peerless Short Term Fund-Quarterly Dividend-Reinvestment	1,905,223.93	21.71	3,152,420.01	36.00
Peerless Ultra Short Term Fund - Direct Plan - Daily Dividend	376,027.99	379.79	398,117.92	400.77
Peerless Ultra Short Term Fund - Direct Plan - Daily Dividend	—	0.00	92,550.47	143.20
Peerless Ultra Short Term Fund-Regular Plan Daily Dividend	—	0.00	289,460.82	291.04
Peerless Liquid Fund - Direct Plan Daily Div.	191,202.40	191.45	32,684.94	50.13
Principal Debt Opportunities Fund Daily Div.	—	—	150,017.74	150.25
Principal Pnb Fixed Maturity Plan - Series B15-377 days - Regular	—	—	5,000,000.00	50.00
Peerless Equity Fund -	—	2,511,474.30	40.00	—
Peerless Liquid Fund - Direct Plan - Daily Div.	—	—	99,972.96	100.10
Peerless Long Term Advantage Fund	250,000.00	2.50	—	—
Religare Invesco Liquid Fund - Daily Div.	—	—	50,016.25	50.07
Reliance Liquid Fund –Cash Plan Growth	23,644.34	57.50	—	—
Tata Fixed Maturity Plan Series 47 Scheme D - Plan A - Dividend	—	—	5,000,000.00	50.00
Taurus Liquid Fund - Existing Plan - Super Instt. Daily Div.	—	—	50,056.77	50.07
TOTAL (II) (A)		2,615.23		3,433.71



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

(II) (B) INVESTMENTS IN MUTUAL FUNDS (UNQUOTED)

- NON-CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2016	Book Value 31.03.2016 (Rs.in Million)	No. of Units 31.03.2015	Book Value 31.03.2015 (Rs.in Million)
DSP BR Small and Mid Cap Fund - Regular Plan- Growth	1,316,394.66	50.00	1,141,314.86	40.00
L&T Equity Fund - Growth	395,721.94	25.00	315,422.59	20.00
Peerless Equity Fund Growth	6,487,446.81	113.06	3,277,083.66	53.06
Peerless Midcap Fund - Growth	10,402,731.37	104.04	—	—
Peerless Long Term Advantage Fund - Growth	1,750,000.00	17.50	—	—
Peerless MF Child Plan	90,581.35	1.30	90,581.35	1.30
Peerless Flexible Income Fund	9,699.81	0.12	9,699.81	0.12
Peerless Income Plus Fund	329,663.08	5.00	329,663.08	5.00
Peerless Liquid Fund	3,260.11	5.00	3,260.11	5.00
Peerless Short Term Fund	316,842.73	5.00	316,842.73	5.00
Peerless Ultra Short Term Fund	3,231.48	5.00	3,231.48	5.00
Kotak Opportunities Fund - Growth - Regular Plan	592,322.28	50.00	625,871.79	50.00
TOTAL (II) (B)		381.02		184.48
TOTAL OF INVESTMENTS IN MUTUAL FUNDS		2,996.26		3,618.20

(III) (A) INVESTMENT IN GOLD ETF

- CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2016	Book Value 31.03.2016 (Rs.in Million)	No. of Units 31.03.2015	Book Value 31.03.2015 (Rs.in Million)
SBIGETS Gold ETF	—	—	4,000	11.25
UTI Mutual Fund Gold ETF	—	—	7,000	19.53
GoldmanSach Mutual Fund Gold ETF	—	—	4,500	12.56
TOTAL (III) (A)		—		43.34

(IV) INVESTMENT IN SILVER

- CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2016	Book Value 31.03.2016 (Rs.in Million)	No. of Units 31.03.2015	Book Value 31.03.2015 (Rs.in Million)
E- Silver *	2800	16.12	2800	16.12
TOTAL (IV) (A)		16.12		16.12

* 1 unit = 100 gms, 10 unit = 1 Kg of Silver

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
NOTE - 13 (Contd.)
(V) (A) INVESTMENT IN SHARES - OTHER THAN SUBSIDIARIES
— CURRENT
— INVESTMENTS - TRADE
Shares (Quoted) - Fully Paid

Name of the Company	No. of Equity Shares 31.03.16	Face Value per Share Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Equity Shares 31.03.15	Book Value 31.03.15 (Rs.in Million)
ACC Limited	10,000	10	13.07	2,575	3.51
Alstom India Limited	9,245	10	6.89	—	—
Axis Bank Limited	17,350	2	7.70	7,600	3.26
Asian Paints Limited	4,225	1	3.59	—	—
Bank of Rajasthan Ltd.	50	10	0.03	50	0.03
Canara Bank	3,800	10	1.81	11,250	5.37
Engineers India Ltd	6,750	5	1.82	18,500	5.00
Essar Shipping Ltd. *	50	10	0.00	50	0.00
Emami Limited	10,000	1	11.68	—	—
FAL Industries Ltd.	9,006	10	0.28	9,006	0.28
The Great Eastern Shipping Co. Ltd.	250	10	0.01	8,500	0.32
Gujarat Ambuja Cements Ltd.	75,750	2	2.15	75,750	2.15
HDFC Ltd	10,000	2	11.47	7,450	8.01
HDFC Bank	9,825	2	9.74	2,975	2.46
Hindustan Motors Ltd.	3,100	5	0.17	3,100	0.17
ICICI Bank Ltd.	22,000	2	6.26	22,000	6.26
IFCI Ltd.	900	10	0.04	900	0.04
India Cements Ltd. *	150	10	0.00	150	0.00
India Glycols Ltd.	16,600	10	1.50	16,600	1.50
Infosys Limited	5,000	5	4.88	7,125	13.92
ITC Limited	12,950	1	4.05	1,050	0.33
ING Vysya Bank Ltd.	4,769	10	0.77	4,769	0.77
Jaiprakash Associates Ltd.	1,825	2	0.04	1,825	0.04
JK Tyre Ltd.	—	2	—	20,500	2.79
Kotak Mahindra Bank Ltd	11,750	5	7.48	2,075	2.53
Lakshmi Vilas Bank Ltd.	1,550	10	0.27	1,550	0.27
Larsen & Toubro Ltd.	1,170	2	0.34	1,170	0.34
LUPIN Ltd	10,000	2	18.22	—	—
Maharashtra Seamless Ltd.	2,900	5	0.18	2,900	0.18
Nagarjuna Fertilisers & Chemicals Ltd. *	300	1	0.00	300	0.00
Reliance Industries Ltd.	2,018	10	0.47	2,018	0.47
Reliance Infrastructure Limited	—	10	—	8,550	5.40
Sanghi Industries Ltd.	200	10	0.02	200	0.02
Soma Textile & Industries Ltd.	200	10	0.01	200	0.01
Spentex Industries Ltd.	3,500	10	0.09	3,500	0.09
State Bank of India	93,000	1	6.62	93,000	6.62
Supreme Petrochem Ltd. *	100	10	0.00	100	0.00
Sun Pharma Limited	10,000	1	9.59	—	—
Tata Consultancy Limited	9,600	1	22.57	5,000	12.24
Tata Iron & Steel Company Ltd.	225	10	0.03	225	0.03
Tech Mahindra Limited	18,000	5	10.70	10,000	6.36
Tata Motors Ltd.	4,375	2	1.61	—	—
Coal India Limited	3,000	10	1.19	8,000	3.16
Snowman Logistics Ltd	452	10	0.02	452	0.02
Ultratech Cement Ltd.	936	10	0.34	936	0.34
YES Bank Ltd.	8,950	10	6.57	—	—
SUB TOTAL			174.26		94.28

* The figures represent amounts rounded off to millions



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

(V) (A) INVESTMENT IN SHARES - OTHER THAN SUBSIDIARIES (Contd.)

— CURRENT

— INVESTMENTS - TRADE

Others (Unquoted) - Fully Paid

Name of the Company	No. of Equity Shares 31.03.16	Face Value per Share Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Equity Shares 31.03.15	Book Value 31.03.15 (Rs.in Million)
Allahabad Bank	262	10.00	0.01	262	0.01
Continental Commercial Company Ltd.	15,145	100.00	1.52	15,145	1.52
Ohmtron India Ltd.	500	100.00	0.05	500	0.05
Rajban Sea Food Ltd. *	10	10.00	0.00	10	0.00
Saraswati Engineering Ltd.	600,000	10.00	9.90	600,000	9.90
Travancore Titanium Products Ltd.	192,228	10.00	86.93	192,228	86.93
SUB TOTAL			98.41		98.41
			272.67		192.69
TOTAL (V) (A)					

* The figures represent amounts rounded off to millions

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**NOTE - 13 (Contd.)****(III) (B) INVESTMENT IN SHARES - OTHER THAN SUBSIDIARIES****— NON-CURRENT****— INVESTMENTS - TRADE****Shares (Quoted/Unquoted)* - Fully Paid**

Name of the Company	No. of Shares 31.03.16	Face Value per Share Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Shares 31.03.15	Book Value 31.03.15 (Rs.in Million)
Bank of Baroda	118,750	2	23.00	118,750	23.00
Bharat Heavy Electricals Ltd.	175,450	2	83.74	240,000	91.04
Coal India Ltd.	25,775	10	9.97	27,025	10.45
The Indian Hotels Company Ltd.	3,175	1	0.33	16,875	1.77
Larsen & Toubro Ltd.	31,925	2	38.56	21,200	26.07
Larsen & Toubro Finance Ltd.	100,000	10	5.20	100,000	5.20
LIC Housing Finance Ltd.	30,050	2	7.74	65,850	16.97
Oil & Natural Gas Corporation Ltd.	143,525	5	48.74	143,525	48.74
Punjab National Bank	114,250	2	26.40	114,250	26.40
Reliance Industries Ltd.	100,300	10	105.30	101,100	106.17
State Bank of India	357,750	1	90.96	352,325	89.92
Tata Power Co. Ltd.	202,246	1	24.31	202,246	24.31
Union Bank of India	25,500	10	8.94	25,500	8.94
Larsen & Toubro Finance Ltd. - Preference Shares - 8.75%	—	10	—	393,385	39.34
Larsen & Toubro Finance Ltd. - Preference Shares - 8.40%	500,000	10	50.00	500,000	50.00
TATA CAPITAL LTD (8.33% CRPS)	70,000	1,000	70.02	—	—
The Calcutta Stock Exchange Ltd. *	250	1	0.00	250	0.00
Aban Offshore Ltd.	300	2	0.26	300	0.26
Andhra Bank	6,000	10	0.71	6,000	0.71
Central Bank of India	8,000	10	1.49	8,000	1.49
Crompton Greaves Ltd.	2,000	10	0.57	13,000	4.08
East India Hotels Ltd.	10,718	10	1.23	38,000	4.86
Housing Development and Infrastructure Ltd.	5,000	10	0.86	5,000	0.86
Indiabulls Real Estate Ltd.	4,500	10	0.89	5,000	0.99
IDBI Bank Ltd.	—	10	—	13,500	2.16
IFCI Ltd.	6,500	10	0.40	6,500	0.40
IRB Infrastructure Developers Ltd.	10,250	10	2.90	17,450	4.96
JP Associates Ltd.	14,000	10	1.68	14,000	1.68
JSW Energy Ltd.	26,987	10	2.93	26,987	2.93
NIIT Ltd.	—	10	—	12,000	0.80
Power Finance Corporation Ltd.	1,250	10	0.31	1,250	0.31
PTC India Ltd.	5,000	10	0.58	5,000	0.58
Punj Lloyd Ltd.	15,000	10	1.76	26,000	3.23
Rural Electrification Corporation Ltd.	8,500	10	2.58	8,500	2.58
Reliance Capital Ltd.	—	10	—	2,000	1.45
Reliance Infrastructure Ltd.	—	10	—	2,400	2.62
State Bank of India	13,000	10	3.74	17,000	4.98
Tata Steel Ltd.	700	10	0.27	700	0.27
MF Utilities India Private Limited *	500,000	10	0.50	500,000	0.50
TOTAL (III) (B)			616.87		611.02
TOTAL OF INVESTMENT IN SHARES - OTHER THAN SUBSIDIARIES			889.53		803.70



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

(VI) (A) INVESTMENT IN DEBENTURE - OTHER THAN SUBSIDIARIES

— CURRENT *

— INVESTMENTS - TRADE

Name of the Company	Description	No. of Debenture 31.03.16	Face Value per Debenture Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Debenture 31.03.15	Book Value 31.03.15 (Rs.in Million)
LIC Housing Finance Limited @ \$	8.64%	250	1,000,000	247.63	—	—
Dewan Housing Finance Corporation \$	10.60%	—	1,000,000	—	500	501.56
Dewan Housing Finance Corporation \$	10.80%	—	1,000,000	—	100	100.42
IDFC Limited \$	8.85%	—	1,000,000	—	50	49.70
Reliance Capital Ltd.	10.40%	—	1,000,000	—	200	200.00
Tata Sons Limited \$	9.75%	100	1,000,000	100.15	—	—
HDB Financial Services Ltd. \$	8.54%	50	1,000,000	49.23	—	—
TOTAL (VI)(A)				397.01		851.68

* These investments are of long term nature in accordance with categorisation as per AS-13, however these have been reflected under Current Investments (in accordance with Schedule III) as they are due for maturity within a period of one year as at year end.

@ [P.Y. \$] Represents Investments earmarked under an escrow account as security amount towards repayment of Liability towards depositors [Note 4.4]

(IV) (B) INVESTMENT IN DEBENTURE - OTHER THAN SUBSIDIARIES

— NON-CURRENT

— INVESTMENTS - TRADE

Name of the Company	Description	No. of Debenture 31.03.16	Face Value per Debenture Rs.	Book Value 31.03.16 (Rs.in Million)	No. of Debenture 31.03.15	Book Value 31.03.15 (Rs. in Million)
Reliance Capital Ltd.	10.00%	250	1,000,000	249.63	250	249.63
Reliance Capital Ltd.	9.70%	250	1,000,000	250.00	250	250.00
HDB Financial Services Ltd. \$	9.97%	200	1,000,000	201.41	200	201.92
HDB Financial Services Ltd. \$	8.54%	—	1,000,000	—	50	49.23
Aditya Birla Finance Ltd \$	9.75%	150	1,000,000	150.14	150	150.26
LIC Housing Finance Limited \$	8.64%	—	1,000,000	—	250	247.63
Tata Sons Limited \$	9.75%	—	1,000,000	—	100	100.65
TOTAL (IV) (B)				851.18		1,249.32

TOTAL OF INVESTMENT IN DEBENTURES - OTHER THAN SUBSIDIARIES

1248.19

2101.00

\$ Represents Investments (Previous Year) earmarked under an escrow account as security amount towards repayment of Liability towards depositors [Note 4.4]

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

(VII) (A) INVESTMENT IN BONDS (FULLY PAID UP)

— CURRENT*

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value	Book Value	Nominal Value	Book Value
		31.03.2016 (Rs.in Million)	31.03.2016 (Rs.in Million)	31.03.2015 (Rs.in Million)	31.03.2015 (Rs.in Million)
Steel Authority of India Ltd. \$	8.80%	50.00	50.06	—	—
Vijaya Bank \$	9.25%	200.00	200.32	—	—
Punjab National Bank	9.15%	500.00	534.12	—	—
Power Grid Corporation of India Ltd. \$	10.90%	—	—	22.90	22.92
Power Grid Corporation of India Ltd. \$	8.90%	—	—	50.00	50.13
Power Grid Corporation of India Ltd. \$	8.84%	—	—	150.00	150.35
Power Grid Corporation of India Ltd. (08/07/15) \$	8.64%	—	—	100.00	100.05
Power Grid Corporation of India Ltd. (08/07/16) \$	8.64%	250.00	250.06	—	—
Food Corporation of India Ltd. \$	7.58%	—	—	125.00	125.00
Bank of Baroda \$	7.45%	—	—	100.00	100.00
EXIM Bank \$	8.45%	—	—	100.00	100.00
ICICI Bank Ltd. \$	7.50%	—	—	8.00	7.67
Indian Overseas Bank \$	7.25%	—	—	500.00	500.00
Power Finance Corporation \$	7.60%	—	—	100.00	96.12
Power Finance Corporation \$	8.70%	—	—	300.00	300.07
State Bank of India \$	7.45%	—	—	250.00	250.00
Hindustan Photofilms Mfg. Co. Ltd.	13.00%	302.49	284.65	302.49	284.65
Rural Electrification Corporation Limited	8.27%	—	—	50.00	50.33
Power Finance Corporation	7.95%	—	—	1.00	0.98
SUB - TOTAL - (VII) (A)		1,302.49	1,319.21	2,159.39	2,138.27

* These investments are of long term nature in accordance with categorisation as per AS-13, however these have been reflected under Current Investments (in accordance with Schedule III) as they are due for maturity within a period of one year as at year end.

\$ Represents Investments (Previous Year) earmarked under an escrow account as security amount towards repayment of Liability towards depositors [Note 4.4]



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

(V) (B) INVESTMENT IN BONDS (FULLY PAID UP)

— NON-CURRENT

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value 31.03.2016 (Rs. in Million)	Book Value 31.03.2016 (Rs. in Million)	Nominal Value 31.03.2015 (Rs. in Million)	Book Value 31.03.2015 (Rs. in Million)
HUDCO Ltd.	8.51%	300.00	300.00	300.00	300.00
HUDCO Ltd.	7.34%	100.00	101.12	—	—
HUDCO Ltd.	8.10%	50.00	51.71	—	—
India Infrastructure Finance Company Limited	8.16%	250.00	250.00	250.00	250.00
India Infrastructure Finance Company Limited	7.19%	500.00	489.44	500.00	489.58
Indian Railway Finance Corporation Limited	6.32%	100.00	100.00	100.00	100.00
Indian Railway Finance Corporation Limited	8.00%	141.88	140.61	141.88	140.61
Indian Railway Finance Corporation Limited	7.18%	500.00	483.63	500.00	483.68
Indian Railway Finance Corporation Limited	8.35%	200.00	200.00	200.00	200.00
Indian Railway Finance Corporation Limited	8.23%	500.00	500.00	500.00	500.00
National Highways Authority of India	8.20%	207.56	208.57	207.56	208.79
National Highways Authority of India	8.27%	200.00	200.00	200.00	200.00
National Housing Bank	8.26%	72.19	72.19	72.19	72.19
National Housing Bank	6.87%	500.00	460.45	500.00	460.45
Power Finance Corporation	8.20%	250.00	251.83	250.00	252.19
Power Finance Corporation	7.21%	500.00	504.00	500.00	504.61
Power Grid Corporation of India Ltd. (08/07/16) \$	8.64%	—	—	250.00	250.29
Punjab National Bank	9.15%	—	—	534.00	536.98
Rural Electrification Corporation Ltd.	8.18%	500.00	500.23	500.00	500.27
Rural Electrification Corporation Ltd.	7.21%	350.00	352.19	350.00	352.53
Steel Authority of India Ltd. \$	8.80%	—	—	50.00	50.17
IREDA (Tax Free)	7.17%	250.00	249.98	—	—
IREDA (Tax Free)	7.28%	34.06	34.07	—	—
Vijaya Bank \$	9.25%	—	—	200.00	201.26
SUB - TOTAL - (V) (B)		5,505.69	5,450.02	6,105.63	6,053.60

TOTAL OF INVESTMENT IN BONDS

6,769.23

8,191.87

\$ Represents Investments (Previous Year) earmarked under an escrow account as security amount towards repayment of Liability towards depositors [Note 4.4]

(VIII) (A) INVESTMENT IN GOVT. SECURITIES (FULLY PAID UP)

— CURRENT* \$

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value 31.03.2016 (Rs. in Million)	Book Value 31.03.2016 (Rs. in Million)	Nominal Value 31.03.2015 (Rs. in Million)	Book Value 31.03.2015 (Rs. in Million)
Government of India Bond 2016	7.02%	750.00	737.25	—	—
Government of India Bond 2015	7.38%	—	—	2,700.00	2,708.72
State Development Loans 2015	7.77%	—	—	291.90	291.98
TOTAL - (VIII)(A)		750.00	737.25	2,991.90	3,000.70

* These investments are of long term nature in accordance with categorisation as per AS-13, however these have been reflected under Current Investments (in accordance with Revised Schedule III) as they are due for maturity within a period of one year as at year end.

\$ Represents Investments earmarked under an escrow account as security amount towards repayment of Liability towards depositors. [Note 4.4]

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
NOTE - 13 (Contd.)
(VI) (B) INVESTMENT IN GOVT. SECURITIES (FULLY PAID UP)
— NON-CURRENT \$
— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value 31.03.2016 (Rs.in Million)	Book Value 31.03.2016 (Rs.in Million)	Nominal Value 31.03.2015 (Rs.in Million)	Book Value 31.03.2015 (Rs.in Million)
Government of India Bond 2017	7.49%	500.00	492.25	500.00	492.25
Government of India Bond 2016	7.02%	—	—	750.00	737.25
Government of India Bond 2024	8.40%	450.00	465.95	—	—
State Development Loans 2025	8.00%	350.00	346.62	—	—
State Development Loans 2025	8.06%	100.00	99.98	—	—
State Development Loans 2025	8.07%	100.00	100.10	—	—
State Development Loans 2025	8.08%	403.84	402.08	—	—
State Development Loans 2025	8.09%	250.00	250.57	—	—
State Development Loans 2025	8.10%	150.00	150.16	—	—
State Development Loans 2025	8.12%	400.00	400.52	—	—
State Development Loans 2025	8.14%	900.00	901.33	—	—
State Development Loans 2025	8.15%	450.00	450.68	—	—
State Development Loans 2025	8.16%	650.00	651.19	—	—
State Development Loans 2025	8.17%	100.00	100.15	—	—
State Development Loans 2025	8.18%	50.00	50.17	—	—
State Development Loans 2025	8.23%	700.00	698.97	—	—
State Development Loans 2025	8.25%	950.00	954.45	—	—
State Development Loans 2025	8.27%	1,144.57	1,151.39	—	—
State Development Loans 2025	8.28%	650.00	650.73	—	—
State Development Loans 2025	8.30%	1,020.78	1,025.45	—	—
State Development Loans 2025	8.31%	1,700.00	1,712.43	—	—
State Development Loans 2025	8.38%	180.00	180.07	—	—
State Development Loans 2025	8.53%	320.00	320.14	—	—
State Development Loans 2025	8.88%	50.00	50.44	—	—
TOTAL - (VI)(B)		11,569.19	11,605.82	1,250.00	1,229.50
TOTAL OF INVESTMENT IN GOVT. SECURITIES			12,343.07		4,230.20

\$ Represents Investments earmarked under an escrow account as security amount towards repayment of Liability towards depositors.
[Note 4.4]

Investment in State Development Loans are made across various States in India.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

(IX) (A) INVESTMENT IN RIGHT TO PROPERTY

— CURRENT

— TRADE

Description	Book Value 31.03.2016 (Rs. in Million)	Book Value 31.03.2015 (Rs. in Million)
Right to Property	301.22	301.22
TOTAL - (IX)(A)	301.22	301.22
TOTAL OF INVESTMENTS IN RIGHT TO PROPERTY	301.22	301.22
TOTAL OF NON -CURRENT INVESTMENTS - TRADE - (1)	20,538.17	13,502.14
TOTAL OF CURRENT INVESTMENTS - TRADE - (2)	8,670.89	15,758.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)		
	<u>31.03.2016</u>		<u>31.03.2015</u>
NOTE - 14: LONG-TERM LOANS AND ADVANCES			
(Unsecured, unless otherwise stated)			
(Considered good by Management except to the extent provided for)			
Loan secured against mortgage/hypothecation of Properties/ Shares/Vehicles	185.51		279.71
Less : Provided for	<u>4.10</u>	181.41	<u>4.10</u> 275.61
House Building Loan [Secured against mortgage of properties]		16.40	24.16
Consumer Durable Loan [Secured against hypothecation of consumer durable items]		1.23	1.15
Personal Loan to Employees		0.27	0.30
Security and Other Sundry Deposits		101.38	83.53
Capital Advance		32.76	12.28
Earnest Money Deposit		0.64	0.64
Unsecured loan against Pledge of Shares #		48.48	4.16
Advance Recoverable in cash or in kind or for value to be received			
Advance @	5.19		6.55
Less : Provided for	<u>1.85</u>	3.34	<u>2.05</u> 4.50
Advance Taxes (including Interest Tax , Wealth Tax and Income Tax Deducted at Source) - net of provisions		553.05	606.04
MAT Credit		1.46	—
Service Tax Credit		0.25	—
Prepaid Expenses		5.89	6.04
TOTAL	<u>946.56</u>		<u>1,018.41</u>

@ Advance to Related Party of Rs. 1.11 million (Prev Year Rs. 1.31 million) which is fully provided for.

Loan against pledge of shares includes Rs. 150 million given to a company where value of security was Rs. 65.83 million as on 31.03.2016. Steps are being taken to obtain additional security pending which such loan to the extent of Rs. 64.17 million (Net of Rs. 20 million written off during the year) has been classified as Unsecured Loans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

		(Rs. in Million)	
		<u>31.03.2016</u>	<u>31.03.2015</u>
NOTE - 15 : OTHER NON-CURRENT ASSETS			
(Unsecured, unless otherwise stated)			
(Considered good by Management except to the extent provided for)			
Accrued Interest on Investments \$		0.02	31.99
Accrued Interest on Loan to Employees*		35.94	38.41
Amount Receivable		19.18	19.18
Long Term Trade Receivables	2.26		3.25
Less: Provision	<u>2.26</u>	—	<u>3.25</u>
TDS Refundable		—	0.34
Fixed Deposit with Banks @		7.05	1.25
Interest Accrued on Fixed Deposits with Banks		0.01	0.41
Others		0.01	—
TOTAL		<u>62.21</u>	<u>91.58</u>

\$ This includes interest accrued of Rs. 0.02 million (Prev. Year Rs. 31.99 million) on Investments earmarked in an Escrow Account on account of security towards Aggregate Liability to Depositors (ALD) - Note [4.4].

* Out of above Rs. 35.86 millions (Prev. Year Rs. 38.37 millions) is also secured against mortgage of properties and hypothecation of consumer durable items.

@ Against Margin money Rs. 0.75 million (Prev Year Rs. 0.50 million)

		(Rs. in Million)	
		<u>31.03.2016</u>	<u>31.03.2015</u>
NOTE - 16 : INVENTORIES (as valued and certified by management)			
(valued at lower of Cost or Net realisable value)			
Stock-in-Trade of Medicines	13.25		14.05
Stores, Spares and Consumables	<u>17.48</u>	30.73	<u>16.45</u>
Inventories - Quoted Shares		1.29	0.02
Work In Progress	308.45		305.84
Stock of Flats & Commercial Units	<u>135.62</u>	444.07	<u>138.24</u>
Project Work in Progress		132.89	97.52
TOTAL		<u>608.98</u>	<u>572.12</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

		(Rs. in Million)	
	<u>31.03.2016</u>		<u>31.03.2015</u>
NOTE - 17 : TRADE RECEIVABLES			
(Unsecured, unless otherwise stated)			
(Considered good by Management except to the extent provided for)			
Considered Good			
Outstanding for Less than Six months	150.69	199.19	
Outstanding for More than Six months	<u>82.99</u>	<u>23.17</u>	
	233.68		222.36
Considered Doubtful			
Outstanding for Less than Six months	—	—	
Outstanding for More than Six months	<u>4.01</u>	<u>3.72</u>	
	4.01	3.72	
Less: Provision for Doubtful Debts	<u>4.01</u>	<u>3.72</u>	
	—	—	
TOTAL	<u>233.68</u>		<u>222.36</u>

		(Rs. in Million)	
	<u>31.03.2016</u>		<u>31.03.2015</u>
NOTE - 18: CASH AND CASH EQUIVALENTS			
- Cash in hand	26.68	31.35	
- Cheques/Demand Drafts in hand	<u>2.34</u>	<u>1.43</u>	
Stamps in hand	0.10		0.19
Bank Balance with Scheduled Banks in Current Account @ \$ *	419.00		271.86
Bank Balance for Unpaid Dividend	94.02		75.93
Fixed Deposit with Banks #	489.30		896.55
TOTAL	<u>1,031.44</u>		<u>1,277.31</u>

@ Includes Rs.101.71 millions (Prev Year Rs. 18.53 millions) kept in an Escrow Bank Account , on account of security towards Aggregate Liability to Depositors (ALD) [Note 4.4].

\$ Includes Rs. 0.16 million (Prev Year Rs. 0.16 million) received against right issue pending utilisation.

Includes Fixed Deposit of Rs. Nil (Prev Year Rs. 0.20 million) kept against margin money.

* Includes Rs. 1.12 million (Prev Year Rs. 0.61 million) being money received in respect of DBT Network Project on Brucellosis lying unspent at the year end (Net of advances of Rs. Nil, (Prev Year Rs. 0.33 million)).

Fixed Deposit with Banks		
Having maturity of less than 3 months	342.61	632.23
Having maturity of more than 3 months but less than 12 months	<u>146.69</u>	<u>264.32</u>
	<u>489.30</u>	<u>896.55</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

			(Rs. in Million)	
		31.03.2016		31.03.2015
NOTE - 19: SHORT TERM LOANS AND ADVANCES				
LOANS & ADVANCES:				
(Unsecured, unless otherwise stated)				
(Considered good by Management except to the extent provided for)				
Loan secured against mortgage/hypothecation of				
Properties/Shares/Vehicles	71.00		13.27	
Less : Provided for	<u>5.32</u>	65.68	<u>6.07</u>	7.20
House Building Loan [Secured against mortgage of properties]	7.92		10.09	
Less : Provided for	<u>1.40</u>	6.52	<u>1.78</u>	8.31
Consumer Durable Loan [Secured against hypothecation of consumer durable items]	1.72		2.72	
Less : Provided for	<u>0.21</u>	1.51	<u>0.21</u>	2.51
Personal Loan to Employees	0.53		0.64	
Less : Provided for	<u>—</u>	0.53	<u>—</u>	0.64
Security Deposits		0.45		0.33
Loan/Deposits to Companies	—		0.07	
Less : Provided for	<u>—</u>	—	<u>—</u>	0.07
Advance Taxes (including Interest Tax, Wealth Tax and Income Tax Deducted at Source) - net of provisions		31.09		26.63
Balance with Government Authority		230.00		142.08
Unsecured loan against Pledge of Shares		15.69		
Advance Recoverable in cash or in kind or for value to be received				
Advance @	271.53		222.62	
Less : Provided for	<u>2.89</u>	268.64	<u>2.84</u>	219.78
Prepaid Expenses		37.89		33.67
TOTAL		<u>658.00</u>		<u>441.22</u>

@ Includes Rs. 0.42 million (Prev Year Rs. 0.32 million) receivable from related parties, out of which Rs. 0.20 million (Prev Year Rs. 0.20 million) is provided for.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	<u>31.03.2016</u>	<u>31.03.2015</u>
NOTE - 20: OTHER CURRENT ASSETS		
(Unsecured, unless otherwise stated)		
(Considered good by Management except to the extent provided for)		
Stock of printed matters (at cost-as taken, valued and certified by the Management)	0.08	0.12
Branch and Other Office Adjustments (Net)	0.03	—
Accrued Interest on Investments \$	546.34	467.02
Accrued Interest on Loan to Employees*	4.30	4.57
Amount Receivable @	226.15	222.91
Less : Provided for	<u>154.32</u>	<u>154.10</u>
Receivable against Sale of Investment #	74.17	—
Fixed Assets Held for Sale	16.49	—
Current Maturities of Long Term Debts - Secured	—	17.17
Current Maturities of Long Term Debts - Unsecured	—	37.50
Interest Accrued but not Due	3.34	30.05
Interest Accrued and Due	6.89	0.56
TOTAL	<u>723.47</u>	<u>625.80</u>

- \$ Out of above, Rs.280.09 Millions (Prev. Year Rs. 234.09 millions) is on account of interest accrued on Investments earmarked in an Escrow Account on account of security towards Aggregate Liability to Depositors (ALD) Note [4.4].
- * Out of above Rs. 4.22 million (Prev. Year Rs. 4.33 million) is also secured against mortgage of properties and hypothecation of consumer durable items.
- @ Includes Rs. Nil (Prev Year Rs. 0.50 million) receivable from related parties [considered good].
- # Represents amount receivable by Subsidiary Company against switch of investments from Peerless Midcap Fund-Direct Growth Plan and Peerless Equity Fund-Direct Growth Plan to Peerless Ultra Short Term Fund-Direct Growth Plan, due to spill over of settlement cycle over the end of financial year 2015-16.

	(Rs. in Million)	
	For the year ended	
	<u>31.03.2016</u>	<u>31.03.2015</u>
NOTE - 21 : REVENUE FROM OPERATIONS		
Interest	2,162.97	2,148.56
Dividend	78.01	161.92
Profit on Sale of Investments	85.26	166.37
Construction Project Income	35.16	—
Commission on Insurance Products & Other Financial Products	218.23	165.16
Revenue from Hospital Services & Related Activities	1,452.25	1,283.64
Sale of Services - Hotel Services	359.86	310.23
Brokerage and Securities related Revenue	108.73	108.29
Management Fees and Trusteeship Fees	53.64	84.98
Sale Value of Flats and Commercial Units	420.05	376.32
Upfront Fees & Charges	0.10	3.29
Other Operating Income	40.05	58.16
TOTAL	<u>5,014.31</u>	<u>4,866.92</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 21 : REVENUE FROM OPERATIONS (Contd.)

(Rs. in Million)

For the year ended

	For the year ended 31.03.2016	31.03.2015
a) Interest on Investments :		
– Investments - Trade : Long-Term	1,422.00	1,142.57
: Current	649.88	942.75
– Investments - Other than Trade	5.03	—
: Current	—	—
– Others - On Loan , Collection, etc	86.06	63.24
TOTAL	2,162.97	2,148.56
b) Dividend (Gross)		
Long Term Investments - Other than Trade	—	0.14
Long Term Investments - Trade	19.04	13.23
Current Investments - Trade	0.14	—
– Associates - Mutual Fund	29.79	46.72
– Others - Shares & Mutual Fund	29.04	101.83
TOTAL	78.01	161.92
c) Profit/(Loss) on Investments, etc.		
Profit/(Loss) on Sale of Investments.		
– Trade Investments		
Long Term Investments		
– Associates	2.88	—
– Others	9.07	72.31
Other Investments		
– Associates	9.53	14.24
– Others @	63.78	79.82
TOTAL	85.26	166.37
d) Other Operating Income		
Provision no Longer required written back	0.02	0.19
Incentives & Commission	0.37	0.52
Interest Income	—	0.40
Profit on Sale of Investments		
– Current	—	4.02
– Non Current	—	3.14
Income from Academic Courses	35.65	29.63
Services relating to Securities trading	3.60	1.78
Contest Income	—	17.95
Others	0.41	0.53
TOTAL	40.05	58.16

(@ Includes Profit on Sale of Right to Property of Rs. Nil (P.Y. Rs. 34.78 million)

Note: The bifurcation/categorisation of income above has been made based on classification of Investments into Current and Long Term in accordance with AS-13.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 22 : OTHER INCOME		
Interest - Others	107.84	35.96
Dividend Income	8.85	24.94
Rent	18.46	27.33
Profit on Sale of Fixed Assets	19.00	3.03
Profit on Sale of Investments	30.56	37.16
Service Fees from Insurance Companies & Others	82.22	97.88
Provisions/Liabilities no longer required written back	41.01	58.29
Government Grants	1.69	—
Miscellaneous Income	56.44	19.37
TOTAL	<u>366.07</u>	<u>303.96</u>
a) Interest - Others		
Income Tax Refund	81.25	1.95
Employee Loans	2.48	3.96
Fixed Deposit with Banks	15.34	29.05
On Current Investments	2.62	0.14
On Long Term Investments	—	0.07
Others	6.15	0.79
TOTAL	<u>107.84</u>	<u>35.96</u>
b) Dividend		
Current Investments	8.40	24.94
Long Term Investments	0.45	—
TOTAL	<u>8.85</u>	<u>24.94</u>
c) Profit on Sale of Investments		
Current Investments	38.36	37.16
Long Term Investments	(7.80)	—
TOTAL	<u>30.56</u>	<u>37.16</u>
d) Provisions/Liabilities no longer required written back consists of:		
Diminution in Investments	5.82	20.97
Loans and Advances	4.64	4.25
Liability for Expenses	21.52	10.51
Others	9.03	22.56
TOTAL	<u>41.01</u>	<u>58.29</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 23 : CHANGES IN INVENTORIES		
Closing Inventories -		
Stock in Trade	13.25	14.05
Project in Progress	—	—
Stock of Flats and Commercial Units	135.62	138.24
Work-in-Progress	308.45	305.84
Opening Inventories -		
Stock in Trade	14.05	10.74
Project Work in Progress	—	—
Stock of Flats and Commercial Units	138.24	140.29
Work-in-Progress	305.84	323.40
TOTAL	0.81	16.30

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 24: EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus and Gratuity etc	1,192.59	1,145.44
Contribution to Provident & Other Funds	102.13	86.59
Staff Amenities & Welfare	63.41	64.85
TOTAL	1,358.13	1,296.88

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 25: FINANCE COSTS		
Interest on Bank Overdraft & Borrowings	24.74	25.21
Interest on Service Tax/Others	0.01	1.02
Bank & Finance Charges	3.54	4.30
TOTAL	28.29	30.53

	(Rs. in Million)	
	For the year ended	
	31.03.2016	31.03.2015
NOTE - 26: PROVISION FOR DOUBTFUL DEBTS, RECEIVABLES AND INVESTMENTS		
Provision for Doubtful Debts / Receivables / Claims & Contingencies	7.31	5.43
Provision for Diminution in Value of Investments	45.66	77.10
Provision for Standard Assets	—	0.82
TOTAL	52.97	83.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(Rs. in Million)

For the year ended

	31.03.2016	31.03.2015
NOTE - 27: DEPRECIATION AND AMORTISATION		
Depreciation on Tangible Assets	171.16	274.11
Amortisation on Intangible Assets	11.71	10.21
	<u>182.87</u>	<u>284.32</u>
Less: Transfer from Revaluation Reserve	—	0.63
TOTAL	<u>182.87</u>	<u>283.69</u>

(Rs. in Million)

For the year ended

	31.03.2016	31.03.2015
NOTE - 28: OTHER EXPENSES		
Commission and Incentive	4.21	3.49
Crockeries, Cutleries and Others	1.17	43.19
Linen and Laundry Expenses	4.12	4.19
Expenses on Apartment and Board	17.60	15.14
Service Activity Expenses	45.14	79.64
Construction Project Expenses	278.62	—
Insurance Premium under Accident Benefit Scheme	—	0.12
Commission to Other Directors	4.38	5.10
Directors' Fees	5.82	4.74
Postage and Telephone Charges	21.90	29.21
Charities and Donation	14.45	5.27
Rent	55.79	54.50
Rates & Taxes	40.27	34.04
Insurance	10.11	10.29
Electricity charges	115.42	113.02
Advertisement & Publicity	89.23	87.25
Printing & Stationery Charges	12.38	14.18
Travelling & Transport	30.91	44.53
Loss on Sale of Long Term Investments	—	1.88
Data Processing & Machine Accounting Charges	20.07	10.59
Motor Car Upkeep	25.94	28.82
Legal & Professional Charges	173.64	160.42
Software License Charges	3.92	4.21
Repairs :		
Building	19.45	22.84
Machinery	3.76	23.88
Others	53.75	79.88
Security & Manpower /Contract /Other Cost	146.97	48.83
Corporate Social Responsibility (Note 44)	29.46	6.94
Advances/Branch & Other Adjustments Written Off	41.66	14.56
Marketing Charges and Expenses	0.77	0.62
Fees for Renewal Support Services	41.52	55.68
Sales Promotion, Distribution and Contest Expenses	9.84	9.76
Service Tax Reimbursement	3.12	9.37
Payments to Consultants and Doctors	331.36	292.97
Brokerage & Distribution Support	38.94	25.83
Scheme Expenses	8.95	45.74
Other Expenditure	129.34	115.41
TOTAL	<u>1,833.98</u>	<u>1,506.13</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

29. In accordance with the Directions issued by the Reserve Bank of India to discontinue its Residuary Non- Banking (RNBC) business in a phased manner, the Company has not accepted any fresh/ new deposits from 1st April 2010 and also stopped accepting any renewals/installments of existing deposits with effect from 1st April 2011. The Company has assets/investments which are sufficient to discharge liabilities towards deposit holders as per the guidelines issued by RBI. The Company has already identified diversification/expansion in businesses of Mutual Fund, Financial Products Distribution, and expansion of Hotels & Hospitals through its subsidiaries.

30.1 In respect of various Direct tax matters, the position as per Assessment Orders is as follows:

Income Tax – Holding Company

In respect of AY 1985-86 and 1986-87 The Order of Hon'ble High Court treating the first year's subscription prior to 15.05.87 as revenue receipts and thereafter capital receipt, has been stayed by Hon'ble Supreme Court on Special Leave Petition filed by the Company.

In respect of A.Y's 1987-88 to 2012-13, for certain years, the Company / Department have gone into appeal and the assessments are pending for adjudication at various stages [Gross Demand Rs. 5,467.19 million and Net demand Rs. (26.02) million after adjusting TDS, Advance Tax and refund sanctioned]. Amount of demands presently not determinable have not been included herein.

In respect of Interest tax, Assessment years 1993-94 to 2000-01, full appeal effects are yet to be given. [Gross demand Rs. 296.30 million, Net Demand Rs. (50.00) million]. Wealth Tax assessment orders are pending at various levels [Gross Demand Rs. 49.97 million, Net Demand Rs. 0.92 million].

Advance Tax (including Interest Tax & Wealth Tax/Tax deducted at source, net of provisions) as shown under Note 14 [Long Term Loans and Advances] of financial statements of Rs. 553.05 million includes Rs. 177.98 millions as Income Tax deducted at source (pertaining to Holding Company) for which credit is yet to be accepted by the Income Tax Department pending verification.

In respect of taxation matters pending assessment and taxation matters contested as above, in the view of the management, sufficient provision is existing in the accounts which is based on accounting policies followed by the Company and for which legal and professional opinions are received by the management and as such no further adjustments in this respect is considered necessary. Liability for taxation, interest, penalty etc. on account of adjustments made/to be made on/for revivals, settlements etc. or otherwise will be provided / made as and when these are finally ascertained.

30.2 Income Tax – Subsidiary

In respect of various assessment years, the Companies / Department have gone into appeal and the assessments are pending for adjudication at various stages – Amount involved Rs. 22.65 million (previous year Rs. 34.09 million)

31. The disclosures required under Accounting Standard - 15 on "Employee Benefits" are given below :

Defined Contribution Scheme

Description	(Rs. in Millions)	
	2015-16	2014-15
Employer's Contribution to Provident Fund/Pension Fund and Superannuation Fund *	76.40	74.84

*excludes employers contribution of 2015-16 Rs. 25.73 million (2014-15 Rs. 11.75 million) on account of insurance scheme for employees.

Defined Benefit Scheme

Obligation in respect of employee's gratuity fund scheme managed by Life Insurance Corporation of India is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes 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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Particulars	(Rs. in Million)	
	2015-16	2014-15
Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:		
Liability at the beginning of the year	373.80	336.71
Interest Cost	28.07	29.58
Current Service Cost	19.80	16.45
Actuarial (gain) / loss on obligations	13.13	22.76
Benefits paid	(39.97)	(31.70)
Liability at the end of the year	394.83	373.80
Changes in the Fair Value of Plan Asset representing reconciliation of opening and closing balances thereof are as follows:		
Fair value of Plan Assets at the beginning of the year	321.03	304.24
Expected Return on Plan Assets	22.07	21.13
Contributions by the Company	39.69	21.52
Benefits paid	(39.97)	(31.70)
Actuarial gain/(loss) on Plan Assets	3.90	5.84
Fair value of Plan Assets at the end of the year	346.72	321.03
Total actuarial gain/(loss) to be Recognized	9.23	16.92
Actual return on Plan Assets		
Expected return on Plan assets	22.07	21.13
Actuarial gain/(loss) on Plan Assets	3.90	5.84
Actual return on Plan Assets	25.97	26.97
Amount Recognized in Balance Sheet		
Liability at the end of the year	394.83	373.80
Fair value of Plan Assets at the end of the year	346.72	321.03
Amount Recognized in the Balance Sheet	48.11	52.77
Expenses Recognized in the Income Statement		
Current Service Cost	19.80	16.45
Interest Cost	28.07	29.58
Expected Return on Plan Assets	(22.07)	(21.13)
Net Actuarial (gain) / loss to be Recognized	9.23	16.92
Expenses Recognized in Profit & Loss Account	35.02	41.82
Investment Details of Plan Assets		
– Insurer Managed Fund (100%)	346.72	321.02
Balance Sheet Reconciliation		
Opening Net Liability	52.77	32.47
Expenses as above	35.02	41.82
Employers Contribution	(39.69)	(21.52)
Amount Recognized in Balance Sheet	48.10	52.77
Amount Recognised in current year		
Defined Benefit Obligation	394.83	373.80
Plan Assets	346.72	321.03
(Surplus)/Deficit	48.11	52.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Particulars	(Rs. in Million)	
	2015-16	2014-15
Experience adjustments on plan liabilities Loss/ (Gain).	9.94	4.12
Experience adjustments on plan Assets (Loss)/Gain	3.92	4.68

Compensated Absences

The obligation for compensated absences is determined based on actuarial valuation using the Projected Unit Credit Method. The actuarial liability of Compensated Absences (unfunded) of the employees of the company as at year end is Rs.145.10 million (Prev Year Rs. 138.37 million)

Principle Accuarial Assumptions as at Balance Sheet date

	As at 31st March 2016	As at 31st March 2015
Discount Rate	7.75% - 8.25%	7.95% - 8%
Rate of Return on Plan Assets	7.5% - 9%	7.5% - 9%
Salary Escalation Rate	5% - 8%	5% - 8%
Retirement Age	58 years	58 years

Note: Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.

32. (a) The Company [Holding Company] has been legally advised that the provisions of section 205C of the Companies Act, 1956 (Section 125 of the Companies Act, 2013) in respect of subscription amounts collected from the Certificate-holders are not applicable to it. Accordingly, such amounts, which are lying unclaimed for 7 years or more, have not been transferred to the Investors Education and Protection Fund.

(b) In respect of the notice received from Deputy Registrar of Companies, West Bengal for non deposit of amount of unpaid deposit to the extent of Rs. 3.55 million to the said fund, pursuant to a writ petition filed by the Company before the Hon'ble High Court at Calcutta, the said sum was deposited in earlier year in a separate account with a nationalized bank and continues to remain so till final judgement of Hon'ble High Court at Calcutta is received.

33. Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act). There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance sheet date. Relevant disclosures as required under the Act are as follows:

Particulars	(Rs. in Million)	
	As at 31.03.2016	As at 31.03.2015
a) i. Principal amount remaining unpaid to supplier under the MSMED Act 2006	0.18	0.01
ii. Interest on a) (i) above	Nil	Nil
b) i. Amount of Principal paid beyond the appointed date	Nil	Nil
ii. Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	Nil	Nil
c) Amount of Interest due and payable for the period of delay in making payment, but without adding the interest specified under section 16 of the said Act	Nil	Nil
d) Amount of Interest accrued and due	Nil	Nil
e) Amount of further interest remaining due and payable even in succeeding years	Nil	Nil

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

34. Contingent Liability :

(Rs. in Million)

	As at 31.03.2016	As at 31.03.2015
i. Claims against the Company [Group] not acknowledged as debts (to the extent ascertained from the available records)		
• ESI Matters (subjudice)	245.37	246.30
• Other Matters (including those pending before consumer forums)	37.28	39.78
ii. Service Tax matters (under dispute)	225.17	178.44
iii. Custom Duty matters (under dispute)	115.40	115.40
iv. Direct Tax matters (refer note 30 above)		
Holding Company - Amount not determinable	—	—
Subsidiary Companies -	22.65	34.09

Note : Future cash outflows, if any, in respect of (i) to (iv) above is dependent upon the outcome of judgement/decisions etc.

35. Estimated Value of contracts remaining to be executed on capital accounts and not provided for, net of advances:

	(Rs. in Million)	
Particulars	As at 31.03.2016	As at 31.03.2015
Capital Commitment	7.68	5.42

36. Payment to Auditors, exclusive of Service Tax (considered under Other expenditure) is on account of:

	(Rs. in Million)	
Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Statutory Audit	5.47	5.31
Certification, Out of pocket Expenses, etc.	6.02	4.71

37. Disclosures as required as per Accounting Standard (AS-18) on Related Party Disclosures are as below :

- a) Other related parties with whom transactions have taken place during the year

Associate/Group Enterprises

Kaizen Hotels & Resorts Ltd. (earlier known as Hotel Durgapur International)

Kaizen Leisure & Holidays Ltd. (earlier known as Kaizen Leisure & Holidays Pvt. Ltd)

Bichitra Holdings Private Ltd.

Shikha Holdings Private Ltd.

Peerless Mutual Fund (managed by Peerless Funds Management Company Ltd)

Peerless Golden Jubilee Charitable Trust

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

b) Key Management Personnel/Relatives of Key Management Personnel (KMP)

KMP of Holding Company

Mr. S K Roy - Managing Director
 Mr. B. Lahiri - Deputy Managing Director
 Mr. S. Bhattacharyya – Chief Financial Officer (upto 31st March, 2016)
 Mr. A. K. Mukhuty – Chief Financial Officer (w.e.f 01st April, 2016)
 Mr. K. Balasubramanian – Company Secretary
 Mr. T.K Roy - Relative of Managing Director
 Mrs. Shikha Roy - Relative of Managing Director
 Miss. Debasree Roy – Relative of Managing Director
 Mr. Jayanta Roy – Relative of Managing Director

KMP of Subsidiary Companies/Joint Venture

Mr. Kunal Sen - Executive Director
 Mr. Dilip Samadar - Managing Director
 Dr. Sujit Kr Purkayastha - Medical Director & Joint Managing Director
 Mr. Jitendra Panda - Managing Director & Chief Executive Officer
 Mr. Rajiv Shastri – Managing Director & Chief Executive Officer (w.e.f 01.09.2014)
 Mr. Atul Kumar Bajpai - Wholetime Director
 Mr. Abhishek Tantia - Chief Financial Officer
 Mr. Arnab Basu - Chief Financial Officer & Vice president (upto 4th June, 2015)
 Mr. S.Swaminathan – Chief Financial Officer
 Mr. Sudama Ram-Managing Director and Chief Executive Officer
 Mr. Subhabrata Talukdar - Company Secretary cum Legal & Compliance Officer
 Mr. Manoj Kumar Bajoria – Company Secretary
 Mr. Dinesh Mourya, Company Secretary (w.e.f. 12.03.2015)
 Mrs. Samadrita Chakravarty, Chief Financial Officer (w.e.f. 5th June, 2015)
 Mr. Ketan Sengupta, Chief Executive Officer
 Mr. Ashoke Nath Banerjee, Ex-General Manager
 Mr. Sankar Kumar Saha, Chief Financial Officer
 Mr. Ayan Sengupta, Company Secretary and Compliance Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

c) The Company's related party transactions during the Year and outstanding balances as at 31st March, 2016 are annexed here with:
(Rs. in Million)

Sl. No.	Nature of transaction	Associates/ Group Enterprises	Key Management Personnel/ Relatives	Grand Total
1.	EXPENSES			
	Receiving of Services/Reimbursement of Expenses	7.69	0.60	8.29
	Previous Year	22.20	—	22.20
	Remuneration	—	135.46	135.46
	Previous Year	—	108.67	108.67
	Commission to Directors	—	—	—
	Previous Year	—	29.39	29.39
	Rent Expense	2.24	—	2.24
	Previous Year	0.13	—	0.13
	Dividend	148.76	152.58	301.34
	Previous Year	86.52	103.71	190.23
	Total	181.01	426.70	607.71
	Previous Year Total	108.85	241.77	350.62
2	INCOME			
	Rendering of Services/Reimbursement of Expenses	1.98	—	1.98
	Previous Year	8.68	—	8.68
	Rental Income	1.66	—	1.66
	Previous Year	1.41	—	1.41
	Dividend on Preference/Equity Shares/Mutual fund	31.55	—	31.55
	Previous Year	52.70	—	52.70
	Profit on sale of Units of Mutual fund	12.41	—	12.41
	Previous Year	14.24	—	14.24
	Total	110.40	—	110.40
	Previous Year Total	77.03	—	77.03
3	ASSETS			
	Amounts Receivable/Advance	1.53	—	1.53
	Previous Year	2.13	—	2.13
	INVESTMENTS			
	Schemes of Mutual Fund	1,433.74	—	1,433.74
	Previous Year	1,594.21	—	1,594.21
	Total	1,437.40	—	1,437.40
	Previous Year Total	1,596.34	—	1,596.34
4	LIABILITY			
	Amounts Payable/Advance/Security Deposit/Earnest Money	0.18	29.47	29.64
	Previous Year	0.21	30.54	30.75
	Provisions for Doubtful Debts	1.31	—	1.31
	Previous Year	1.51	—	1.51
	Provisions for Outstanding Loans	—	—	—
	Previous Year	1.51	—	1.51
	Total	3.20	60.01	63.21
	Previous Year Total	3.23	30.54	33.77
5	TRANSACTIONS			
	Investment in Schemes of Mutual Fund	5,872.80	—	5,872.80
	Previous Year	8,856.23	—	8,856.23
	Redemption of Schemes of Mutual Fund	5,608.33	—	5,608.33
	Previous Year	8,905.42	—	8,905.42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

38. The breakup of Deferred Tax Liabilities are as under: (Rs. in Million)

Description	Opening as at 01.04.2015	Charge or (Credit) for the year ended 31.03.2016	Closing as at 31.03.2016
Deferred Tax Assets			
Expenses allowed on payment basis	46.71	2.81	43.90
Deferred Tax Liability			
Depreciation	(57.23)	(3.34)	(53.89)
Net Deferred Tax Asset/(Liability)	(10.52)	(0.53)	(9.99)

The breakup of Deferred Tax Assets are as under: (Rs. in Million)

Description	Opening as at 01.04.2015	Charge or (Credit) for the year ended 31.03.2016	Closing as at 31.03.2016
Deferred Tax Assets			
Expenses allowed on payment basis	5.10	(0.29)	5.39
Provisions	105.08	12.55	92.53
Deferred Tax Liability			
Depreciation	(89.99)	(12.05)	(77.94)
Net Deferred Tax Asset/(Liability)	20.19	0.21	19.98

39. In accordance with Accounting Standard – 20 “Earnings per Share” basic and diluted Earnings per Share (EPS) have been calculated as follows :

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
a) Profit attributable to Equity Shareholders – (Rs. in millions)	1,033.98	854.33
b) Basic and weighted average number of Equity Shares outstanding during the year	33,15,584	33,15,584
c) Nominal value per/of Equity Share	Rs. 100	Rs. 100
d) Basic and Diluted EPS	Rs. 311.85	Rs. 257.67

40. The disclosure requirements of AS 17 on Segment Reporting is as below:

The Company has identified seven reportable segments i.e. RNBC and Allied Activities, Broking & Security Trading, Hospital Business, Hotels, Financing & Lending Activities, Construction & Development of Properties, Financial Product Distribution. Segments have been identified and reported taking into account nature of products and services, the differing risk and returns.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The disclosure as per AS – 17 as below for 2015-16 :

(Rs. in Million)

Sr No.	Particulars	RNBC & allied activities	Broking & Security Trading	Hospital Business	Hotels	Financing - Lending	Construction & Development of Properties	Financial Products Distribution	Others	Total
I	Revenue									
	Revenue from Operations	2,311.12	112.85	1,488.11	364.46	46.81	497.88	217.82	53.64	5,092.69
	Less: Intergroup Revenue									78.38
	Total (A)	2,311.12	112.85	1,488.11	364.46	46.81	497.88	217.82	53.64	5,014.31
	Other Income	389.52	12.23	22.82	10.90	11.91	11.58	12.97	34.10	506.03
	Less: Intergroup Revenue									139.96
	Total (B)	389.52	12.23	22.82	10.90	11.91	11.58	12.97	34.10	366.07
	Total Income (A + B)	2,700.64	125.08	1,510.93	375.36	58.72	509.46	230.79	87.74	5,380.38
	Expenses									
	Less: Intergroup expenses	1,479.62	154.83	1,451.83	376.17	51.56	310.44	294.17	189.10	4,307.72
	Total Expense	1,479.62	154.83	1,451.83	376.17	51.56	310.44	294.17	189.10	4,307.72
										404.92
II	Segment Results before Tax	1,221.02	(29.75)	59.10	(0.81)	7.16	199.02	(63.38)	(101.36)	1,477.58
	Provision for Current Tax	—	—	—	—	—	—	—	—	445.95
	Deferred Tax	—	—	—	—	—	—	—	—	(0.32)
	MAT Credit	—	—	—	—	—	—	—	—	(1.46)
	Profit/(Loss) After Tax before adjusting minority interest	1,221.02	(29.75)	59.10	(0.81)	7.16	199.02	(63.38)	(101.36)	1,033.41
	Add: Share of (Profit)/Loss transferred to minority	—	—	—	—	—	—	—	—	0.57
III	Profit/(Loss) After Tax after adjusting minority interest	1,221.02	(29.75)	59.10	(0.81)	7.16	199.02	(63.38)	(101.36)	1,033.98
	Other Information									
	Segment Assets	33,029.93	263.52	463.61	970.12	577.14	1,343.08	164.36	531.45	37,343.21
	Less: Intergroup Assets									2,881.49
	Total Assets	33,029.93	263.52	463.61	970.12	577.14	1,343.08	164.36	531.45	34,461.72
	Segment Liabilities	16,075.06	60.80	355.33	171.28	5.54	802.97	97.06	12.86	17,580.90
	Less: Intergroup Liabilities									112.85
	Total Liabilities	16,075.06	60.80	355.33	171.28	5.54	802.97	97.06	12.86	17,468.05
	Depreciation	24.82	4.63	77.40	60.93	1.49	0.61	10.42	2.57	182.87
	Capital Expenditure	5.99	1.37	30.88	314.39	1.00	2.50	2.36	0.80	359.28
	Non-Cash Expenditure	58.04	5.61	21.93	1.35	21.14	4.44	—	—	112.51

Note: Segment revenue, results, assets and liabilities have been accounted for based on amounts allocated as considered reasonable by the management.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The disclosure as per AS – 17 as below for 2014-15 :

(Rs. in Million)

Sr No.	Particulars	RNBC & allied activities	Broking & Security Trading	Hospital Business	Hotels	Financing -Lending	Construction & Development of Properties	Financial Products Distribution	Others	Total
I	Revenue									
	Revenue from Operations	2,454.80	111.25	1,313.63	314.55	22.91	431.67	182.46	84.98	4,916.25
	Other Income	223.29	17.82	13.90	28.26	0.00	8.75	31.15	40.53	363.70
	Less: Intergroup Revenue								109.07	
	Total Income	2,678.09	129.07	1,327.53	342.81	22.91	440.42	213.61	125.51	5,170.88
II	Expenses									
	Less: Intergroup expenses	1,206.63	165.05	1,452.53	293.05	19.14	274.05	353.45	212.78	3,976.68
	Total Expense	1,206.63	165.05	1,452.53	293.05	19.14	274.05	353.45	212.78	3,890.88
	Segment Results before Tax	1,471.46	(35.99)	(125.00)	49.76	3.78	166.37	(139.84)	(87.27)	1,280.00
	Provision for Current Tax									437.90
	Deferred Tax									(19.96)
	Tax for the earlier years									8.12
	Profit/(Loss) After Tax before adjusting minority interest	1,471.46	(35.99)	(125.00)	49.76	3.78	166.37	(139.84)	(87.27)	853.94
	Add: Share of (Profit)/Loss transferred to minority	—	—	—	—	—	—	—	—	0.39
	Profit/(Loss) After Tax after adjusting minority interest	1,471.46	(35.99)	(125.00)	49.76	3.78	166.37	(139.84)	(87.27)	854.33
III	Other Information									
	Segment Assets	29,875.13	301.15	504.10	1,002.00	423.83	1,618.76	222.51	634.00	34,581.48
	Less: Intergroup Assets								200.02	
	Total Assets	29,875.13	301.15	504.10	1,002.00	423.83	1,618.76	222.51	634.00	34,381.46
	Segment Liabilities	16,393.35	67.79	627.73	200.62	155.34	1,079.83	88.91	14.00	18,627.57
	Less: Intergroup Liabilities								477.48	
	Total Liabilities	16,393.35	67.79	627.73	200.62	155.34	1,079.83	88.91	14.00	18,150.09
	Depreciation	53.00	6.32	188.56	14.32	2.52	1.68	12.14	5.15	283.69
	Capital Expenditure	8.16	2.93	26.67	420.38	1.76	0.13	11.79	3.24	475.06
	Non-Cash Expenditure	91.67	15.47	8.49	3.26	1.51	—	—	0.77	121.17

Note: Segment revenue, results, assets and liabilities have been accounted for based on amounts allocated as considered reasonable by the management.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

41. Disclosure on Foreign Currency:

(Rs. in Million)

Particulars	For the Year ended 31.03.2016	For the Year ended 31.03.2015
Earnings in Foreign Currency	6.03	15.64
Conversion of Foreign Currency	2.65	2.07
Expenditure in Foreign Currency	5.20	6.11
CIF value of Imports	0.74	0.57

42. The Company's significant leasing arrangements (both as a lessor and lessee) are in respect of operating leases for premises. These leasing arrangements which are not non-cancellable relate to the period between 3 to 10 years and are usually renewable by mutual consent on mutual agreeable terms. The aggregate lease rentals amounting to Rs. 55.79 million (Prev Year Rs. 54.50 million) have been charged as rent under Note 28 of Financial Statements. Rs. 0.28 million (Prev Year Rs. 0.25 million) have been recognized as sub-lease rentals [forming part of Rental Income in Note 22] received in respect of these leases.

Disclosure with respect to assets given on lease are as follows:-

(Rs. in Million)

Description of Assets given on lease	Gross Block as on 31.03.2016	Accumulated Depreciation as on 31.03.2016	Depreciation for the year ended 31.03.2016
Buildings*	371.52	289.89	4.28
Previous Year	(359.43)	(284.57)	(4.60)

* includes entire cost for certain buildings which is used by the Company and tenants both

43. Disclosure as required in terms of Accounting Standard 29 (AS 29) on Provisions, Contingent Liabilities and Contingent Assets as at year end is as follows:

(Rs. in Million)

Particulars	As at 31 March 2016		As at 31 March 2015	
	Provision for Standard Assets	Provision for Expenses	Provision for Standard Assets	Provision for Expenses
Opening Provision	1.84	10.00	1.02	10.98
Add: Amount provided for during the year	—	1.35	0.82	1.42
Less: Adjusted/Paid during the year	0.16	3.37	—	2.40
Closing balance	1.69	7.98	1.84	10.00

44. As per provisions of the Companies Act, 2013 the Company [Holding Company and one of the subsidiaries] has during the year incurred expenditure relating to CSR activities amounting to Rs. 29.46 million (Prev Year Rs. 6.94 million) and the same is reflected under Other Expenses in Note 28.
45. The Company has charged depreciation based on the remaining useful life of the assets as per the requirements of Schedule II of Companies Act, 2013 effective from 1st April 2014. Further, based on transitional provision provided in note 7(b) of Schedule II of Companies Act, 2013, an amount of Rs. Nil million (Prev. Year Rs. 102.39 million) has been adjusted in accumulated depreciation as shown in Note 12 and Rs. Nil million [Prev. Year Rs. 66.44 million (net of Deferred Tax)] has been adjusted in Retained Earnings as shown in Note 3. Revaluation Reserve of Rs. Nil million (Prev. Year Rs. 5.13 million) relating to building whose useful life as per Schedule II of Companies Act, 2013 has been completed as at 01st April 2014 has been transferred back to retained earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

46. Additional Disclosure as required under Schedule III of Companies Act, 2013

As on 31st March, 2016

Name of Entity	Net Assets i.e. total assets minus total liabilities		Share in P & L	
	As a % of consolidated net assets	Amount (Rs. in Million)	As a % of consolidated P & L	Amount (Rs. in Million)
Parent Company				
Peerless General Finance & Investment Company Limited	99.56%	16,918.84	82.65%	854.54
Subsidiary Companies				
Peerless Securities Limited	1.19%	202.72	(2.96%)	(30.64)
Peerless Financial Products Distribution Limited	0.40%	67.30	(6.13%)	(63.38)
Peerless Hotels Limited	4.70%	798.84	(0.07%)	(0.75)
Peerless Hospitex Hospital & Research Center Limited	0.64%	108.28	5.76%	59.60
Peerless Financial Services Limited	3.36%	571.60	0.30%	3.10
Peerless Funds Management Limited	2.91%	494.82	(9.80%)	(101.32)
Peerless Trust Management Limited	0.14%	23.77	(0.01%)	(0.07)
Minority Interest in all Companies	0.23%	39.04	0.06%	0.57
Joint Venture				
Bengal Peerless Housing Development Co. Limited	3.16%	537.12	12.16%	125.75
Eliminations	(16.29%)	(2,768.66)	18.04%	186.58
Total	100%	16,993.67	100%	1,033.98

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

46. Additional Disclosure as required under Schedule III of Companies Act, 2013

As on 31st March, 2015

Name of Entity	Net Assets i.e. total assets minus total liabilities		Share in P & L	
	As a % of consolidated net assets	Amount (Rs. in Million)	As a % of consolidated P & L	Amount (Rs. in Million)
Parent Company				
Peerless General Finance & Investment Company Limited	102.55%	16,644.68	129.52%	1,106.63
Subsidiary Companies				
Peerless Securities Limited	1.40%	227.63	(3.53%)	(30.20)
Peerless Financial Products Distribution Limited	0.82%	133.61	(16.52%)	(141.07)
Peerless Hotels Limited	5.03%	815.80	4.96%	42.38
Peerless Hospitex Hospital & Research Center Limited	(0.77%)	(123.61)	(14.81%)	(126.51)
Peerless Financial Services Limited	1.50%	243.84	0.42%	3.59
Peerless Funds Management Limited	3.67%	596.14	(10.25%)	(87.61)
Peerless Trust Management Limited	0.15%	23.84	0.07%	0.60
Minority Interest in all Companies	0.19%	30.72	0.05%	0.39
Joint Venture				
Bengal Peerless Housing Development Co. Limited	2.84%	460.72	12.81%	109.41
Eliminations	(17.38%)	(2822.00)	(2.72%)	(23.28)
Total	100%	16,231.37	100%	854.33



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

As on 31st March, 2015

Name of Entity	Net Assets i.e. total assets minus total liabilities		Share in P & L	
	As a % of consolidated net assets	Amount (Rs. in Million)	As a % of consolidated P & L	Amount (Rs. in Million)
Parent Company				
Peerless General Finance & Investment Company Limited	102.57%	16,644.68	129.52%	1,106.63
Subsidiary Companies				
Peerless Securities Limited	1.40%	227.63	(3.53%)	(30.20)
Peerless Financial Products Distribution Limited	0.82%	133.61	(16.52%)	(141.07)
Peerless Hotels Limited	5.03%	815.80	4.96%	42.38
Peerless Hospitex Hospital & Research Center Limited	(0.79%)	(127.69)	(14.81%)	(126.51)
Peerless Financial Services Limited	1.50%	243.84	0.42%	3.59
Peerless Funds Management Limited	3.67%	596.14	(10.25%)	(87.61)
Peerless Trust Management Limited	0.15%	23.84	0.07%	0.60
Minority Interest in all Companies	0.19%	30.72	0.05%	0.39
Joint Venture				
Bengal Peerless Housing Development Co. Limited	2.84%	460.72	12.81%	109.41
Eliminations	(17.38%)	(2822.00)	(2.72%)	(23.28)
Total	100%	16,227.29	100%	854.33

47. Disclosure as required by AS-27 on Financial Reporting of Interest in Joint Ventures is shown below:-
Bengal Peerless Housing Development Co. Limited (based on figures as reported in Standalone Financials)-
With 36.70% share in profit

(Rs. in Million)

Sl. No.	Particulars	2015-2016	2014-2015
1.	Assets	1,293.86	1,468.75
2.	Liabilities	766.49	1,029.87
3.	Income	474.31	440.46
4.	Expenditure	278.53	273.63
5.	Share of Profit	125.59	109.82

48. Previous year figures have been reclassified to conform to this year's classification

Signature to Notes 1 to 48

For MUKUND M CHITALE & CO.
Chartered Accountants
Firm Reg. No. 106655W

(M. M. Chitale)
Partner

M. No. 14054
Kolkata

Dated : 25th June, 2016.

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Sunil Kanti Roy
Bhargab Lahiri
Deepak Mukerjee

Managing Director
Dy. Managing Director
Director

INDEPENDENT AUDITORS' REPORT

To the Members of THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated Financial Statements of The Peerless General Finance & Investment Company Limited, hereinafter referred to as "the Holding Company" and its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") and a Jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated Cash Flows of the group including a jointly controlled entity 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. The respective Board of Directors of the Companies included in the Group and the jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective companies and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the 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 Consolidated Financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 6 (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our Qualified audit opinion on the Consolidated Financial Statements.

Basis for Qualified Opinion

4. a) Provision for Taxation and matters pending finalisation including those pending resolution, as per Note 30.1 of Consolidated Financial Statements, effect whereof including on the provisions with respect to these and on the refunds granted to the Company, as such being not determinable.
- b) Note 32 of Consolidated Financial Statements regarding non-transfer/ disclosure of unclaimed deposit to Investor Education and Protection Fund based on the legal opinion received by the Company; the matter being subjudice and legal, reliance has been placed by us on the said opinion.
- c) The Company has furnished the requisite statements, returns, information or particulars required to be furnished to RBI and has generally complied with the directions/ directives issued by RBI. The aggregate amount of total deposits outstanding as per accounting policies followed by the Company as at the last date of year ended i.e., 31st March 2016 as reflected in Note No. 4.1 includes liability for unclaimed/ unpaid deposits and adjustments thereagainst, as specified in Note No. 4.2, 4.3 and 4.4.
- d) The impact of the items in para 4 (a) to 4 (c) above and compliance /impact with/on legal and other requirements has not been ascertained and accordingly the comments on the adjustments, compliances with respect to these cannot be made.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph [para 4], the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
 - a) In case of the Consolidated Balance Sheet, of the Consolidated state of affairs of the Group and its jointly controlled entity as at 31st March, 2016,
 - b) In case of the Consolidated Statement of Profit and Loss, of the Consolidated profit for the year ended on that date and
 - c) In case of Consolidated Cash Flow Statements, of the Consolidated cash flows for the year ended on that date.

Other Matters

6. We did not audit the Financial Statements/Financial information of seven subsidiary companies and one jointly controlled entity, whose Financial Statements reflect total assets of Rs. 4,263.86 millions as at March 31, 2016, total revenue of Rs. 2,862.92 million and net cash outflow amounting to Rs. 214.81 millions for the year then ended, as considered in the Consolidated Financial Statements. These Financial Statements/Financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the report of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

7. As required under provisions of section 143(3) of the Act, except for the points described in the Basis for Qualified Opinion paragraph and based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of subsidiaries and a jointly controlled entity as noted in 'Other Matter' paragraph we report to the extent applicable 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 of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the preparation of Consolidated Financial Statements.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Account) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2016 and taken on record by the Board of Directors of the Holding company and according to the report of the statutory auditors of its Subsidiary Companies and Jointly controlled entity, none of the directors are disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the Act and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the jointly controlled entity and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'.
- 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 the information and according to the explanation given to us and based on the consideration of the report of the other auditors on separate financial statements of subsidiary companies and jointly controlled entity as noted in 'Other Matter' paragraph :
 - i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and Jointly controlled entity to the extent determinable/ascertainable and its jointly controlled entity (Refer Note 30.1, 30.2, 32 and 34 to the Consolidated Financial Statements)
 - ii) The Group and Jointly controlled entity did not have any long term contract for which there was any material foreseeable losses and therefore is not required to make any provision, as required under the applicable law or accounting standards.
 - iii) Except to the extent mentioned in Basis of qualified opinion in para 4 (b) relating to a subjudice matter of non-transfer of amounts to Investor Education and Protection fund, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and Jointly controlled entity.
8. In case of one of the Subsidiary (Peerless Securities Limited) , based on opinion of the auditor of the Company proper books of accounts and records as specified in rule 15 of the Securities Contract (Regulation) Rules 1957 have been kept so far as appears from examination of such books.
9. In case of one of the Subsidiary (Peerless Securities Limited), based on opinion of the auditor of the subsidiary Company, the Company has complied with the requirements of the Stock Exchanges so far as they relate to maintenance of accounts and was regular in submitting the required accounting information to the Stock Exchanges.

Place : Kolkata

Dated : 25th June, 2016.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W

M. M. Chitale
Partner
Membership No. 14054

Annexure 'A' to the Independent Auditors' Report on the Consolidated Financial Statements

(Referred to in paragraph 7 (f) of our Audit Report of even date)

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of The Peerless General Finance and Investment Company Limited ("the Holding Company") and its subsidiary companies and jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and jointly controlled entity incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, its subsidiary companies and jointly controlled entity 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 Companies Act, 2013.

Auditors' Responsibility

3. 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 issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

4. 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

- 5 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

- 6 In our opinion, the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, have 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, 2016, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies and jointly controlled entity 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.

Other Matters

- 7 Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to seven subsidiary companies and one jointly controlled entities incorporated in India, is based on the corresponding reports of the Auditors of such companies incorporated in India.

Place : Kolkata

Dated : 25th June, 2016.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No. 106655W

M. M. Chitale
Partner
Membership No. 14054

Standalone Key Financials Eight Years at a Glance									
	(Rs. In Million)								
Year Ended on 31st March	2009	2010	2011	2012	2013	2014	2015	2016	
Aggregate Liability to Depositors	39350	32956	26214	21313	18372	16609	15704	15585	
Investments	47332	44081	39027	33834	31988	30992	30760	30905	
Yield (%)	8.81	8.70	8.34	7.97	8.11	7.88	7.95	7.61	
Capital Adequacy Ratio (%) (Required minimum 12%)	153.00	135.00	114.00	111.00	98.98	80.07	86.13	102.95	
Income	7167	6508	4250	3310	3129	2747	2678	2736	
Profit before Tax	3408	3797	1918	1658	1682	1485	1472	1224	
Profit after Tax	2362	2558	1302	1089	1188	1043	1107	855	
Dividend (%)	90	110	70	70	80	80	90	70	
Earnings Per Share (in Rs.)	712.31	771.48	392.62	328.43	358.44	314.76	333.77	257.73	