

Peerless Hospitex Hospital and Research Center Limited
Annual Report & Accounts
2016-17

BOARD OF DIRECTORS

Mr. Sunil Kanti Roy, *Chairman*
Mr. Deepak Mukerjee, *Director*
Mr. Dhruva Narayan Ghosh, *Director*
Mr. Rajiv Gujral, *Director*
Dr. Gautam Sen, *Director*
Dr. Vinayak Balkrishna Jog, *Director*
Mr. Patit Paban Ray, *Director*
Dr. Sujit Karpurkayastha, *Managing Director*
Mr. Samar Bhattacharyya, *Director*

CHIEF FINANCIAL OFFICER

Mr. Sivasis Sarkar

COMPANY SECRETARY

Mr. Balaram Bose

AUDITORS

M/s. Lodha & Co. *Chartered Accountants*

BANKERS

United Bank of India
Axis Bank Ltd.
Allahabad Bank

AUDIT COMMITTEE

Mr. Deepak Mukerjee, *Chairman*
Mr. Sunil Kanti Roy, *Member*
Dr. Gautam Sen, *Member*
Mr. Rajiv Gujral, *Member*
Dr. Sujit Karpurkayastha, *Member*

Registered Office & Hospital Complex

360, Panchasayar, Kolkata-700 094
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Fax : 91-33-2462-0692
E-mail : hospitex@vsnl.com
Website : www.peerlesshospital.com
CIN - U85110WB1989PLC046938

City Diagnostic Centre

Peerless Hospital City Diagnostic Centre
223, Chittaranjan Avenue, Kolkata-700 006
Ph. : (033) 2530-5676/2555-8171
Fax : 91-33-2555-5958
E-mail : pdc@vsnl.net/pdc@peerlesshospital.com

Swastha Bitan

Sonartari Housing Complex
Phase II, Annexe, Prantik
Santiniketan - 731 235

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors take pleasure in presenting the 28th Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2017.

There has been a welcome improvement in the operating performance of the Company during the year, thanks to sustained increase in business growth.

FINANCIAL HIGHLIGHTS

Summary of the financial results for the year 2016-17, as compared to the previous year, is given below:

	(Rs. in Lakh)	
	2016-2017	2015-2016
Gross Income	17278	15094
Total Expenditure before Interest & Depreciation	14747	13524
Profit before Interest, Depreciation & Tax	2532	1570
Interest	101	224
Depreciation	595	603
Profit before Taxation	1836	743
Tax for earlier year/ current year	—	—
Deferred Tax for the year	670	52
Profit after tax	1166	691
Surplus/(Deficit) B/F from previous year	(1915)	(2606)
Surplus/(Deficit) carried to Balance Sheet	(749)	(1915)

PERFORMANCE HIGHLIGHTS

Highlights of the Company's financial performance during the year are given below:

- (i) Total income at Rs. 17278 lakh recorded a growth of 14.47%;
- (ii) The number of Outdoor patients increased by 5.6% over the previous year and Indoor by 8.6%. Day Care cases registered a rise of 3.5% for the year;
- (iii) Major surgeries in disciplines like Cardiac, Orthopedic, Urology and Dental showed rise of 20%, 6%, 14% and 22% respectively over the period;
- (iv) Diagnostic Income from Pathology and Imaging continued their uptrend, being 20% higher than the previous year;
- (v) Costs were controlled better, with significant reduction achieved in medical consumables and medicines;
- (vi) Profit Before Tax at Rs. 1836 lakh during FY 17 was significantly higher than last year's PBT of Rs.743 lakh.
- (vii) The liquidity position of the Company has started to look better. A part of the outstanding TDS refundable from the Income Tax department was received during the year under review. There is still a large amount of refundable TDS due to be received by the Company. Sustained efforts are being made to obtain refunds.

CLINICAL SERVICES

Emergency department has been at the heart of the hospital services for the last five years. Every year, more and more patients are being treated in that department. With three new cardiologists joining the hospital, patient numbers attending cardiology OPD has increased substantially. New cardiac catheterization laboratory has been installed with state of the art facilities and the number of primary coronary angioplasty is also on the rise. It has been possible to start satellite cardiology outpatient clinics outside the city with good response.

Four new dialysis machines have been installed to service increasing demand for dialysis service. One additional adult nephrologist and one paediatric nephrologist have joined the department. The hospital is currently running four shifts of dialysis. The unit has submitted an application to start kidney transplant in the hospital.

Work is going on to repair the outer structure of the building so that upgradation of other clinical services inside the premises can be started without delay. These include relocating the neonatal care unit (NICU) and creating paediatric care unit (PICU), upgrading cardiology and endoscopy units, creating a new liver intensive care unit with an adjacent operation theatre (OT) suitable for liver transplant etc.

Initiatives are being taken to upgrade urology department so that it becomes possible to offer comprehensive services in all aspects of urology.

EXCEPTIONAL PATIENT CARE

Your hospital takes a lot of pride in its ability to deal with patients with complex clinical problems and also for extending help to distressed patients and their relatives when a primary treating hospital is unable to provide the necessary treatment. A 24 year old woman with advanced pregnancy was shifted from a nursing home in Singur to your hospital. She was 35 weeks pregnant, disoriented, confused, and complaining of headache and vomiting. After physical examination, she was sent for an MRI scan of her brain which revealed a large brain tumour with some bleeding inside it. Decision was taken to deliver the baby and at the same time a complex operation was performed to remove the brain tumour. Both the operations were skillfully and meticulously done and both the newborn baby and the mother recovered completely.

There was another life saving operation carried out on a 16 year old boy, who was transferred from a local nursing home to the emergency department with severe abdominal pain, vomiting and high fever. Initial examination was suggestive of a perforated bowel and a decision was taken by the surgical team to operate on the boy. To the astonishment of the operating surgeon, he found that a piece of chicken bone had penetrated through a pouch called Meckel's diverticulum, which in itself is an uncommon developmental defect. This had caused severe pain and pus formed because of infection. The operation was successfully completed with removal of the diverticulum and the offending bone. On questioning later, the boy admitted that he had eaten chicken a day before he became ill but had no idea that he had also swallowed a chicken bone! Fortunately, he made a complete recovery and the right decision by our doctors made all the difference.

LABORATORY AND IMAGING SERVICES

Newer tests in microbiology and biochemistry departments have been introduced. Autoantibody profile, anaerobic and fungal culture are being done in microbiology. Immunofixation for paraproteinaemia and measurement of lithium are the new tests in biochemistry.

Blood bank has been completely refurbished according to new specification laid down by drug control authority. Some internal rearrangements had to be made at the blood bank to accommodate the amended requirements.

A new digital mammography machine has been installed in the radiology department through B K Roy Foundation, a public charitable trust. This is a highly advanced equipment and is only available in a handful of organizations. Service of this machine is being offered free of cost to persons of low income group referred by B. K. Roy Foundation. Interventional radiology is growing as a subspecialty and a large number of procedures are being done including angio embolisation, CT/US guided biopsies and therapeutic drainage, fistuloplasty for non functioning AV fistulas.

CLINICAL AUDITS

As part of NABH, regular audits are being carried out throughout the hospital and they are regularly presented in the appropriate forum. Infection control, patient safety, record keeping, prescription errors, mortality meetings feature in the audit programme. Clinical audits recently concluded include success rate of CABG after CAG (Coronary angiography), Coronary angiography: Results and rate of conversion, Pain in the abdomen in female and correlation with urine pregnancy test (UPT), CT Brain in ED: With turnaround time for the scan and incidence of Sepsis in neonates – in the last year.

NABH ACCREDITATION

Surveillance visit for NABH was successfully done last year. The new 4th edition of NABH standards has been published

and your hospital will face reaccreditation visit in the month of May this year. Extensive preparation for the visit is being undertaken as this hospital will be the first one in the city to be facing the rigour of the new standards.

ACADEMICS

The future of the hospital depends on continuous availability of suitably trained professionals. For the past few years, lot of emphasis has been given to expand various training programmes. For junior doctors, fresh applications have been made to start DNB courses in cardiology, paediatrics, family medicine and FNB course in critical care. Ongoing DNB courses running in your hospital include orthopaedics, emergency medicine, general surgery, general medicine and gastroenterology. IDCCM (Indian diploma in critical care medicine) and MEM course in emergency medicine are the other two courses running for doctors. Two of our junior doctors have cleared MRCP (Member of Royal College of Physicians,UK) examination, one has passed final part of MRCS (Member of Royal College of Surgeons,UK) examination and one has successfully completed MCEM (Member of Emergency College of Medicine, UK). GNM, BSc and post basic BSc courses are being conducted for nurses and, last year, the nursing college got permission to increase the number of seats in GNM course from 20 to 30. Paramedical courses currently running in your hospital include DMLT for laboratory technicians, DRD for radiographers, Diploma for OT technicians and DDT for dialysis technicians. Bachelor in Physiotherapy course is running since 2006. One of our students in DRD course stood first in the state of West Bengal.

Your hospital has organized the third international conference, “Medicon International 2016”, on advanced clinical medicine in December 2016 in association with the Royal College of Physicians of Edinburgh (RCPE). The conference was attended by nearly 400 delegates and received wide press coverage. Prof Derek Bell, President of the college, was present on both days. The Royal College has shown keen interest to host the fourth edition of the conference at the end of this year in association with your hospital. The Federation of the Royal Colleges of the UK will make a visit in September to assess the feasibility of making this hospital an examination centre for MRCP PACES.

The Chief cardiac surgeon of your hospital was invited to be a guest speaker in two international conferences organized in Europe and this has been a rare distinction for Indian doctors.

RESEARCH AND PUBLICATION

11 articles got published in peer reviewed journals from the department of emergency medicine and 4 from departments of radiology, medicine and neurology. One research project is ongoing jointly between radiology and neurology departments entitled “Trans cranial Doppler assessment of pre and post cranioplasty cerebral circulation – how early cranioplasty should be done”. A total of 15 clinical research works are being carried out in emergency department, 6 in gastroenterology department and few others in orthopaedics, general medicine and general surgery department. Four drug trials are also in progress.

OUTREACH CENTRES

Your hospital has three outreach centres and there are plans to open up more in future. City diagnostic centre has met its business targets in the last financial year. The centre is planning to increase eye operations in the next financial year to improve its performance further. Swastha Bitan, located in Shantiniketan, has seen major improvement in its operation. A total of 2068 eye surgery, 403 nos of general surgery procedures were carried out and 33 nos of medical patients were treated in the centre. Since the inception, for the first time, the centre has been able to make a small profit and the trend is likely to follow this year. Most of the patients being treated in the centre are in the RSBY scheme and the patients are generally below the poverty line. There are plans to expand the centre with creation of more inpatient beds and a small dialysis unit.

FUTURE OUTLOOK

Your hospital has concentrated in consolidating and upgrading its available services to a good standard and gaining confidence from its users. Immediate plans include major repair work of the exterior structure of the building and overhauling of the sewerage and drainage system. Internal relocation of a few departments like interchanging of cardiology and

gastroenterology outpatient departments, creation of new PICU (Paediatric intensive care unit) adjacent to NICU (Neonatal intensive care unit), upgrading department of physical medicine, creation of liver intensive care unit and a new operation theatre suitable for liver transplantation are in the pipeline of future development. An application has been made to get permission to set up renal transplant programme. All efforts will be made to find out a suitable location to set up comprehensive cancer care services.

While the above works continue, setting up a medical college will remain a key longer term goal of your hospital.

PREFERENCE SHARES

8% 18,00,000 Redeemable Non-cumulative Preference Shares of Rs.100 each Series –A was due for redemption on 5th September, 2016. Due to non-availability of funds, your Company took approval from the holder of preference shares, i.e., The Peerless General Finance and Investment Company Ltd. and, after holding an extraordinary general meeting on 29th August 2016 in terms of the provisions of section 55(3) of the Companies Act, 2013, made an application to the National Company Law Tribunal (NCLT) for issuance of a new series of preference shares in full redemption of existing preference shares as per the provisions of the said act. The matter appeared in the list of NCLT for hearing several times and, as on the date of the report, the issue is yet to be disposed of by NCLT.

DIVIDEND

In view of accumulated losses in FY'17, your Directors do not recommend payment of any Dividend on Equity Shares. No Dividend on Preference Shares is recommended to be paid for the same reason.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm having :

- i) followed applicable Accounting Standards in the preparation of Annual Accounts;
- ii) selected accounting policies with the approval of the Statutory Auditors 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 your Company and of the profits made at the end of the financial year on 31st March 2017;
- iii) have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- iv) prepared annual accounts on a 'going concern' basis; and
- v) have devised proper systems to ensure compliance with the provisions of all applicable laws, and ensured that such systems were adequate and operating effectively.

DIRECTORS

Pursuant to the provisions of section 161 of the Companies Act, 2013, the Board at its meeting held on 18th February, 2017 appointed Mr. Samar Bhattacharyya as additional director who will hold the office upto the date of the 28th Annual General Meeting of the Company.

In accordance with the provisions of Section 152(6)(c) of the Companies Act, 2013 read with Article 133 of the Articles of Association of the Company, Mr. Patit Paban Ray and Dr. Vinayak Balkrishna Jog retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

As on the date of this report, the Board comprises of nine Directors, of which eight are Non-Executive, including two Independent Directors.

During the year, the Board met five times on 26th May, 2016, 29th July, 2016, 29th August, 2016, 12th December, 2016 and 18th February, 2017.

Details of attendance of the Directors in Board Meetings for 2016-17 are as under:

Name of the Directors	Category	Status	No. of Meetings	
			Held	Attended
Mr. Sunil Kanti Roy	Promoter & Non-executive Director	Chairman	5	5
Mr. Deepak Mukerjee	Non-Executive Independent	Director	5	5
Mr. Dhruva Narayan Ghosh	Non-Executive	Director	5	3
Mr. Rajiv Gujral	Non-Executive	Director	5	4
Dr. Gautam Sen	Non-Executive Independent	Director	5	5
Dr. Vinayak Balkrishna Jog	Non-Executive	Director	5	3
Mr. Patit Paban Ray	Non-Executive	Director	5	5
Mr. Dilip Samadar*	Managing Director	Managing Director	5	2
Dr. Sujit Karpurkayastha**	Managing Director	Managing Director	5	3
Mr. Samar Bhattacharyya	Non-executive	Director	5	1

* Mr. Dilip Samadar retired from the post of Managing Director with effect from 1st August, 2016.

** Dr. Sujit Karpurkayastha appointed as Managing Director with effect from 29th August, 2016.

DECLARATION BY INDEPENDENT DIRECTORS

Mr. Deepak Mukerjee and Dr. Gautam Sen, Independent Directors, have submitted their disclosures to the Board pursuant to the provisions of section 149(7) of the Companies Act, 2013 confirming that they fulfill all the requirements as provided in sub-section (6) of section 149 of the said Act. The Board confirms that the said Independent Directors meet the criteria laid down in the Act.

MEETING OF INDEPENDENT DIRECTORS

Pursuant to Clause VII of Schedule IV to the Companies Act, a separate meeting of Independent Directors was held on 25th May, 2016. All the Independent Directors attended the meeting and:

- (i) Reviewed the performance of non-independent Directors and the Board as a whole;
- (ii) Reviewed the performance of the Chairman of the company;
- (iii) Assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties;

AUDIT COMMITTEE

Subsequent to the retirement of Mr. Dilip Samadar from the post of Managing Director, the Audit Committee was reconstituted on 29th August, 2016 after induction of Dr. Sujit Karpurkayastha as a member of the Committee.

As on the date of this report the Committee has four Non-executive Directors namely, Mr. Deepak Mukerjee as Chairman, and Mr. Sunil Kanti Roy, Mr. Rajiv Gujral and Dr. Gautam Sen as well as Dr. Sujit Karpurkayastha, Managing Director, as members. The Committee invites Senior Executives to be present at the meetings of the Committee, whenever it is considered necessary.

The Audit Committee assists the Board, inter-alia, in conducting detailed review of audited and un-audited accounts, and in examining the integrity of its financial reporting systems, adequacy of internal control system, compliance with the legal and regulatory requirements, and also in recommending appointment/ re-appointment of Statutory Auditors, Internal Auditors, Tax Auditors and Cost Auditors. During the year, the Committee met three times on 25th May, 2016, 28th July, 2016 and 12th December, 2016.

Details of attendance of Members in the meetings of Audit Committee for FY 2016-17 are as under:

Name of the Directors	Category	Status	No. of Meetings	
			Held	Attended
Mr. Deepak Mukerjee	Non-executive Independent	Chairman	3	3
Mr. Sunil Kanti Roy	Non-executive	Member	3	3
Mr. Rajiv Gujral	Non-executive	Member	3	3
Dr. Gautam Sen	Non-executive	Member	3	3
Mr. Dilip Samadar*	Managing Director	Member	3	2

* Mr. Dilip Samadar retired from the post of Managing Director with effect from 1st August, 2016.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board consists of three Non-executive Directors, two of them being independent. During the year under review, the Committee met twice on 29th August, 2016 and 18th February, 2017 respectively. Details of attendance of Members in the meetings of Nomination and Remuneration Committee are as under:

Name of the Directors	Category	Status	No. of Meetings	
			Held	Attended
Dr. Gautam Sen	Non-executive Independent	Chairman	2	2
Mr. Deepak Mukerjee	Non-executive Independent	Member	2	2
Mr. Sunil Kanti Roy	Non-executive	Member	2	2

Terms of Reference of the Nomination & Remuneration Committee:

The terms of reference of the Committee include the following:

- (i) Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommendation of their appointment and removal to the Board and evaluation of every director's performance.
- (ii) Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommendation to the Board of a policy relating to the remuneration for the directors, key managerial personnel and other employees.

Remuneration Policy:

- (a) Remuneration of Non-executive Directors:

Non-executive Directors shall be entitled to receive remuneration by way of sitting fees for each meeting of the Board or Committee of Board attended by them, of such sums as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013, and rules made thereunder governing reimbursement of expenses for participation in the Board / Committee meetings.

- (b) Remuneration of Managing Director, Whole-time-Director and Joint Managing Director:

- (i) Appointment or re-appointment of Managing Director and Whole-time Director shall be recommended by the Remuneration Committee and subsequently approved by the Board of Directors. The Managing Director, Whole-time Director and Joint Managing Director shall be paid such remuneration as may be mutually agreed between the Company and the Managing Director, Whole-time Director and Joint Managing Director, within the overall limit prescribed under the Companies Act, 2013.

- (ii) The remuneration shall be subject to the approval of the Members of the Company in general Meeting.

- (iii) The remuneration shall broadly consist of fixed and variable components. The fixed component shall comprise salary, allowances, perquisites, amenities and retirement benefits as and when applicable. The variable component shall comprise of reimbursement of expenses incurred for official purpose and commission as may be applicable.

- (iv) Any variation of the remuneration shall be subject to the approval of the Nomination and Remuneration Committee, the Board and Members of the Company.
- (c) Remuneration of Senior Management Employees:
 In determining the remuneration of the Senior Management employees, the Committee considers the following:
- (i) Width of experience on the relevant function, leadership skills and ability to think 'out of the box'.
 - (ii) Capability to handle inter-functional issues.
 - (iii) Managing the team to perform more efficiently, both in terms of time and quality.
 - (iv) Ability to look after multiple functions and handle Inter-process issues.
 - (v) Ability to participate and contribute in Business Strategy formulation and in achieving company goals.
 - (vi) Knowledge of Business & Financial Issues and professional standing in the Corporate World.

Details of Remuneration paid to the Non-executive Directors

The Non-executive Directors are paid sittings fees of Rs. 10,000/- per meeting for attending Board meetings, Rs.3,000/- per meeting for attending Audit and other Committee meetings. The details of remuneration, sitting fees, performance bonus, and commission paid to each of the Directors during the year ended on 31st March, 2017 are given below:-

Sl.	Name of the Directors	Remuneration	Sitting Fees	Commission	No. of Share Held
1.	Mr. Sunil Kanti Roy	NIL	65,000	NIL	140
2.	Dr. Gautam Sen	NIL	65,000	NIL	NIL
3.	Mr. Rajiv Gujral	NIL	49,000	NIL	NIL
4.	Mr. Deepak Mukerjee	NIL	65,000	NIL	NIL
5.	Mr. Dhruva Narayan Ghosh	NIL	30,000	NIL	NIL
6.	Dr. Vinayak Balkrishna Jog	NIL	30,000	NIL	NIL
7.	Mr. Patit Paban Ray	NIL	50,000	NIL	200

SHARE TRANSFER AND ALLOTMENT COMMITTEE

The objective of the Share Transfer and Allotment Committee is to expedite the allotment, transfer and disposal of matters relating to shares, both Equity and Preference. The Committee meets as and when required. Presently the Committee has three Directors, two of whom are non-executives Directors. The composition of the Committee is as under:

Name of the Directors	Category	Status
Mr. Deepak Mukerjee	Non-executive	Chairman
Mr. Patit Paban Ray	Non-executive	Member
Dr. Sujit Karpurkayastha	Managing Director	Member

There was no occasion for the Committee to meet during the year 2016-17.

COMMITTEE OF DIRECTORS

During the year under review, the Committee of Directors met 12 times to review various aspects of operating performance of the Hospital, monitoring progress of projects and capital expenditure, status of Finance, Marketing, regulatory compliance etc. The composition and details of attendance of each member of the Committee is as under:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
Mr. Sunil Kanti Roy	Chairman	12	12
Mr. Dhruva Narayan Ghosh	Member	12	12
Mr. Deepak Mukerjee	Member	12	10
Mr. Dilip Samadar	Member	12	2
Dr. Sujit Karpurkayastha	Member	12	12

RISK MANAGEMENT

Risk Management has assumed a critical role in the business of Healthcare Providers as it can have serious implications on the viability of a business. It has to negotiate a web of Laws and Regulations, meet compelling demands and challenges of the new age in order to remain in business.

The Board has formed a Risk Management Committee of senior executives which is chaired by the CFO. The Committee has identified areas of probable risks which typically arise in Hospital business relating to competition, technology, regulatory issues and finance. The Committee periodically assesses such risks, if any, and takes mitigation measures on an on-going basis. A risk register is maintained. The Committee met four times on 8th April, 2016, 19th September, 2016, 4th October, 2016 and on 24th October, 2016 during the year to monitor risks.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 for the financial year 2016-17 is attached to this report (marked "Annexure-A").

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not provided any loans, guarantees or investments covered under provisions of section 186 of the Companies Act, 2013.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes or commitments, affecting the financial position of the Company that have occurred between 31st March, 2017 and 18th May, 2017, the date of this report.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

The Company does not have any subsidiary or joint venture. No company has become or ceased to be an Associate Company during the Financial Year 2016-17.

INTERNAL CONTROL SYSTEM

The Company has established an Internal Control System, commensurate with the size, scale and complexity of its operations.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Management.

INTERNAL FINANCIAL CONTROL

Your Directors have laid down Internal Financial Control System (IFC) to be followed by the Company, keeping in view the nature of business, its size and complexity of operations. The system ensures that such controls are 'adequate' and work 'effectively'. It is designed to provide for:

- a) Accurate recording of transactions with internal checks and prompt reporting;
- b) Adherence to Accounting Standards and Policies;
- c) Compliance with applicable statutes, management policies and procedures;
- d) Effective use of resources and safeguarding properties/assets.

Well-documented policies, guidelines, authorization and approval procedures have been prepared as reference points to ensure that actual work-flows are well designed and lend themselves to easy and meaningful reviews / monitoring.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Transactions with Related Parties were either pursuant to the contracts entered into with such related parties before the commencement of Companies Act, 2013 which are still valid or are made as per normal tariff of the Hospital and outside the purview of Section 188 of the Companies Act, 2013 vide MCA Notification No. 30/2014 dated 17th July, 2014.

A statement containing these transactions, supported by a certificate from the Chief Financial Officer and duly audited by the Internal Auditors, was placed before the Audit Committee. A detailed list of transactions with Related Parties is provided in Form AOC-2 (Annexure –B) forming part of this Report.

AUDITORS' OBSERVATION

There are no observations in the Auditors' Report which need to be dealt with or responded to.

AUDITORS

Pursuant to section 139(1) read with Rule 3(7) of The Companies (Audit and Auditors) Rule, 2014, M/s. Lodha & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company for a period of five years at the 25th Annual General Meeting held on 11th August, 2014. The appointment is subject to ratification by the members at each subsequent Annual General Meetings.

Your Directors request that the appointment of M/s. Lodha & Co., Chartered Accountants, as Statutory Auditors be ratified by the members at the 28th Annual General Meeting. The Company has received a certificate from the Auditors to the effect that their ratification, if made, would be in accordance with the provisions of section 141 of the Companies Act, 2013.

COST AUDITORS

The Audit Committee of the Board at its meeting held on 17th May, 2017 recommended the appointment of M/s. A.J.S. & Associates, Cost Accountants, as Cost Auditors of the Company to conduct the audit of cost records maintained by the Company for the financial year 2016-17. This was in terms of section 148(3) of the Companies Act, 2013 read with Rule 14 of The Companies (Audit and Auditors) Rules, 2014.

At a meeting held on 18th May, 2017, the Board of Directors agreed to the above and recommended that approval be sought from the shareholders at the 28th Annual General Meeting. The Company has received a certificate from the Cost Auditors to the effect that their appointment, if made, would be in accordance with the provisions of section 148(5) of the Companies Act, 2013.

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, was made by the Independent Directors and was duly minuted. Moreover, the Nomination and Remuneration Committee of the Company has also evaluated the performance of the individual Directors. Also, evaluation is made by the Board of its own performance as well as of the statutory committees and individual directors.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board at a meeting held on 12th December, 2016 constituted a committee of Corporate Social Responsibility pursuant to the requirement of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. A policy on Corporate Social Responsibility was also adopted by the Board of Directors at the said meeting. This Policy has been placed in the Website of the Company at the www.peerlesshospital.com.

As on the date of this report, the committee comprises three members as under:

Name of the Member	Category
Mr Dhruva Narayan Ghosh	Chairman
Mr. Deepak Mukerjee	Member
Dr. Sujit Karpurkayastha	Member

During the year under review one meeting was held on 18th February, 2017 and all the members of the Committee were present at that meeting.

Pursuant to the provisions of Sec 135 of the Companies Act, 2013 and applicable Rules, for the year ended March 31, 2017, the Company was required to spend Rs.3,28,721/- towards CSR activities. As per the recommendation of CSR Committee, the Company contributed the fund to B. K. Roy Foundation, a Public Charitable Trust having a track record of more than 3 years of involvement in several activities as enumerated in Schedule V to the Companies Act, 2013.

Report on CSR activities / initiatives

Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8(1) of Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects and programmes- Annexure – C.
2. The composition of the CSR Committee – As stated herein above.
3. Average net profit of the company for last three financial years- Rs.1,64,36,039/-.
4. Prescribed CSR expenditure – Rs. 3,28,721/-.
5. Details of CSR spent during the financial year:
 - a) Total amount to be spent for the financial year – Rs. 3,28,721/-
 - b) Amount unspent, if any – NIL
 - c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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 programmes were undertaken	Amount outlay(budget) project or programmes wise	Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure on projects or programmes (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency*
NIL	NIL	NIL	NIL	NIL	NIL	NIL	M/s. B.K. Roy Foundation

Details of implementing agency: M/s B. K. Roy Foundation.

6. In case the company has failed to spend the two percent 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 Reports – NIL.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company is forming part of this report marked **Annexure – D**.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

There is increasing cost of energy to sustain the services required in day to day running of the Company. Since, the volume of business is on the rise, it is necessary to think about alternative energy sources, such as solar energy, which may be of help in reducing cost.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints, if received, regarding sexual harassment. All employees, permanent, contractual, temporary, trainees are covered under this policy.

There were no cases reported during the year under the said policy.

FOREIGN EXCHANGE EARNING AND OUTGO

The Company had earned Rs. 11,85,362/- in foreign exchange during the year. The total outgo of foreign exchange was equivalent to Rs. 68,42,695/-.

INDUSTRIAL RELATIONS

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

PARTICULARS OF EMPLOYEES

Information as required under the provisions of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report (**Annexure – E**).

OTHER DISCLOSURE:

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

- (i) The Company does not have any deposits covered under Chapter V of the Act. The Company did not issue equity shares with differential rights as to dividend, voting or otherwise.
- (ii) The Company did not issue any shares (including sweat equity shares) to employees of the Company under any scheme.
- (iii) 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.
- (iv) 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.

ACKNOWLEDGEMENT

Your Directors would like to place on record their appreciation for the whole-hearted support given by shareholders, State Government, Local Administration, Bankers, Patient patrons, Vendors and the public at large. Your Directors also place on record their sincere thanks to the Holding Company, The Peerless General Finance & Investment Co. Ltd. and its Group Companies, for their continued support. The Directors gratefully acknowledge the support and sincere cooperation of the Consultants/Doctors, Nursing staff and employees at all levels, who have contributed to the efficient operations and management of the Company.

For an on behalf of the Board

Dated : 18th May, 2017

Place : Kolkata

(S. K. Roy)
Chairman

Form No. MGT-9

Extract of Annual Return

As on the financial year ended on 31st March, 2017

[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	U85110WB1989PLC046938
ii)	Registration Date	25th May 1989
iii)	Name of the Company	Peerless Hospitex Hospital And Research Center Limited
iv)	Category/Sub-category of the Company	Public Company Limited by Shares
v)	Whether listed Company (Yes/No)	No
vi)	Name, Address and Contact details of Registrar and Transfer Agent, 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.	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the company.
1.	Hospital Activities	86100	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associates of the Company	% of Share held	Applicable Section
1	The Peerless General Finance & Investment Company Limited	U66010WB1932 PLC007490	Holding Company	93.64	2(46)

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	Total % of Total Shares	Demat	Physical	Total	Total % of Total Shares	
A. Promoters									
Indian									
a. Individual/HUF	-	140	140	0.0006	-	140	140	0.0006	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	22071333	22071333	93.6400	-	22071333	22071333	93.6400	-
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total- A-(1)	-	22071473	22071473	93.6406	-	22071473	22071473	93.6406	-
2. Foreign									
a. NRI-Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub Total- A (2)	-	-	-	-	-	-	-	-	-
Total Share of Promoters (1+2)	-	22071473	22071473	93.6406	-	22071473	22071473	93.6406	-
B. Public Shareholding									
1. Institution	-	-	-	-	-	-	-	-	-
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/ FI	-	-	-	-	-	-	-	-	-
c. Cent. Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-

(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.	The Peerless General Finance & Investment Co. Ltd.	22071333	93.6400	—	22071333	93.6400	—	—
2.	Sunil Kanti Roy	140	0.0006	—	140	0.0006	—	—

iii. Change in Promoters' Shareholding (please specify, if there is change) : NIL

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

Sl. No.	Top Ten Shareholders	Shareholding at the beginning of the year 1st April, 2016		Shareholding at the end of the year – 31st March, 2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Bichitra Holdings Private Limited	1008840	4.2801	1008840	4.2801
2.	Shikha Holdings Private Limited	405800	1.7217	405800	1.7217
3.	Peerless Hotels Limited	70000	0.2970	70000	0.2970
4.	T.T. Investments Private Limited	4000	0.0170	4000	0.0170
5.	Arghya Kusum Chatterjee	2000	0.0085	2000	0.0085
6.	Virendra Singh	1400	0.0080	1400	0.0080
7.	Nandita Saha	1400	0.0059	1400	0.0059
8.	Anand Chopra	800	0.0040	800	0.0040
9.	Nirmal Kumar Sarwagi	400	0.0017	400	0.0017
10.	Samir Kumar Bandopadhyay	400	0.0017	400	0.0017

PEERLESS HOSPITEX HOSPITAL AND RESEARCH CENTER LIMITED

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 1st April 2016		Shareholding at the end of the year – 31st March, 2017	
	Name of the Director/KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Sunil Kanti Roy (Director)	140	0.0006	140	0.0006
2.	Patit Paban Ray (Director)	200	0.0008	200	0.0008

V. INDEBTEDNES

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.2016				
1) Principal Amount	2,94,76,390	10,00,00,000	—	12,94,76,390
2) Interest due but not paid	3,45,206	—	—	3,45,206
3) Interest accrued but not due	7,456	—	—	7,456
Total (1+2+3)	2,98,29,052	10,00,00,000	—	12,98,29,052
Change in Indebtedness during the financial year				
+ Addition	—	—	—	—
– Reduction	2,85,23,884	—	—	2,85,23,884
Net change	2,85,23,884	—	—	2,85,23,884
Indebtedness at the end of the financial year – 31.03.2017				
1) Principal Amount	12,97,728	10,00,00,000	—	10,12,97,728
2) Interest due but not paid	4,954	—	—	4,954
3) Interest accrued but not due	2,486	—	—	2,486
Total (1+2+3)	13,05,168	10,00,00,000	—	10,13,05,168

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (Rs.)
		Dilip Samadar	Sujit Karpurkayastha	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32,40,000	75,35,709	1,07,75,709
	(b) Value of perquisites u/s 17(2) of the Income-tax Act,1961	8,57,505	1,42,045	9,99,550
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - As % of profit - Others, specify	— —	— —	— —
5.	Others, please specify Provident Fund & other Funds	—	—	—
	Total (A)	40,97,505	76,77,754	1,17,75,259
	Ceiling as per the Act	N.A.	N.A.	N.A.

Note: Remuneration pursuant to Section 197 of the Companies Act, 2013.

42,26,709 78,18,754

B. Remuneration of other directors:

I. Independent Directors :-

Particulars of Remuneration	Name of Directors		Total Amount (Rs.)
	Mr. Deepak Mukerjee	Dr. Gautam Sen	
Fee for attending board & committee meetings	65,000	65,000	1,30,000
Commission	—	—	—
Others	—	—	—
Total	65,000	65,000	1,30,000

II. Other Non-Executive Directors :-

Particulars of Remuneration	Name of Directors					Total Amount (Rs.)
	Mr. Sunil Kanti Roy	Mr. Dhruva Narayan Ghosh	Mr. Rajiv Gujral	Dr. Vinay Balkrishna Jog	Mr. Patit Paban Ray	
Fee for attending board & committee	65,000	30,000	49,000	30,000	50,000	2,24,000
Commission	—	—	—	—	—	—
Others	—	—	—	—	—	—
Total (II)	65,000	30,000	49,000	30,000	50,000	2,24,000

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

Sl. No.	Particulars of Remuneration	Name of the KMP		Total Amount (Rs.)
		Mr. Sivavsis Sarkar	Mr. Balaram Bose	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,77,715	7,37,015	25,14,730
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	64,375	17,550	81,925
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission – as % of profit – others, specify	— —	— —	— —
5.	Others, please specify	—	—	—
	Total (A)	18,42,090	7,54,565	25,96,655
	Ceiling as per the Act	N.A.	N.A.	

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act): NIL

Form No. AOC – 2

[(Pursuant to Clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: NIL
 (b) Nature of contracts/arrangements/transactions: NIL
 (c) Duration of the contracts/arrangements/transactions: NIL
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
 (e) Justification for entering into such contracts or arrangements or transactions: NA
 (f) Date(s) of approval by the Board: NA
 (g) Amount paid as advance, if any: NIL
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA

2. Details of material contracts or arrangement or transactions at arm's length basis:

Names of the Related Parties & nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangement / transactions	Salient terms of the contracts/ arrangement/ transactions, including value if any	Date of approval by the Board	Amount paid as advance, if any.
Peerless General Finance & Investment Company Ltd. (PGFI) – Holding Company	Availing Service Charges provided by PGFI at the Building at Behrampoor, West Bengal, taken under the Leave and Licence Agreement entered into by the Company with PGFI on 01/10/2012.	01.10.2015 to 30.09.2018	Amount paid as service charges for availing amenities and facilities provided by PGFI. Rs.1,58,584/-.	25.08.12	—
PGFI- Holding Company	Rent for Building at Behrampoor, West Bengal, taken under the Leave and Licence	01.10.2015 to 30.09.2018	Rent of Rs.1,42,722/- paid under Leave and Licence Agreement entered into by the	25.08.12	—

PEERLESS HOSPITEX HOSPITAL AND RESEARCH CENTER LIMITED

	Agreement entered into by the Company with PGFI on 01/10/2012.		Company with PGFI on 01/10/2012		
PGFI- Holding Company	Electricity charges for Building at Behrampur, West Bengal, taken under the Leave and Licence Agreement entered into by the Company with PGFI on 01/10/2012.	01.12.2012 to 30.09.2015	Electricity charges of Rs.1,65,009/- paid	25.08.2012	—
PGFI- Holding Company	Rent for using TATA Hospital Management System (ERP software).	NA	Rs.68,950/- p.a.	28.01.2009	—
PGFI- Holding Company	Payment of Interest on 8% 10,00,000 Unsecured Optionally Fully Convertible Debentures of Rs.100/- each issued to PGFI on 17.08.2013.	The Debentures will be converted / redeemed at the option of PGFI in four installments @20% of the nominal value each at the end of 5th and 6th year and 30% of the nominal value each at the end of 7th and 8th year from the date of issue i.e. 17.08.2013.	The Debentures will be converted / redeemed at the option of PGFI in four installments @20% of the nominal value each at the end of 5th and 6th year and 30% of the nominal value each at the end of 7th and 8th year from the date of issue i.e. 17.08.2013. Rs.80,00,000/- p.a.	17.08.2013	—
PGFI- Holding Company	Service Charges for using Generator Set under the Tenancy	01.01.1999 to 31.12.2019	A sum of Rs.68,975/- p.a. are paid to PGFI for using Generator Set	17.09.1998	—

PEERLESS HOSPITEX HOSPITAL AND RESEARCH CENTER LIMITED

	Agreement entered into by the Company with PGFI on 21.07.2006 for City Diagnostic Centre, a unit of the Company situated at 223, Chittaranjan Avenue, Kolkata – 700 006.		under the Tenancy Agreement entered into by the Company with PGFI on 21.07.2006 for City Diagnostic Centre, a unit of the Company situated at 223, Chittaranjan Avenue, Kolkata – 700 006.		
PGFI- Holding Company	Electricity Charges for City Diagnostic Centre at 223, Chittaranjan Avenue, Kolkata – 700 006, incurred under the Tenancy Agreement entered into by the Company with PGFI on 21.07.2006.	01.01.1999 to 31.12.2019	Payment of Rs.86,866/- to PGFI during the year in connection with electricity charges for City Diagnostic Centre at 223, Chittaranjan Avenue, Kolkata – 700 006, paid under the Tenancy Agreement entered into by the Company with PGFI on 21.07.2006.	17.09.1998	—
PGFI- Holding Company	Rent for City Diagnostic Centre at 223, Chittaranjan Avenue, Kolkata – 700 006, paid under the Tenancy Agreement entered into by the Company with PGFI on 21.07.2006.	01.01.1999 to 31.12.2019	Payment of Rs.17,24,000/- to PGFI during the year as Rent for City Diagnostic Centre at 223, Chittaranjan Avenue, Kolkata – 700 006, are paid under the Tenancy Agreement entered into by the Company with PGFI on 21.07.2006.	17.09.1998	—

PEERLESS HOSPITEX HOSPITAL AND RESEARCH CENTER LIMITED

PGFI- Holding Company	Refund of Security Deposit in respect of Electricity charges at City Diagnostic Centre	01.01.1999 to 31.12.2019	Refund of Security Deposit in respect of Electricity charges at City Diagnostic Centre. Rs.14,900/-	17.09.1998	—
Peerless Hotels Ltd. – Fellow Subsidiary	Booking of hotel accommodation for directors	NA	Rs.2,47,501/-	—	
Peerless Financial Services Ltd. - Fellow Subsidiary	Payment of Principal and interest on Term Loan of Rs.80 lakh.	The entire Principal amount of Term Loan will be repaid in 60 equated monthly installments.	Rs.15,99,996/- has been paid during the financial year towards repayment of Term Loan. The entire Principal amount of Term Loan will be repaid in 60 equated monthly installments. Interest paid Rs.1,42,128/-	29.09.2010	—
Kaizen Leisure & Holidays Ltd.	Payment made towards booking of Air tickets.	NA	Rs.11,67,428/-	24.02.2016	—
Mr. Dilip Samadar – Managing Director (KMP)	Payment of remuneration for the Financial Year 2015-16	1st August, 2015 to 31st July, 2016	Rs.42,26,709/- (01.04.2016 to 31.07.2016)	05.06.2015	—
Dr. Sujit Kar Purkayastha – Managing Director (KMP)	Payment of remuneration for the Financial Year 2015-16	19th July, 2013 to 18th July, 2016	Rs.78,18,754/- (01.04.2016 to 18.07.2016 and from 29.08.2016 to 31.03.2017)	05.06.2015	—
Mr. T. K.Roy	Payment of retainership fee and reimbursement of expenses.	1st April, 2012 to 31st March, 2017	Rs.6,00,000/- p.a.	12.06.2012	—

POLICY ON CORPORATE SOCIAL RESPONSIBILIITY**Management's vision:**

The Board of Directors and management of the Peerless Hospital committed to lay down guideline to make CSR a key business process for sustainable development of the society. It has, as its objectives, to undertake projects/programs primarily in underprivileged and needy sections of society which will enhance the quality of life and economic well-being of the communities in and around our hospital and society at large.

Areas covering CSR activities:

The scope of the CSR activities of the Company will primarily try to cover the areas as specified in Schedule VII of the Companies Act, 2013 and may extend to other specific projects/ programs as permitted under the law from time to time. To summarise, the following activities shall be part of company's CSR activities:

- Eradicating hunger, poverty and malnutrition, promoting health care and sanitation;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostel 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 group;
- 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;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotional and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognised sports, paraolympic sports and Olympic sports;
- 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 Schedule Tribes, other backward classes, minorities and women;
- Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects;
- Slum area development

Exclusion from CSR:

The following activity shall not form part of the CSR activities of the Company:-

- The activities undertaken in pursuance of normal course of business of a company.
- CSR projects/programs or activities that benefit only the employees of the Company and their families.
- Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
- Any CSR projects/programs or activities undertaken outside India.

CSR Committee:

The Board of Directors shall constitute a CSR Committee comprising three or more directors out of which at least one director shall be an independent director as stated in Section 135(1) of the Companies Act, 2013 read with Rule 5(1)

of Companies (Corporate Social Responsibility Policy), Rules, 2014. The CSR Committee shall submit periodical reports to the board of directors.

Sanctioning Process:

The Company shall prepare an Action Plan in the beginning of every Financial Year containing the amount it is required to spend in that Financial Year as well as the tentative allocation of funds for the Financial Year under different heads of activities, as per the CSR Policy of the Company and the relevant provisions of the Companies Act, 2013.

The Action Plan shall be placed before the CSR Committee and the Board of Directors of the Company for approval.

For operational convenience, there shall be two level of sanctioning authorities for approving the funds that will be required for carrying out the CSR activities. The proposals for funding of projects not exceeding an amount of Rs. 5 lakh, for each such project during a Financial Year, shall be placed before the Managing Director for sanction after ascertaining that such projects qualify under the requirements of the Companies Act, 2013 particularly the Schedule VII of the Act, the CSR Policy of the Company and covered by the allocation of fund in the Action Plan for the year. The proposals for funding of projects exceeding the amount of Rs. 5 lakh for each project during a year shall be placed to the CSR Committee for approval.

Implementation Process:

CSR activities would be implemented by the Company in the following manner:

- (i) Direct funding;
- (ii) Through registered trust/organisation;
- (iii) agency – either Government or Private;
- (iv) in collaboration with other companies undertaking projects/programme in CSR activities; or
- (v) in such other manner as it may deem appropriate, expedient and beneficial;

The Company may also coordinate with the other Group Companies/ Associate Companies so as to take a joint approach in CSR activities. However, in all such cases it has to be ensured that each such joint projects/ modules of projects may be specifically identified for each such Group Companies/ Associate Companies.

Disbursement process:

Every financial year, at least 2% of the average net profits made during the 3 preceding financial year shall be spent in pursuance of CSR policy.

The Company shall disburse amounts not exceeding 25% of the amount sanctioned for a project on receipt of complete information, as required by the CSR team. The CSR team of the Company shall advise the Accounts Dept. when such advance payment shall be made. All subsequent disbursements shall be in stages depending on the progress of implementation after the CSR team is satisfied about the progress of implementation based on documentary evidences and, if considered necessary by them, after physical inspection. All disbursements by the Accounts Dept. shall be only after the CSR team advises the Dept. about the amount and timing of such disbursements. Under exceptional circumstances, the Managing Director may authorize release of funds not exceeding 10% of the sanctioned amount pending such verification of progress of implementation/ receipt of documents.

Monitoring Process:

The Monitoring process of CSR activities will be determined by the CSR Committee on a case-to-case basis depending upon the nature of the CSR activity and the manner of implementation. Wherever any CSR activity is implemented through an approved implementation agency, suitable certificates from such agency shall be obtained on utilization of the funds provided by the Company and reports on the status of implementation and/or completion of the project, as the case may be, will be obtained by the Company.

Progress of identified CSR projects would be monitored by the CSR Committee quarterly.

The CSR team shall identify projects, submit proposal for sanction after ascertaining eligibility, monitor the progress of implementation and oversee the release of funds from time to time.

For the purpose of verification of progress of implementation, particularly physical inspection at the site, the CSR team may use the services of the local Audit Firms and also, as and when considered appropriate by them, may take the assistance of the employees of the Company, Group/ Associate Companies based at locations near the project site when the cost of the sanctioned project does not exceed Rs. 5 lakh in a year. In all other cases, the CSR team itself has to carry out the verification and inspection.

The CSR team shall also ensure that it receives a report on the progress of implementation of each of the projects and actual end-use of funds once a quarter.

The expenditure actually incurred for salaries, travelling, boarding and lodging and overheads of the CSR team upto an amount not exceeding 5% (or such other amount as may be approved under the Act from time to time) shall be included in the CSR expenditure.

Surplus arising out of CSR Activities

In the event of any surplus that may arise out of the CSR projects or programmes or activities funded or implemented by the Company, such surplus shall not form part of the business profit of the Company.

To
The Members,
Peerless Hospitex Hospital And Research Center Limited
360, Panchasayar,
Kolkata – 700 094

We hereby declare that the implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and Policy of the Company.

For and on Behalf of CSR Committee

Dhruba Narayan Ghosh
Chairman

Deepak Mukerjee
Director

ANNEXURE “E”

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, 2017.

Sl. No.	Name	Designation of the employee	Remuneration received.	Nature of employment	Other terms and conditions	Qualifications and experience	Date of commencement of employment	Age (Years)	Last employment held & designation
A Top ten Employees in terms of remuneration drawn									
1	Dr. Sujit Karpurkayastha	Managing Director	78,18,754/-	Whole-time employment	As per service Rule of the Company	M.B.B.S. and D.C.H. from Dibrugarh University, M.D.(General Medicine) from Calcutta University, MRCP.(General Medicine) from U.K.	19th July, 2010	67	Consultant Physician, General Medicine at Basetlaw District General Hospital, Workshop, Notts.
2	Dr. Devanu Ghosh Roy	Specialist-Cardiology	96,57,266/-	Whole-time employment	As per service Rule of the Company	MBBS, MD (Internal Medicine), DM (Cardiology), MRCP (UK), FRCP (London)	26th March, 1993	57	—
3	Dr. Sutirtha Chakraborty	Chief Consultant-Biochemistry	21,75,191/-	Whole-time employment	As per service Rule of the Company	MBBS, MD (Biochemistry)	24th March, 2010	36	Biochemist, Fortis Hospital, New Delhi
4	Mr. Sivasis Sarkar	Chief Financial Officer	20,50,154/-	Whole-time employment	As per service Rule of the Company	CA, ICAI	12th August, 2004	53	Senior Manager-Finance & Information, Arrow Amenities Pvt Ltd
5	Mr. Dhiman Banerjee	Chief Executive-Commercial	17,31,985/-	Whole-time employment	As per service Rule of the Company	CA, ICAI	1st September, 2001	58	Vice President-Administration, Susruta Hospital (AMRI Hospital)
6	Dr. Sinchan Bhattacharyya	Chief Medical Superintendent	15,62,476/-	Whole-time employment	As per service Rule of the Company	MBBS	7th May, 1998	46	—
7	Dr. Sudipta Mitra	Chief Executive-Medical Projects & Development, Medical Admin	15,44,307/-	Whole-time employment	As per service Rule of the Company	MBBS	16th August, 1993	51	—
8	Dr. Vimal Kumar Dubey	General Manager-Personnel & IR	13,60,982/-	Whole-time employment	As per service Rule of the Company	PG Diploma in Industrial Relations & Personnel Management	30th May, 2007	52	Manager-Personnel & IR, Emami Ltd

PEERLESS HOSPITEX HOSPITAL AND RESEARCH CENTER LIMITED

Sl. No.	Name	Designation of the employee	Remuneration received.	Nature of employment	Other terms and conditions	Qualifications and experience	Date of commencement of employment	Age (Years)	Last employment held & designation
A Top ten Employees in terms of remuneration drawn									
9	Dr. Purushottam Chattopadhyay	Medical Officer- Incharge- Tansfusion Medicine	10,86,426/-	Whole-time employment	As per service Rule of the Company	MBBS	9th August, 2010	49	Medical Officer Incharge- Ashok laboratory
10	Dr. Sudipta Bhattacharyya	Medical Superintendent	10,80,528/-	Whole-time employment	As per service Rule of the Company	MBBS, DCH	28th June, 2005	43	Medical Officer, West Bengal Health Service
A. Employed throughout the financial year and in receipt of remuneration aggregating Rs. 1,02,00,000/- or more per annum – None									
B. Employed for a part of the financial year in receipt of remuneration aggregating Rs. 8,50,000/- ore more per month									
1	Mr. Dilip Samadar (Retired w.e.f. 1st August, 2016)	Managing Director	42,26,709/-	Whole-time employment	As per service Rule of the Company	Graduate in Economics from University of Calcutta. Fellow member of The Institute of Chartered Accountants of India. 50 years	1st August, 2009	80	President – Finance in The Peerless General Finance & Investment Company Limited, the Holding Company.

Note :

- (i) Remuneration includes salary and allowances, company's contribution to provident fund, gratuity funds and monetary value of perquisites. With respect to managing director, such remuneration also includes commission, if any.
- (ii) None of the abovementioned employee holds any equity shares in the Company within the meaning of clause (iii) of sub-rule (2) of Rule 5.
- (iii) None of the abovementioned employee is relative of any director or manager of the Company.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PEERLESS HOSPITEX HOSPITAL AND RESEARCH CENTER LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Peerless Hospitex Hospital And Research Center Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and according to the information and explanations

given to us and also on the basis of such checks as we considered appropriate, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. Further to our comments in the Annexure referred to in the Paragraph 1 above, as required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements, comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, 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:
 - (i) As represented by the management, the Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 29 of the financial statements);
 - (ii) The Company does not have any long-term contracts for which there were any material foreseeable losses and as explained, the Company has not entered into any derivative contract;
 - (iii) There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes (Bank notes of denominations of five hundred and one thousand rupees existing on November 08, 2016) (SBN's) during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosure are in accordance with books of account maintained by the Company and as produced to us by the management. Refer Note No. 41 of the financial statements.

For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No. 301051E

R. P. Singh
(Partner)

Membership No.: 52438

Place : Kolkata
Dated : 18th May 2017

'ANNEXURE-A' REFERRED TO IN OUR REPORT OF EVEN DATE

- i) According to the information and as explained to us:
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) The Fixed assets of the Company have been physically verified by the management according to the phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its asset. Pursuant to such programme, a portion of the fixed assets has been physically verified by the management during the year and the reconciliation between physical and book records are under process at reasonable intervals.
 - (c) According to the information, explanations and representations provided to us and based on documents produced to us for our verification, in our opinion, title deeds of immovable properties are held in the name of the Company. For the above purpose, lease deed has been taken as the basis for verification in respect of leasehold land as well as self-constructed building thereupon.
- ii) The inventory of the Company has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to books records have been properly dealt with in the books of account.
- iii) The Company has not granted any loans to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) (a) to (c) of the Order is not applicable to the Company.
- iv) According to the information and explanations given to us, the Company has not advanced any loan or given any guarantee or provided any security in connection with any loan taken by persons specified under section 185 of the Act. As explained, the Company has complied with the provisions of Section 186 of the Act so far these relate to investments made by the Company.
- v) The Company has not accepted any deposits and accordingly, the provisions of Section 73 to 76 or any other relevant provisions of the Act, and the rules framed thereunder are not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the order made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether these are accurate or complete.
- vii) (a) According to the information and explanations given to us and as per the records verified by us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, employee's state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount payable in respect of above dues were outstanding as at 31.03.2017 for a period of more than six months from the date of becoming payable.

- (b) There are no dues with respect to sales tax, income tax, duty of customs, service tax or duty of excise, value added tax have not been deposited on account of any dispute, except the dues as given below:

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount (Rs.)
The Central Excise Act, 1944	Custom Duty on import of machinery	Calcutta High Court	2001-02	11,54,00,533
Finance Act 1994 and Service Tax Rules 1994	Service tax	Refer Note 29(I)(iv) of the financial statements pending filing of appeal before Custom Excise & Service Tax Appellate Tribunal	From October, 2008 to March, 2013, October, 2013 to March, 2014, April, 2014 to September, 2014 and October, 2014 to March, 2015	1,93,94,090

- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, bank and government or dues to debenture holders.
- ix) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud by the Company or on the Company by its officers or employees, nor have we been informed of any such case by the management.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for 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 explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and therefore paragraph 3(xiv) of the Order is not applicable to the Company.
- xv) According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors/persons connected with the directors and therefore provisions of section 192 of the Act are not applicable to the Company.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No. 301051E

R. P. Singh
(Partner)

Membership No.: 52438

Place : Kolkata
Dated : 18th May 2017

‘ANNEXURE-B’ REFERRED TO IN OUR 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 (“the Act”)

We have audited the internal financial controls over financial reporting of Peerless Hospitex Hospital And Research Center Limited (“the Company”) as at March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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

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 authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No. 301051E

R.P. Singh
(Partner)
Membership No.: 52438

Place : Kolkata
Dated : 18th May 2017

BALANCE SHEET
AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	41,57,03,130	41,57,03,130
(b) Reserves and Surplus	3	22,95,94,947	11,40,34,119
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	10,00,00,000	10,08,00,018
(b) Deferred Tax Liabilities (Net)	5	7,22,34,615	52,09,090
(c) Long term provisions	6	3,11,23,493	3,04,04,585
(3) Current Liabilities			
(a) Short-term borrowings	7	4,97,710	98,54,055
(b) Trade payables	8		
Outstanding dues of creditors (micro enterprises and small enterprises under The Micro, Small and Medium Enterprises Development Act, 2006)		3,73,753	—
Outstanding dues of creditors (other than micro enterprises and small enterprises under The Micro, Small and Medium Enterprises Development Act, 2006)		14,50,68,113	15,65,66,507
(c) Other current liabilities	9	3,25,45,838	5,32,13,193
(d) Short-term provisions	10	56,15,776	44,95,574
Total		<u>103,27,57,375</u>	<u>89,02,80,271</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed assets	11		
(i) Tangible assets		53,80,41,118	53,74,74,510
(ii) Intangible assets		27,98,357	38,68,198
(iii) Capital work-in-progress		54,00,000	9,12,997
(b) Non-current investments	12	3,50,03,110	3,110
(c) Long term loans and advances	13	13,85,94,930	15,48,53,194
(d) Other non-current assets	14	7,53,946	7,53,946
(2) Current Assets			
(a) Inventories	15	3,22,97,227	2,84,16,949
(b) Trade receivables	16	11,83,77,688	10,86,81,830
(c) Cash and Bank Balances	17	12,11,40,848	2,59,49,118
(d) Short-term loans and advances	18	1,54,32,774	1,04,56,183
(e) Other current assets	19	2,49,17,377	1,89,10,236
Total		<u>103,27,57,375</u>	<u>89,02,80,271</u>

Significant Accounting Policies (Refer Note No. 1) and other Notes form an integral part of the Financial Statements.

This is the Balance Sheet referred to in our report of even date.

For and on behalf of

LODHA & CO
Chartered Accountants

R. P. Singh
Partner

Place : Kolkata
Dated : 18th May, 2017

For and on behalf of the Board

Balam Bose
Company Secretary

Sivasis Sarkar
Chief Financial Officer

Deepak Mukerjee
Director

Sujit Karpurkayastha
Managing Director

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	For the	For the
		year ended	year ended
		31st March 2017	31st March 2016
		Rs.	Rs.
I. Revenue from operations	20	170,98,70,580	1,48,81,12,488
II. Other Income	21	1,80,28,314	2,13,35,109
III. Total Revenue (I +II)		172,78,98,894	150,94,47,597
IV. Expenses:			
Cost of medical and other consumables	22	19,32,94,934	17,16,13,029
Purchases of Medicines	23	21,87,89,216	20,37,74,336
Changes in Inventories - Medicines	24	(21,69,351)	7,97,054
Employee benefits expense	25	32,93,84,295	33,72,06,601
Consultants and Doctors expenses		36,83,71,159	33,13,55,004
Power and Fuel	30	4,87,65,193	4,74,35,366
Finance costs	26	1,01,25,336	2,23,80,194
Depreciation and amortisation expense	27	5,95,33,780	6,02,82,405
Other expenses	28	31,81,95,791	26,02,67,545
Total Expenses		154,42,90,353	143,51,11,534
V. Profit /(Loss) before tax		18,36,08,541	7,43,36,063
VI. Tax Expense			
Current Tax			
– For the year		3,26,61,166	34,74,295
Less:-MAT credit entitlement		(3,26,61,166)	(34,74,295)
		—	—
– Relating to previous year			
Deferred tax	5		
– For the year		6,70,25,525	52,09,090
VII. Profit / (Loss) for the year		11,65,83,016	6,91,26,973
VIII. Earnings per equity share of Face Value of Rs.10 each	39		
Basic and Diluted		4.95	3.27

Significant Accounting Policies (Refer Note No. 1) and other Notes form an integral part of the Financial Statements.

This is the Statement of Profit And Loss referred to in our report of even date.

For and on behalf of

LODHA & CO
Chartered Accountants

R. P. Singh
Partner

Place : Kolkata
Dated : 18th May, 2017

For and on behalf of the Board

Balaram Bose
Company Secretary

Deepak Mukerjee
Director

Sivasis Sarkar
Chief Financial Officer

Sujit Karpurkayastha
Managing Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017

	For the Year ended 31st March 2017 Rs.	For the Year ended 31st March 2016 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	18,36,08,541	7,43,36,063
Adjustments for:		
Depreciation and amortisation expenses	5,95,33,780	6,02,82,405
Finance Cost	1,01,25,336	2,23,80,194
Interest Income	(98,95,336)	(93,19,945)
Dividend Income	(432)	(730)
Liabilities no longer required Written back	(16,01,394)	(32,59,870)
Income from Dr. Agarwal Eye Hospital	(5,13,688)	—
Provision for doubtful debts written back	(2,2,59,603)	(32,46,426)
Loss on disposal of fixed assets	3,35,882	4,01,113
Debts and Other Balances written off	21,97,742	1,96,73,327
Provision for doubtful debts	58,67,242	22,59,603
Govt. Grant Transferred to Other Income	(10,66,874)	(16,89,726)
Operating Profit before Working Capital Changes	<u>24,63,31,196</u>	<u>16,18,16,008</u>
Adjustments for:		
(Increase)/ Decrease in Trade & Other Receivables	(1,92,35,380)	(1,71,88,217)
(Increase)/ Decrease in Inventories	(38,80,278)	3,16,465
(Increase)/ Decrease in Other Current Assets	(17,59,312)	(3,91,633)
(Increase)/ Decrease in Loans and Advances	91,31,673	1,72,09,431
Increase/ (Decrease) in Trade Payables and other Current Liabilities & Provisions	14,01,556	(2,42,05,117)
Cash Generated from Operations	<u>23,19,89,455</u>	<u>13,75,56,937</u>
Receipts from National Neuro Sciences Centre	—	19,89,175
Net Cash from Operating activities	<u>23,19,89,455</u>	<u>13,95,46,112</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments against Fixed Assets and Capital Work in Progress	(5,99,50,308)	(2,91,02,706)
Capital Advance	(41,85,624)	(2,46,77,550)
Proceeds on sale of Fixed Assets	2,82,500	60,000
Interest Income	98,95,336	93,19,945
Dividend Income	432	730
Investments In Mutual Funds	(3,50,00,000)	—
Deposits with Bank	(8,55,28,451)	(8,34,791)
Net Cash used in Investing Activities	<u>(17,44,86,115)</u>	<u>(4,52,34,372)</u>

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

	For the Year ended 31st March 2017 Rs.	For the Year ended 31st March 2016 Rs.
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(3,77,59,412)	(6,93,37,811)
Interest Paid	(1,01,25,336)	(2,23,80,194)
Government Grant Received	—	18,42,361
Interest Received on Govt. Grant	44,687	44,004
Net Cash used in Financing Activities	<u>(4,78,40,061)</u>	<u>(8,98,31,640)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	96,63,279	44,80,100
Cash and Cash Equivalents at beginning of year	<u>1,03,73,725</u>	<u>58,93,625</u>
Cash and Cash Equivalents at end of year (Refer Note 17 of the financial statements)	<u><u>2,00,37,004</u></u>	<u><u>1,03,73,725</u></u>

- Notes:**
1. The above Cash Flow Statement has been prepared under indirect method as set out in the Accounting Standard-3, on "Cash Flow Statement".
 2. Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's presentation.

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

For and on behalf of

LODHA & CO

Chartered Accountants

R. P. Singh
Partner

Place : Kolkata
Dated : 18th May, 2017

For and on behalf of the Board

Balaram Bose
Company Secretary

Sivasis Sarkar
Chief Financial Officer

Deepak Mukerjee
Director

Sujit Karpurkayastha
Managing Director

NOTE 1**Significant Accounting Policies:****(a) Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention on the accrual basis of accounting, in accordance with the generally accepted accounting principles in India and as per the relevant provisions of the Companies Act, 2013.

(b) Use of estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses during the year. Differences between the actual results and estimates are recognised in the year in which the results are known / materialised.

(c) Fixed Assets and Depreciation**Tangible Assets**

- (i) Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses, direct and indirect, specifically attributable to acquisition and bringing it to working conditions for its intended use.
- (ii) Depreciation on fixed assets is provided on Straight Line Method over the useful life, specified in Schedule II to the Companies Act, 2013.
- (iii) Leasehold Land has been taken on lease for 99 years. The cost incurred against the leasehold land is being amortized over the period of the lease.

Intangible Assets

- (i) Intangible assets including computer software are capitalised and stated at the cost of acquisition less accumulated amortization there-against.
- (ii) Computer software has been amortised over a period of five years on straight line method.

(d) Government grants

Revenue:

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

(e) Impairment of Assets

Fixed assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of the fixed assets are determined. An impairment loss is recognised, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the greater of assets' net selling price or its value in use. In assessing its value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss / reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a pro-rata basis.

(f) Borrowing Costs

Borrowing costs incurred in relation 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. Other borrowing costs are charged as an expense in the year in which these are incurred.

(g) Investments

Long Term Investments are stated at cost after deducting provision, if any, made for decline, other than temporary, in the values. Current investments are stated at lower of cost or fair value

(h) Inventories

Inventories are valued at cost or net realisable value whichever is lower. Cost of inventories determined on FIFO basis comprises of the respective purchase costs including non-reimbursable duties and taxes.

(i) Foreign currency transaction

Transactions in foreign currencies are accounted for at the exchange rate prevailing as on the date of transaction. Foreign currency monetary assets and liabilities at the year end are translated using closing rates. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognised as income or expenses in the Statement of Profit and Loss.

(j) Revenue Recognition

- (i) Revenue is recognised on accrual basis on rendering of services and sale of Pharmaceutical Products.
- (ii) Interest income is recognised on a time proportion basis depending upon amount outstanding and the rate applicable.
- (iii) Dividend on equity shares is recognised as income when the right to receive the dividend is established.
- (iv) Income from Academic Courses are recognised when there is no significant uncertainty as to the measurability or collectability thereof.

(k) Employee Benefits

- (i) Employee benefits are accrued in the year services are rendered by the employees.
- (ii) Contributions to the defined contribution schemes viz. Provident and Pension Funds are recognised as and when incurred.
- (iii) Long term employee benefits under defined benefit schemes viz. Contribution to Gratuity Fund and leave are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gains and losses are recognised in the year in which they arise.

(l) Leases

Lease rentals incurred / earned in respect of operating leases are recognised as expense / income in the Statement of Profit and Loss as per the terms and conditions of the respective agreements.

(m) Taxation

Provision for current income tax is made on taxable income using the applicable tax rates and tax laws. Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods, is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset will be realised in case of carried forward unabsorbed depreciation and tax losses. Deferred tax assets are recognised only if there is a virtual certainty that such deferred tax assets can be realised against future taxable profits.

(n) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent Assets are neither recognised nor disclosed in the financial statement. Contingent liabilities are not provided for and are disclosed by way of notes.

NOTES FORMING PART OF THE BALANCE SHEET

	As at 31st March 2017	As at 31st March 2016
NOTE 2		
SHARE CAPITAL		
2.1 Authorised Capital :		
4,00,00,000 (Previous Year- 4,00,00,000) Equity Shares of Rs. 10/- each	40,00,00,000	40,00,00,000
20,00,000 (Previous Year 20,00,000) Redeemable Non Cumulative Preference Shares of Rs. 100/- each	20,00,00,000	20,00,00,000
Total	<u>60,00,00,000</u>	<u>60,00,00,000</u>

2.2 Issued, Subscribed and Paid-up:

2.2.1 Equity Shares

2,35,70,313 (Previous Year- 2,35,70,313) Equity Shares of Rs. 10/- each fully paid-up	23,57,03,130	23,57,03,130
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Of the above

2,20,71,333 (Previous Year- 2,20,71,333) Equity Shares of Rs. 10/- each are held by the Holding company, The Peerless General Finance & Investment Company Limited and 70,000 (Previous Year 70,000) Equity Shares of Rs. 10/- each are held by Peerless Hotels Ltd., a subsidiary of the Holding Company.

2.2.2 Preference Shares

18,00,000 (Previous Year 18,00,000), 7% Redeemable Non-Cumulative Preference Shares, Series-A of Rs. 100/- each fully paid-up .	18,00,00,000	18,00,00,000
Total :	<u>41,57,03,130</u>	<u>41,57,03,130</u>

2.2.2.1 On account of inability of the company to redeem its existing 18,00,000 (previous year 18,00,000), 7% redeemable non cumulative preference shares, Series-A of Rs. 100 each fully paid up, expiring on 4th September 2016, the Company intends to issue 7%, 18,00,000 (previous year NIL), redeemable non cumulative preference shares, Series-B of Rs. 100 each fully paid up in full redemption of its existing preference shares. Under the provisions of Section 55(3) of the Companies Act 2013, the following issuance has been approved by the preference shareholders and is pending approval by the National Company Law Tribunal (NCLT).

2.3.1 Details of Shareholders having more than 5% of the Paid up Equity Share Capital :-

Name of Shareholder	No. of Shares	
	As at 31st March 2017	As at 31st March 2016
The Peerless General Finance & Investment Company Limited	2,20,71,333	2,20,71,333

NOTES FORMING PART OF THE BALANCE SHEET

2.3.2 The entire 7% Redeemable Non-Cumulative Preference Shares, Series-A of Rs.100 each fully paid up, are held by the Holding Company, The Peerless General Finance & Investment Company Limited.

2.4. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

2.4.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period:

Description	Numbers	
	As at 31st March 2017	As at 31st March 2016
Outstanding at the beginning of period	2,35,70,313	1,76,96,980
Add: - Issued on conversion of 7% 17,62,000 Optionally Convertible Debentures during the year	—	58,73,333
Outstanding at the close of the period	2,35,70,313	2,35,70,313

2.4.2 There is no movement in 7% Redeemable Non-Cumulative Preference Shares, Series-A in respect of outstanding at the beginning and at the end of the year.

2.5 Rights and Restrictions to Equity Shares / Preference Shares

Equity Shares - The company has one class of equity shares of having par value of Rs.10 per share. Each shareholder of equity is entitled to one vote per share. The dividend, if proposed by the Board of Directors of the Company, will be subject to the approval of the Shareholders in the subsequent Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to the number of equity shares held by them.

Preference Shares - These shares carry right of fixed rate of dividend. In the event of liquidation of the Company, the holders of these shares have priority over equity shares in the payment of dividend and repayment of capital.

	Note	As at 31st March 2017 Rs.	As at 31st March 2016 Rs
NOTE 3			
RESERVES AND SURPLUS			
(i) General Reserve			
At the beginning and at the end of the year		18,69,57,957	18,69,57,957
(ii) Government Grant			
(In respect of DBT Network Project on Brucellosis)	31		
At the beginning of the year		11,44,135	9,47,496
Add : Received during the year		—	18,42,361
		11,44,135	27,89,857
Add : Interest Received		44,687	44,004
		11,88,822	28,33,861
Less : Transfer to Other Income (including interest)	21	10,66,874	16,89,726
At the end of the year		1,21,948	11,44,135

NOTES FORMING PART OF THE BALANCE SHEET

	Note	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
(iii) Securities Premium Reserve in respect of premium on issue of Equity shares to the Holding Company			
	4		
At the beginning of the year	11,74,66,660	11,74,66,660	
Add : Premium on issue of Equity Shares	—	—	
At the end of the year		11,74,66,660	11,74,66,660
(iv) Surplus			
Accumulated balance of loss			
At the beginning of the year	(19,15,34,634)	(26,06,61,606)	
Add : Profit for the year as per Statement of Profit And Loss	11,65,83,016	6,91,26,973	
At the end of the year		(7,49,51,618)	(19,15,34,633)
		<u>22,95,94,947</u>	<u>11,40,34,119</u>

NOTE 4

LONG TERM BORROWINGS

UNSECURED

Debentures:-

38

8% 10,00,000 Unsecured Optionally Fully Convertible Debentures of Rs. 100 each fully paid up.

10,00,00,000

10,00,00,000

The Company pursuant to special resolution passed at the extraordinary general meeting held on 31st August, 2013, had issued on 19th September, 2013 8% 10,00,000 Unsecured Optionally Fully Convertible Debentures of Rs. 100 each to The Peerless General Finance & Investment Company Ltd. on the following terms:

Conversion/Redemption :-

The Debentures will be redeemed at par in four instalments @ 20% of the nominal value each commencing from the end of 5th & 6th year from the date of allotment and 30% of the nominal value each commencing from the end of 7th & 8th year from the date of allotment or converted into equity shares at the option of the holder.

NOTES FORMING PART OF THE BALANCE SHEET

	Note	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
Interest :-			
The Debentures carry interest @ 8% per annum on the face value of Debentures.			
SECURED			
From Related Party :- Peerless Financial Services Ltd	38	—	8,00,018
Security:			
Hypothecation of 1010 KVA Diesel Generator Set purchased out of the above term loan.			
Terms of repayment:			
Interest is payable quarterly @ 9% p.a. on Reducing Balance of Principal amount which will be repaid in 60 equated monthly instalments after moratorium period of 18 month from the date of disbursement of loan.			
Note: Current maturity of Long Term Loan to the extent these are not convertible to equity, has been disclosed under the head "Other Current Liabilities"			
		<u>10,00,00,000</u>	<u>10,08,00,018</u>

NOTES FORMING PART OF THE BALANCE SHEET

	Note	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
NOTE 5			
DEFERRED TAX LIABILITIES (NET)			
In accordance with Accounting Standard 22 "Accounting for Taxes on Income", the Company has accounted for deferred tax. The Company has significant amount of carried forward unabsorbed depreciation as per Income Tax Act' 1961, on which deferred tax assets have been recognised based on virtual certainty, supported by convincing evidences that sufficient future taxable income will be available against which such deferred tax asset can be realised. The components of deferred tax assets and deferred tax liability as at 31st March, 2017 are as follows:-			
Particulars		Opening as at 1st April 2016	(Charge)/ Credit during the year
		Closing as at 31st March 2017	
Deferred Tax Assets			
Provision for Employee Benefits		1,15,37,993	15,19,143
Provision for Doubtful Debts		7,47,025	13,38,193
Unabsorbed Depreciation under Income Tax Act,1961		7,25,33,134	(6,59,32,411)
Sub-Total		<u>8,48,18,152</u>	<u>(6,30,75,075)</u>
Deferred Tax Liabilities			
Depreciation Difference		(9,00,27,242)	(39,50,450)
Sub-Total		<u>(9,00,27,242)</u>	<u>(39,50,450)</u>
Net Deferred Tax Assets/(Liabilities)		<u>(52,09,090)</u>	<u>(6,70,25,525)</u>
NOTE 6			
LONG TERM PROVISIONS			
Provision for employee benefits	36	3,11,23,493	3,04,04,585
		<u>3,11,23,493</u>	<u>3,04,04,585</u>
NOTE 7			
SHORT TERM BORROWINGS			
SECURED			
Loans Repayable on Demand from Allahabad Bank (Secured by way of hypothecation of inventories, book debts, outstanding monies, receivables,claims, bills,contracts engagement and securities etc. of the Company)		4,97,710	98,54,055
		<u>4,97,710</u>	<u>98,54,055</u>

NOTES FORMING PART OF THE BALANCE SHEET

	Note	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
NOTE 8			
TRADE PAYABLES			
	40		
Note 8.1 : Based on the information available with the Company, there is an amount of Rs 3,73,753 payable to the suppliers categorised as micro, small and medium enterprises as defined under The Micro, Small and Medium Enterprise Development Act, 2006 who has dealt with the Company during the year, disclosures of which is provided as per the requirement of Schedule III of the Companies Act, 2013.			
Note 8.2 : Trade Payables as at 31st March 2017 include Rs. 38,21,114 (Previous year Rs. 1,15,41,787) towards doctors expenses provided on the basis of pending confirmations of amount payable in terms of understanding with the doctors.			
		<u>14,54,41,866</u>	<u>15,65,66,507</u>
NOTE 9			
OTHER CURRENT LIABILITIES			
Current maturities of Long Term Debts			
Term Loan :			
	38		
From Allahabad Bank	—	2,68,03,071	
From Related Party - Peerless Financial Services Ltd	8,00,018	15,99,996	
		<u>8,00,018</u>	2,84,03,067
Interest accrued but not due on borrowings		2,486	7,456
Interest accrued and due on borrowings		4,954	3,45,206
Other Payables			
	40		
Security Deposits	95,75,893	91,88,239	
Advance Fees from academic courses	1,16,25,000	79,61,600	
Advance received from Patients	10,12,531	3,02,486	
Capital Expenditure	28,24,927	14,87,529	
Statutory Dues (Includes Tax Deducted at Source, Provident Fund, etc.)	67,00,029	55,17,610	
		<u>3,17,38,380</u>	2,44,57,464
		<u>3,25,45,838</u>	<u>5,32,13,193</u>
9.1 Non Current maturities of long term debts, including those convertible into equity, have been disclosed under the head "Long Term Borrowings".			
NOTE 10			
SHORT TERM PROVISIONS			
	36		
Provision for Employee Benefits		56,15,776	44,95,574
		<u>56,15,776</u>	<u>44,95,574</u>

NOTES FORMING PART OF THE BALANCE SHEET

NOTE 11

Fixed Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION AND AMORTIZATION			NET BLOCK		
	As at 31st March, 2016	Additions during the year	Disposal/ Adjustments during the year	As at 31st March, 2017	Up to 31st March, 2016	For the year	Disposal/ Adjustments during the year	As at 31st March, 2017	As at 31st March, 2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(i) TANGIBLE ASSETS									
Land-Leasehold	48,21,194	—	—	48,21,194	3,01,325	60,265	—	44,59,604	45,19,869
Building	30,40,09,410	4,30,101	—	30,44,39,511	9,07,88,815	52,69,054	—	20,83,81,642	21,32,20,595
Plant and Machinery	11,40,01,202	10,03,205	—	11,50,04,407	5,78,57,074	54,74,506	—	5,16,72,827	5,61,44,128
Electrical Installation and Equipment	4,48,39,206	16,83,754	—	4,65,22,960	3,53,35,265	30,44,917	—	81,42,778	95,03,941
Medical Equipment	42,35,95,193	4,82,06,083	3,32,74,375	43,85,26,901	20,29,60,019	3,44,68,695	3,26,83,591	23,37,81,778	22,06,35,174
Furniture and Fittings	4,95,01,176	52,13,507	—	5,47,14,683	2,54,71,561	57,68,491	—	2,34,74,631	2,40,29,615
Vehicles	69,46,575	11,31,200	5,38,842	75,38,933	37,62,999	7,42,381	5,38,842	35,72,395	31,83,576
Office Equipment	71,49,827	3,05,883	59,608	73,96,102	60,80,866	4,00,481	32,010	9,46,765	10,68,961
Roads	36,82,493	—	—	36,82,493	14,78,002	7,37,645	—	14,66,846	22,04,491
Computer and Data Processing Units	1,49,75,082	9,01,280	—	1,58,76,362	1,20,10,922	17,23,588	—	21,41,852	29,64,160
Total	97,35,21,358	5,88,75,013	3,38,72,825	99,85,23,546	43,60,46,848	5,76,90,023	3,32,54,443	53,80,41,118	53,74,74,510
Previous year ended 31st March, 2016	94,86,18,192	3,05,44,510	56,41,344	97,35,21,358	38,00,42,300	5,85,29,561	25,25,013	53,74,74,510	
Capital Work-in-Progress	—	—	—	—	—	—	—	54,00,000	9,12,997
Previous year ended 31st March, 2016	—	—	—	—	—	—	—	9,12,997	
(ii) INTANGIBLE ASSETS									
Computer Software	89,87,662	7,73,916	—	97,61,578	51,19,464	18,43,757	—	27,98,357	38,19,868
Previous year ended 31st March, 2016	86,07,154	3,20,508	—	89,87,662	33,66,620	17,52,844	—	38,68,198	

NOTES FORMING PART OF THE BALANCE SHEET

	Note	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
NOTE 12			
NON CURRENT INVESTMENTS			
(At cost and fully paid up unless stated otherwise)			
Long Term, Other than Trade Investments			
In Mutual Fund			
<i>Unquoted</i>			
Indiabulls Liquid Direct Plan Growth (LFG1) (3201.77 units of Rs.1561.64 each)	50,00,000	—	—
JM High Liquidity (Direct)-Growth Option (452) (228548.44 units of Rs. 43.75 each)	1,00,00,000	—	—
Peerless Liquid Direct Plan Growth (5682.57 units of Rs.1759.77 each)	1,00,00,000	—	—
Taurus Liquid Direct Plan- Super Institutional Growth (5765.49 units of Rs.1734.46 each)	1,00,00,000	—	—
		<u>3,50,00,000</u>	<u>—</u>
In Equity Instruments			
Quoted			
Shristi Infrastructure Development Corporation Ltd. (40 Equity Shares of Rs.10/- each fully paid)		710	710
Unquoted			
Peerless Hotels Limited (240 Equity Shares of Rs.10/- each fully paid)		2,400	2,400
		<u>3,50,03,110</u>	<u>3,110</u>
Aggregate amount of Quoted Investments		710	710
Aggregate amount of Unquoted Investments		3,50,02,400	2,400
		<u>3,50,03,110</u>	<u>3,110</u>
Aggregate amount of Market Value of Quoted Investment		14,000	4,360
		<u>14,000</u>	<u>4,360</u>
NOTE 13			
LONG TERM LOANS AND ADVANCES			
Unsecured, Considered Good			
Capital Advances		20,35,624	46,77,550
Security Deposits		1,53,78,140	1,33,79,485
Others			
Mat Credit Entitlement	3,61,35,461	34,74,295	
Advance Income Tax	14,49,046	14,49,046	
Tax Deducted at Source (Net of provisions)	8,35,74,695	11,18,50,854	
Service Tax	21,964	21,964	
		<u>12,11,81,166</u>	<u>11,67,96,159</u>
		<u>13,85,94,930</u>	<u>15,48,53,194</u>

NOTES FORMING PART OF THE BALANCE SHEET

	Note	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
<p>Note 13.1: Minimum Alternative Tax (MAT) credit entitlement is recognised based on convincing evidences that the Company is expected to pay normal tax within the specified entitlement period.</p>			
<p>NOTE 14</p>			
<p>OTHER NON CURRENT ASSETS:</p>			
<p>(Unsecured)</p>			
<p>Considered doubtful</p>			
Long Term Trade Receivables	40	58,67,242	22,59,605
Less:- Provision for Doubtful Receivables		(58,67,242)	(22,59,605)
		<u>—</u>	<u>—</u>
<p>Considered good</p>			
Fixed Deposits having remaining maturity of more than one year			
Against Margin money (Lodged with Bank)		7,53,946	7,53,946
		<u>7,53,946</u>	<u>7,53,946</u>
<p>NOTE 15</p>			
<p>INVENTORIES (At cost or net realisable value, whichever is lower)</p>			
Stock-in-Trade (Medicine)		1,54,23,365	1,32,54,014
Stores, Spares and Consumables		1,68,73,862	1,51,62,935
		<u>3,22,97,227</u>	<u>2,84,16,949</u>
<p>NOTE 16</p>			
<p>TRADE RECEIVABLES</p>			
<p>(Unsecured, considered good)</p>			
Outstanding for a period exceeding six months from the date they are due for payment	30 & 40	1,02,92,869	4,57,02,071
Others		10,80,84,819	6,29,79,759
		<u>11,83,77,688</u>	<u>10,86,81,830</u>

NOTES FORMING PART OF THE BALANCE SHEET

	Note	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
NOTE 17			
CASH AND BANK BALANCES			
CASH AND CASH EQUIVALENTS			
In Current Account with Banks		1,85,33,881	91,97,950
Cash Balance in Hand		<u>15,03,123</u>	<u>11,75,775</u>
		2,00,37,004	1,03,73,725
OTHER BALANCES WITH BANKS			
Fixed Deposits (having remaining maturity between three and twelve months from the reporting date)			
Against Margin money (Lodged with Bank)		—	—
Others		<u>10,11,03,844</u>	<u>1,55,75,393</u>
		10,11,03,844	1,55,75,393
		<u>12,11,40,848</u>	<u>2,59,49,118</u>
17.1 Balance in Current Account with Bank includes Rs. 1,21,948 (As at 31st March 2016 - Rs. 11,16,354/-) being money received in respect of DBT Network Project on Brucellosis lying unspent at the year end (Net of advances of Rs. Nil, As at 31st March 2016 - Rs. Nil).			
NOTE 18			
SHORT TERM LOANS AND ADVANCES			
(Unsecured, Considered Good)			
Advances to Suppliers		60,32,858	27,60,867
Receivable (Other than for trade)		13,31,184	20,28,436
Staff Advance		1,98,634	1,91,228
Prepaid Expenses		<u>78,70,098</u>	<u>54,75,652</u>
		<u>1,54,32,774</u>	<u>1,04,56,183</u>
NOTE 19			
OTHER CURRENT ASSETS			
Interest Accrued on Fixed deposits with Banks		24,25,328	6,96,249
Interest Receivable on Security deposits with CESC Ltd.		5,90,096	5,59,863
Unbilled receivables		<u>21,9,01,953</u>	<u>1,76,54,124</u>
		<u>2,49,17,377</u>	<u>1,89,10,236</u>

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

	Note	For the year ended 31st March 2017 Rs.	For the year ended 31st March 2016 Rs.
NOTE 20			
REVENUE FROM OPERATIONS			
i) Revenue from Operations			
a) Hospital Services	30	160,67,61,517	139,47,22,712
(includes Pharmacy sales billed to in-patients Rs. 32,71,55,178 for the year ended 31st March, 2016 Rs. 29,20,78,787)			
b) Sale of Medicine from Pharmacy - Other than inpatients		4,03,88,581	3,67,79,272
c) Income from Diagnostic Centre		2,52,62,366	2,09,60,335
d) Income from Eye Hospital	30	5,13,688	—
		<u>167,29,26,152</u>	<u>145,24,62,319</u>
ii) Other Operating Revenue	34		
Income from Academic Courses		3,69,44,428	3,56,50,169
		<u>170,98,70,580</u>	<u>148,81,12,488</u>

NOTE 21

OTHER INCOME

Dividend from Investments- Long Term		432	730
Interest on Fixed Deposits		38,14,683	18,66,611
Interest on Refund from Income Tax		60,80,653	74,53,334
Rent	28.2	16,14,580	17,67,448
Provision for Doubtful Debts no longer required written back		22,59,603	32,46,426
Liabilities no longer required written back		16,01,394	32,59,870
Government Grant	3	10,66,874	16,89,726
Miscellaneous		15,90,095	20,50,964
		<u>1,80,28,314</u>	<u>2,13,35,109</u>

NOTE 22

COST OF MEDICAL AND OTHER CONSUMABLES

Opening Inventories	30 & 35	1,37,97,343	1,31,84,975
Add: Purchases		19,50,38,095	17,22,25,397
		<u>20,88,35,438</u>	<u>18,54,10,372</u>
Less: Closing Inventories		1,55,40,504	1,37,97,343
		<u>19,32,94,934</u>	<u>17,16,13,029</u>

NOTE 23

PURCHASES OF STOCK IN TRADE

Medicines		21,87,89,216	20,37,74,336
		<u>21,87,89,216</u>	<u>20,37,74,336</u>

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

	Note	For the year ended 31st March 2017 Rs.	For the year ended 31st March 2016 Rs.
NOTE 24			
CHANGES IN INVENTORIES OF STOCK IN TRADE - MEDICINES			
Opening Inventory		1,32,54,014	1,40,51,068
Less: Closing Inventory		1,54,23,365	1,32,54,014
		<u>(21,69,351)</u>	<u>7,97,054</u>
NOTE 25			
EMPLOYEE BENEFITS EXPENSE	30 & 36		
Salaries,Wages,Bonus etc.		288,132,190	293,446,406
Contribution to Provident and Other Funds		25,969,393	28,530,778
Staff Welfare		15,282,712	15,229,417
		<u>329,384,295</u>	<u>337,206,601</u>
NOTE 26			
FINANCE COSTS			
Interest Expense			
Debentures	38	80,00,000	1,30,34,975
Term Loan	38	12,91,429	51,74,484
Cash Credit		8,33,907	41,70,735
		<u>1,01,25,336</u>	<u>2,23,80,194</u>
NOTE 27			
DEPRECIATION AND AMORTISATION EXPENSE			
Depreciation and Amortisation	11	5,95,33,780	6,02,82,405
		<u>5,95,33,780</u>	<u>6,02,82,405</u>
NOTE 28			
OTHER EXPENSES			
Rent	28.2	73,39,900	72,49,573
Lease Rent		27,000	27,000
Repairs			
Building		67,54,361	17,29,766
Machinery		4,07,931	4,89,389
Medical Equipment		52,865	2,49,388
Others		<u>39,01,782</u>	<u>39,90,640</u>
Consumption of stores and spares	35	1,06,53,264	1,51,42,463
Maintenance Charges		1,87,98,396	2,02,52,767
Rates and Taxes		3,62,78,171	31,86,461
Insurance		25,32,764	23,58,503
Catering Charges		5,97,88,357	4,74,15,898
Cleaning Charges		3,44,63,229	2,66,79,180
Security Expenses		2,09,16,251	1,62,92,570
Advertisement and other Business Promotion Expenses		1,60,53,953	1,20,29,499
Debts and other balances written off		21,97,742	1,96,73,327
Provision for Doubtful Debts		58,67,242	22,59,603
Miscellaneous Expenses	28.1 & 33	9,18,33,862	8,12,41,518
Corporate Social Responsibility		3,28,721	—
		<u>31,81,95,791</u>	<u>26,02,67,545</u>

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

Note	For the year ended 31st March 2017 Rs.	For the year ended 31st March 2016 Rs.
28.1 Miscellaneous Expenses include Auditor's Remuneration (including service tax), details of which are as follows :		
Auditor's Remuneration	2016-17	2015-16
Statutory Audit Fees	4,37,000	4,41,332
Interim Audit Fees	2,30,000	2,29,000
Other services	—	3,57,142
Reimbursement of expenses	—	—

28.2 The Company has certain cancellable operating lease arrangement for premises taken/given on lease with a lease period in certain cases upto 2 years, further extendable with mutual consent and agreement. The lease agreement can be terminated after giving notice as per terms of the Lease by either of the parties. Terms of certain lease arrangements include clauses relating to deposit/refund of security deposit etc. Lease income/expense are recognised in the Statement of Profit And Loss.

NOTE 29**CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
(I) Contingent Liabilities		
Claims against the company not acknowledged as debt		
Certain show cause notices and demands relating to Duty of Customs, income tax, service tax and other matters pending with various authorities, to the extent ascertainable from the records and details available are as follows:-		
(i) Duty of Customs – Sub-judice in Calcutta High Court (regarding Customs Duty exemption certificate for import of machinery).	11,54,00,533	11,54,00,533
(ii) Compensation claimed by customers/other parties, which are sub-judice.	6,32,25,000	3,49,89,000
(iii) Income Tax matters pending in appeal	—	52,62,800
(iv) Service Tax matters (excluding interest and penalty) Against order/show-cause notice issued by office of the Commissioner of service tax, the Company is in the process of filling appeal to the Central Excise & Service Tax Appellate Tribunal (CESTAT)	1,93,94,090	1,82,33,477
(v) ESI Contribution	3,61,611	3,61,611

In the opinion of the management, the above claims/demands are not tenable and the future cash outflows in respect of the same are determinable on final decisions of the matters.

(II) Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	9,89,851	60,23,550

NOTE 30

- (i) The Company, in terms of agreement dated November 27, 2013, renewed with effect from 25th November, 2016 till 31st July, 2017 on same terms and condition (the agreement), with Neurosciences Foundation, Bengal, jointly controls the operations of National Neurosciences Centre, Calcutta (NNC), a joint project and non-profit making organisation formed and registered under the West Bengal Societies Act, XXVI of 1961.

In terms of the agreement, NNC has agreed to provide Neurological/Neurosurgical services under administrative control of the company. Reimbursements and recoveries against the costs are adjusted against respective heads of accounts.

Accordingly, Rs. 4,95,47,695 (previous year Rs. 5,41,96,487) has been included under "Revenue from Hospital Services". Reimbursements of various expenses amounting to Rs. 2,37,87,498 (previous year Rs. 2,35,91,815) have been adjusted against respective heads of accounts. None of the company's assets has been transferred to the joint venture and there is no liability incurred in this respect.

- (ii) The Company has entered in an arrangement with Dr. Agarwal's Healthcare Limited (DAHCL) to set up an independent eye care unit and the same has become operational with effect from 1st February, 2017 on receipt of necessary approval etc. required in this respect. Income arising in this respect has been disclosed as Income from Eye Hospital under Revenue from Operations.

NOTE 31

Reserves and Surplus includes Other Reserve which represents unutilized portions of Government Grant amounting to Rs. 1,21,948/- (previous year Rs. 11,44,135/-) pending incurrence of expenditure there-against.

NOTE 32

C.I.F. value of Imports –

	2016-2017 (Rs.)	2015-2016 (Rs.)
Capital Goods	14,01,495	7,42,473

NOTE 33

Expenditure in Foreign Currency –

	2016-2017 (Rs.)	2015-2016 (Rs.)
Collaboration for Master of Emergency Medicine course	54,41,200	52,04,400

NOTE 34

Earning in Foreign Currency –

	2016-2017 (Rs.)	2015-2016 (Rs.)
Fees received from Medical Specialities at the Post Graduate Level	11,85,362	4,42,704

NOTE 35

Value of Medical & Other Consumables and Stores & Spares Consumed –

	%	2016-2017 (Rs.)	2015-2016 (Rs.)
Medical & Other Consumables: – Indigenous	100	19,32,94,933	17,16,13,029
Stores and Spares: – Indigenous	100	1,06,53,264	1,51,42,463

NOTE 36

The disclosures required under Accounting Standard 15 “Employee Benefits” are given below:-

Defined Contribution Scheme

Contribution to Defined Contribution Scheme, recognised for the years are as under:

Particulars	For the year ended	
	31st March 2017	31st March 2016
Employer's Contribution to Provident Fund	65,52,747	61,97,969
Employer's Contribution to Pension Fund	94,38,798	91,83,383

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. The obligation for Leave entitlement is recognised in the same manner and provision for leave obligation is unfunded .

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Disclosures for gratuity liability (funded) based on actuarial reports as on 31st March, 2017 are as follows:.

Particulars	2016-17 (Rs.)	2015-16 (Rs.)	2014-15 (Rs.)	2013-14 (Rs.)	2012-13 (Rs.)
A. Change in Defined Benefit Obligations:					
Present Value of Defined Benefit Obligations at the beginning of the year	6,66,42,099	5,25,43,660	4,63,80,438	4,42,51,557	3,69,71,782
Current Service Cost	43,46,134	38,16,506	33,88,369	33,05,444	26,96,357
Interest Cost	52,28,191	42,91,356	43,95,138	36,23,683	32,52,987
Actuarial Losses/(Gain)	21,53,749	71,33,298	1,39,509	(39,38,110)	30,00,886
Benefits Paid	(32,78,867)	(11,42,721)	(17,59,794)	(8,62,136)	(16,70,455)
Present Value of Defined Benefit Obligations at the end of the year	7,50,91,306	6,66,42,099	5,25,43,660	4,63,80,438	4,42,51,557
B. Change in the Fair Value of Assets:					
Present Value of Plan Assets at the beginning of the year	5,87,05,786	5,14,48,047	46,612,053	4,05,55,759	3,29,65,424
Expected Return on Plan Assets	46,14,247	40,85,376	37,08,660	32,46,374	26,09,817
Actuarial Gain/(Losses)	2,45,857	3,58,702	9,66,569	1,04,232	9,74,159
Contribution by Employer	74,50,146	39,56,382	19,20,559	35,67,824	56,76,814
Benefits Paid	(32,78,867)	(11,42,721)	(17,59,794)	(8,62,136)	(16,70,455)
Present Value of Plan Assets at the close of the year	6,77,37,169	5,87,05,786	5,14,48,047	4,66,12,053	4,05,55,759
C. Reconciliation of Present Value of Defined Obligation and the Fair Value of Assets:					
Present Value of Defined Benefit Obligations at the end of the year	7,50,91,306	6,66,42,099	5,25,43,660	4,63,80,438	4,42,51,557
Present Value of Plan Assets at the close of the year	(6,77,37,169)	(5,87,05,786)	(5,14,48,047)	(4,66,12,053)	(4,05,55,759)
Liability/ (Asset) recognised in the Balance Sheet	73,54,137	79,36,313	10,95,613	(2,31,615)	36,95,798
D. Expense recognised in the Statement of Profit and Loss					
Particulars	31st March 2017 (Rs.)	31st March 2016 (Rs.)	31st March 2015 (Rs.)	31st March 2014 (Rs.)	31st March 2013 (Rs.)
Current Service Cost	43,46,134	38,16,506	33,88,369	33,05,444	26,96,357
Interest on Defined Benefit Obligation	52,28,191	42,91,356	43,95,138	36,23,683	32,52,987
Expected Return on Plan Asset	(46,14,247)	(40,85,376)	(37,08,660)	(32,46,374)	(26,09,817)
Net Actuarial Losses/(Gains) Recognised in the year	19,07,892	67,74,596	(8,27,060)	(40,42,342)	20,26,727
Unrecognised Transitional Liability	—	—	—	—	—
Total Expenses recognised in Statement of Profit and Loss	68,67,970	1,07,97,082	32,47,787	(3,59,589)	53,66,254
E. Experience Adjustments					
Experience adjustments on plan liabilities (Loss/ (Gain)).	(12,79,358)	61,58,736	(10,64,677)	12,85,524	5,92,652
Experience adjustments on plan assets (Loss/(Gain))	2,45,857	3,58,702	9,66,569	1,04,232	9,74,159

Principle Actuarial Assumptions used:

	2016-17	2015-16
Discount Rate (p.a.) Compounded	7.10%	7.75%
Expected Rate of Return on Plan Asset (p.a.)	8.00%	8.00%
Salary Escalation Rate	6.00%	6.00%
Retirement Age	58 years	58 years
Mortality Rate	ULT (2006-08) mortality tables	ULT (2006-08) mortality tables

The obligation for leave entitlement is determined in the same manner as Gratuity and Rs 1,17,55,243 (Previous Year Rs. 1,27,35,908) provided for the year in this respect has been shown under “Salaries and Wages”.

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, promotion and other relevant factors applicable to the period over which the obligation is expected to be settled.
- ii) In respect of gratuity, the funds are managed by the insurers and therefore the percentage and amount that each major category constitutes the fair value of total plan assets and effect thereof on overall expected rate of return on asset is not ascertainable.
- iii) This is based on expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

NOTE 37

The Company’s business is to provide medical and other related facilities and services. The operations of the Company being comprised of a single business segment and not comprising of other operations in the economic environments with significantly differing risks and returns, in the opinion of the management, disclosure requirements as per AS-17 on ‘Segment Reporting’ are not applicable to the Company.

NOTE 38

Related Party Disclosures

- a) Holding Company: The Peerless General Finance & Investment Company Limited
- b) Fellow Subsidiaries: Peerless Hotels Limited
(having transactions Peerless Securities Limited
with the Company) Peerless Financial Services Limited
- Others: Kaizen Leisure & Holidays Ltd.
Mr. Tushar Kanti Roy – Relative of Director
- c) Key Management Personnel: Mr. D. Samadar — Managing Director
Dr. Sujit Karpurkayastha — Managing Director

PEERLESS HOSPITEX HOSPITAL AND RESEARCH CENTER LIMITED

d) Details of transactions are as follows:-

Particulars	Holding Company (Rs.)	Fellow Subsidiaries			Others		KMP (Rs.)
		Peerless Hotels Ltd. (Rs.)	Peerless Securities Ltd. (Rs.)	Peerless Financial Services Limited (Rs.)	Kaizen Leisure & Holidays Ltd. (Rs.)	Mr Tushar Kanti Roy (Rs.)	
Revenue from operations							
Healthcare service	2,970 (1,61,009)	— (1,38,000)	— (47,811)	— (—)	11,67,428 (—)	— (—)	— (—)
Expenses/Reimbursements							
a) Miscellaneous Expenses (Service Charges)	3,17,425 (1,46,961)	2,47,501 (39,388)	— (—)	— (—)	— (9,46,420)	— (—)	— (—)
b) Interest Expense	80,00,000 (1,30,34,975)	— (—)	— (—)	1,42,128 (2,80,307)	— (—)	— (—)	— (—)
c) Rent	19,35,672 (15,67,321)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)
d) Remuneration	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	1,20,45,463 (1,79,73,192)
e) Electricity charges	1,79,910 (31,894)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)
f) Repayment of Term Loan	— (—)	— (—)	— (—)	15,99,996 (15,99,996)	— (—)	— (—)	— (—)
g) Retainership Fees & reimbursement of expenses	— (—)	— (—)	— (—)	— (—)	— (—)	6,00,000 (6,00,000)	— (—)

Outstanding Balance as at 31st March, 2017

Particulars	Holding Company (Rs.)	Fellow Subsidiaries (Rs.)
i) Term Loan	— (—)	8,00,018 (24,00,014)
ii) Interest Due	— (—)	2,762 (9,206)
iii) 8% 10,00,000 Optionally Fully Convertible Debenture of Rs.100/- each	10,00,00,000 (10,00,00,000)	— (—)
iv) Receivable for expenses	5,541 (3,984)	— (—)
v) Payable of expenses	— (—)	25,244 (—)

Note :- (i) Figures in parentheses represent previous year's figures

(ii) No amount in respect of related parties has been written off / written back during the year.

NOTE 39

Earnings per Share

	2016-17 (Rs.)	2015-16 (Rs.)
(a) Profit / (Loss) after tax attributable to equity shareholders	11,65,83,016	6,91,26,972
(b) Numbers of Equity shares of Rs.10 each	2,35,70,313	2,11,63,209
(c) Basic and Diluted Earnings Per Share	4.95	3.27

NOTE 40

Certain debit and credit balances including trade receivables, trade and other payables and advances etc. are subject to confirmation/reconciliation and consequential impact thereof.

NOTE 41

During the year, the Company had Specified Bank Notes (SBN's) or Other Denomination Notes (ODN's) as defined in the MCA Notification G.S.R 308(E) dated 31st March 2017. Details of SBN's and ODN's held and transacted during the period from 8th November, 2016 to 30th December, 2016, as required in terms of the said notification are given below :-

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand on 08.11.2016	5,50,000	6,74,064	12,24,064
(+) Permitted receipts	8,23,000	4,35,73,784	4,43,96,784
(+) Non Permitted receipts	29,08,500	—	29,08,500
(-) Permitted payments	—	55,29,589	55,29,589
(-) Amount deposited in Banks	42,81,500	3,76,25,936	4,19,07,436
Closing cash in hand on 30.12.2016	—	10,92,323	10,92,323

Non-permitted receipts represent Specified Bank Notes (SBNs) received for a very brief period, in the beginning of the promulgation of the above notification, out of compulsion to avoid disruption by ailing parties and persons accompanying them. All SBNs received were deposited in full in the Company's bank account and no payments were otherwise made in the hospital using those notes.

NOTE 42

Figures of the previous year have been regrouped/rearranged where ever necessary to conform to the figures of the current year.

Signatures to Notes 1 to 42

For and on behalf of

LODHA & CO

Chartered Accountants

R. P. Singh
Partner

Place : Kolkata
Dated : 18th May, 2017

For and on behalf of the Board

Balaram Bose
Company Secretary

Deepak Mukerjee
Director

Sivasis Sarkar
Chief Financial Officer

Sujit Karpurkayastha
Managing Director