



THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

BOARD OF DIRECTORS

Shri Susim Mukul Datta
Shri Sunil Kanti Roy
Shri Bhargab Lahiri
Shri Deepak Mukerjee
(Independent Director)
Shri Partho Sarothy Datta
(Independent Director)
Shri Jayanta Roy
Shri Dipankar Chatterji
Shri Soumendra Mohan Basu

COMPANY SECRETARY

Shri K Balasubramanian

CHAIRMAN

Shri Susim Mukul Datta

MANAGING DIRECTOR

Shri Sunil Kanti Roy

DEPUTY MANAGING DIRECTOR

Shri Bhargab Lahiri

CHIEF FINANCIAL OFFICER

Shri Asoke Kumar Mukhuty

**PRESIDENT & GROUP
FINANCIAL COORDINATOR**

Shri Samar Bhattacharyya

**PRESIDENT- COMPLIANCES
& LEGAL**

Shri Patit Paban Ray

VICE PRESIDENTS

Shri Anup Kumar Maiti
IT & CS

Shri Debasis Ghosh
Group Indirect Tax

Shri Subhasis De
Group Taxation

**SENIOR GENERAL
MANAGER FINANCE**

Shri S. Swaminathan

GENERAL MANAGERS

Shri Kalyan Chakraborty
Operations

Shri Santanu Maiti
HR & Administration (Peerless Group)

AUDITORS

Messrs Mukund M Chitale & Co.
Chartered Accountants

ACTUARIAL CONSULTANT

Shri Arpan N Thanawala

PRINCIPAL BANKERS

United Bank of India
HDFC Bank Limited
State Bank of India

**REGISTRAR & SHARE
TRANSFER AGENTS**

CB Management Services (P) Ltd.
P-22, Bondel Road
Kolkata – 700 019

REGISTERED OFFICE

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

Corporate Identity No. :

U66010WB1932PLC007490



REGIONAL OFFICES

Eastern Regional Office

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

North Eastern Regional Office

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

Northern Regional Office

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

Western Regional Office

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

Southern Regional Office – I

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

Southern Regional Office – II

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

South Central Regional Office

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

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DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting to you the Eighty Fifth Annual Report together with the audited accounts of the Company on standalone basis and in consolidated form for the year ended on 31st March, 2018.

FINANCIAL HIGHLIGHTS

A summary of the financial results for the year 2017-18 along with the previous year's figures, both on Standalone and Consolidated Subsidiary and Joint Venture Companies, are given below :-

(Rs. in million)

	Standalone		Consolidated	
	Current Year ended on 31.03.2018	Previous Year ended on 31.03.2017	Current Year ended on 31.03.2018	Previous Year ended on 31.03.2017
Total Revenue	2468.23	2362.92	5202.17	5451.61
Profit Before Interest, Depreciation and Tax	1024.52	885.35	1449.47	1841.06
Less: Finance Cost	0.61	2.68	6.27	21.47
Less: Depreciation and Amortisation	38.36	24.57	159.30	177.63
Profit Before Tax	985.55	858.10	1283.90	1641.96
Less: Tax Expenses	137.95	322.66	241.25	452.83
Profit After Tax but before Minority Interest	847.60	535.44	1042.65	1189.13
Add : Minority Interest	—	—	(10.37)	4.45
Profit for the Year	847.60	535.44	1032.28	1193.58
Add: Balance as per the last financial statements	5622.00	5436.23	5324.69	4492.83
Profit available for appropriation	6469.60	5971.67	6356.97	5686.41
Appropriations:				
Special Reserve	170.00	110.00	174.11	110.00
General Reserve	100.00	100.00	250.10	108.00
Transfer to Debenture Redemption Reserve	—	—	25.00	—
Dividend on Equity Shares	149.20	116.05	149.20	116.05
Dividend Distribution Tax on Interim Dividend	28.51	23.62	32.99	27.67
Total Appropriation	447.71	349.67	631.40	361.72
Balance carried forward to Balance Sheet	6021.89	5622.00	5725.57	5324.69



STATE OF COMPANY'S AFFAIRS

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

- a) Profit After Tax increased by Rs. 312.16 million from Rs. 535.44 million in the previous year to Rs. 847.60 million during the year under review primarily due to lower provision on value of investments in subsidiary and 6.2% decrease in employee benefit costs.
- b) Rs. 170 million transferred to Special Reserve as required under Section 45 IC of the RBI Act, 1934. With this transfer, the accumulated balance in the said account as on 31st March 2018 would stand at Rs. 5238.34 million.
- c) Rs. 100 million transferred to General Reserve after which the accumulated balance in the said account as on 31st March 2018 would stand at Rs. 6451.69 million.
- d) The Capital Adequacy Ratio (CAR) was maintained well over the statutory minimum requirement of 12% throughout the year. As at 31st March 2018, the ratio was 117.43% (110.41% in the previous year).
- e) Net Owned Funds of your Company as on 31st March 2018, subject to shareholders approving the proposal for appropriation, would stand increased to Rs. 17832.66 million compared to Rs. 16628.27 million in the previous year.
- f) Average pre-tax yield on investments was 7.67% in FY 2017-18 as against 7.71% in FY 2016-17.
- g) The Company's total investments as on 31st March 2018 at Rs.32280.94 million was higher than Rs.31589.00 million as on 31st March 2017. Your Company's aggregate deposit liability remained fully covered by investments in approved categories throughout the year, in terms of applicable RBI directives.

COMPANY'S BUSINESS AND OUTLOOK

As mentioned in the annual report of earlier years, your Company had discontinued acceptance of deposits from 1st April 2011, as advised by the Reserve Bank of India. However, as a residuary Non Banking Company under the Reserve Bank of India Act, 1934, your Company is continuing to discharge its liabilities by making repayment of matured deposits, as a result of which deposit liabilities came down at the year end to Rs. 15493.88 million from Rs.15518.06 million as at the end of the previous financial year.

Profitable growth of its subsidiaries is your Company's prime focus, aimed at enhancing shareholder value.

Your Company's subsidiaries are engaged in the hospitality, healthcare and real estate development sectors, where growth is sustained, both geographically as well as through capacity enhancement. Other subsidiaries in the financial services sector aim to become preferred financial services providers to their customers by offering multiple products and services.

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

VARIATION IN NET WORTH

The Net Worth of the Company as at the close of the financial year ended 31st March, 2018 was Rs. 17994.28 million, as compared to Rs. 17373.25 million as at the close of the previous financial year ended 31st March, 2017.

DIVIDEND

Your Directors are pleased to recommend Dividend of 100% (Rs. 100/- per equity share of Rs.100/- each fully paid-up) subject to the approval of the Shareholders at the ensuing Annual General Meeting. The Total Outflow on account of Dividend including Tax on Dividend would be Rs. 397.83 million.

GROUP ACTIVITIES

The audited accounts of the subsidiaries, together with their respective Directors' Reports, are given separately in the Balance Sheets of subsidiaries. However, a brief synopsis of their performance during the year under review, as well as an overview of future plans, are given below, so as to give an overall picture of the business of the Peerless Group to the shareholders.

Peerless Hotels Limited (PHL)

PHL registered a Total Income of Rs.484.41 million compared to Rs. 435.45 million in the previous year, an increase of 11.24%. Profit After Tax at Rs. 52.45 million grew by 137.66% over the previous year, primarily driven by improved performance across all segments.

All food outlets – Aaheli, Oceanic and Ego have registered commendable improvement in performance. Aaheli has also launched its quick service format – Aaheli Express. Aaheli will be completing 25 years in the coming financial year.

Peerless Financial Products Distribution Limited (PFDDL)

PFDDL registered Total Income of Rs. 161.79 million compared to Rs. 239.81 million in the previous year with a loss of Rs. 52.17 million compared to a marginal profit of Rs. 2.36 million in the previous year. However, it is encouraging to note that PFDDL was able to operate at close to 'break-even' levels in the 2nd half of the year under review.

Peerless Securities Limited (PSL)

During the year under review, PSL registered Total Revenue of Rs.108.32 million and Profit After Tax of Rs. 0.71 million as against Total Revenue of Rs. 119.73 million and a loss of Rs. 0.45 million in the previous year.

The Company initiated several measures aimed at offering value added services to customers by establishing a centralized Client Advisory and Service Desk in the Head Office. Another measure was the launch of "Mr. PIP", a mobile application to provide portfolio management, financial planning, market advice and other services to clients, which are expected to generate revenue from the Mutual Fund sector. Going forward, the key priorities of the Company would be to focus on Broking, cross selling activities and sales of structured products.

Peerless Commodities Limited (PCL)

During the year under review, Gross Revenue of the Company stood at Rs. 1.98 million compared to Rs. 0.82 million in the previous year. Profit After Tax stood at Rs. 0.31 million compared to Rs. 0.26 million in the previous year.

PCL registered improvement in operating performance during the year, driven by various steps taken to diversify and expand the broking business to Real Estate Broking and Distribution of Financial Products.

Peerless Hospitex Hospital and Research Center Limited (PHHL)

PHHL had registered an improved performance in the previous year. The trend continued and PHHL recorded Total Income of Rs. 1947.41 million, a rise of 12.70% over the previous year. Profit After Tax increased by 30.52% over the previous year to Rs.152.16 million.

Operating parameters also improved over the previous year – footfalls of outdoor patients by 11.51%, indoor patients by 12.99% and day care cases by 20%. Costs were better controlled with significant reductions in medical consumables and medicines.

The hospital worked almost to full capacity during the year under review with improvements in major disciplines like cardiology, nephrology, emergency medicine etc. After a rigorous inspection by a team of NABH assessors, your hospital got re-accreditation for a period of 3 years effective 6 September 2017.



Peerless Financial Services Limited (PFSL)

During the year under review, PFSL shifted its strategic focus to the retail segment by introducing a number of retail products like loans against salary and vehicle financing in addition to its current portfolio of equipment finance, loans against property / insurance policies / marketable securities. This shift has received encouraging response from the market and is expected to bear fruit in the future.

During the year under review, though Total Income declined by 24% from Rs. 57.86 million to Rs. 44.20 million, the Company recorded a Net Profit of Rs. 20.33 million as against a loss of Rs. 77.49 million in the previous year.

Peerless Funds Management Co. Limited (PFMCL) & Peerless Trust Management Co. Limited (PTMCL)

As informed to the shareholders in the previous year, PGFI and other shareholders of PFMCL & PTMCL respectively had entered into an agreement with Essel Finance Management LLP (EFM) dated 7th November 2016. This agreement was for the sale of the entire shareholding of PFMCL & PTMCL to EFM, upon receipt of relevant regulatory & statutory approvals.

SEBI had vide its letter dated 9 August 2017 accorded its approval to the proposal for change in controlling interest of PFMCL and PTMCL to Essel Finance Wealth Zone Pvt. Ltd. This transaction was completed on 21 September 2017 with the transfer of the entire shareholding held by PGFI & other shareholders in PFMCL & PTMCL respectively to EFWPL & other shareholders, after payment of the agreed consideration and approval of the transfer of shares by the respective Boards of PFMCL & PTMCL.

JOINT SECTOR

Your Company holds 36.70% of the paid up equity capital of Bengal Peerless Housing Development Company Limited, a joint venture with West Bengal Housing Board. The Company is engaged mainly in developing residential projects in West Bengal, with the objective of providing housing for all sections of society. The Company achieved a turnover of Rs. 185.46 million and Profit After Tax of Rs. 13.82 million during the year under review, compared to Rs. 1594.39 million and Rs. 297.56 million respectively in the previous financial year.

ANNUAL RETURN

The Annual Return in Form MGT - 7 as on the financial year ended on 31st March, 2018, pursuant to provision of Section 134(3)(a) of the Companies Act, 2013, as amended, will be available on the Company's website www.peerless.co.in after holding of the 85th Annual General Meeting of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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



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

As reported in the previous year, we are maintaining the existing arrangement of the Escrow Account with the United Bank of India (UBI) as advised by the Reserve Bank of India (RBI). At present the Company is disbursing maturity payments to the Certificate Holders through UBI, as and when claims arise.

During the financial year 2017-18 a sum of Rs. 24.66 million has been disbursed to the Certificate Holders by UBI by debiting the Escrow Account maintained with them, according to the existing arrangements advised by RBI.

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

AUDITORS' OBSERVATIONS

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

SECRETARIAL AUDIT

A Secretarial Audit Report dated 13th August, 2018, conducted as per section 204 of the Companies Act, 2013 by M/s Anjan Kumar Roy & Co., Company Secretaries appointed by the Board for the financial year ended 31st March, 2018, is attached to this Report (marked Annexure 'A'). The Secretarial Audit Report does not contain any qualification, reservation or adverse remark necessitating any explanation or comment by the Board.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes or commitment affecting the financial position of the company have occurred between 31st March, 2018 and 13th August, 2018, the date of this Report.

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

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

There was no foreign exchange earning during the FY 2017-18. The foreign exchange outgo during the FY 2017-18 was Rs. 0.03 million.

DETAILS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES

During the year 2017-18, no company became or ceased to be a subsidiary, joint venture or associate company of your Company, other than Peerless Funds Management Co. Limited and Peerless Trust Management Co. Limited.

CONSOLIDATED FINANCIAL STATEMENT

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



RISK MANAGEMENT POLICY

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

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

The Company has put in place an enterprise wide Risk Management Framework. This holistic approach provides the assurance that, to the best of its capabilities, the Company identifies, assesses and mitigates risks that could materially impact its performance in achieving the stated objectives.

These involve

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

The Company has a duly approved Risk Management Policy.

The policies developed by the company are deployed in all divisions and in every part of its business and functions. The policy complements the corporate governance initiatives of the company and does not replace other existing programmes relating to regulatory compliance matters.

A Risk Management Committee has already been constituted, comprising members of the senior management team. It has the responsibility for assessing and mitigating various risks relating to regulatory, financial and operational issues in the areas of Human Resources, Finance, Legal, Information Technology, Communication Services and Investments in Real Estate. The steps undertaken by the Committee to achieve its objectives are regularly reported to the Audit Committee and the Board.

The Committee, at its meetings, also reviews the major risks, their mitigating measures and current status, based on which necessary corrective action is taken.

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

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

INTERNAL CONTROL SYSTEMS

The Company has established an adequate and effective internal control system for all the major processes to ensure reliability of financial reporting and compliance with policies, procedures, laws and regulations. The Company has already documented Standard Operating Procedures (SOPs) for various processes. It has a monitoring process in place that identifies gaps which are deemed to have the potential to materially affect the Company's operations. The existing programme for internal audit covers a thorough examination of compliance in respect of internal controls as specified in the Standard Operating Procedures of the Company. Any deviations noticed during the course of audit are highlighted in the Internal Audit Report.

The Internal Audit Plan is approved by the Audit Committee. During the year, the Audit Committee reviewed reports submitted by the Internal Audit Department, which included all significant audit observations and follow-up action taken. The Audit Committee also met the company's Statutory Auditors to ascertain their views on the financial statements, including the reliability of financial reporting, compliance to accounting policies and procedures, and the adequacy of the internal controls followed by the company.

INTERNAL FINANCIAL CONTROL

The management believes that adequate financial controls exist in relation to the company's Financial Statements, commensurate with the nature and size of its business operations. These controls and processes are driven through various policies and procedures, and no material weaknesses exist.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Deepak Mukerjee and Mr. Partho Sarothy Datta, Independent Directors, have submitted declarations that they meet the 'criteria of independence' as provided in section 149(6) of the Companies Act, 2013 ("the Act").

In accordance with the provisions of the Act read with Article 110 of the Company's Articles of Association, Mr. Susim Mukul Datta (DIN :00032812) will retire by rotation at the ensuing 85th Annual General Meeting and, being eligible, offers himself for reappointment.

Based on the recommendation of the Nomination & Remuneration Committee of the Company at its meeting held on 11.07.2018, the Board of Directors of your Company at its meeting held on 13th August, 2018 had appointed Mr. Soumendra Mohan Basu (DIN : 01125409) as an Additional Non-Executive Director, pursuant to section 161 of the Companies Act, 2013 ("the Act") read with Article 105 of the Articles of Association of the Company. Accordingly, Mr. Soumendra Mohan Basu will hold office up to the date of the ensuing Annual General Meeting. A Notice has been received under Section 160 of the Act proposing appointment of Mr. Soumendra Mohan Basu as a Director at the ensuing Annual General Meeting. In accordance with the provisions of Section 152 of the Act, Mr. Basu has filed with the Company his consent in Form DIR-2 to act as a Director and a declaration that he is not disqualified to become a Director under the Act. He has also declared vide Form DIR-8 that the disqualification as envisaged in Section 164 of the Act does not apply to him.

Mr. Soumendra Mohan Basu has confirmed that he fulfills the criteria of independence as provided in section 149(6) of the Act. In the opinion of the Board, Mr. Soumendra Mohan Basu is a person of integrity and possesses relevant expertise and experience. Your Board of Directors accordingly, proposes that Mr. Soumendra Mohan Basu be appointed as an Independent Director of the Company for a period of 5 years. Approval of the shareholders is sought to be taken for his appointment as an Independent Director at the ensuing 85th Annual General Meeting of the Company.

NUMBER OF BOARD MEETINGS

During the Financial Year 2017-18, seven meetings of the Board of Directors of the Company were held on 20.05.2017, 15.06.2017, 29.07.2017, 21.09.2017, 25.10.2017, 17.11.2017 and 06.03.2018



Details of attendance of the Directors in Board Meetings for 2017-18 are as under:

Sl. No.	Name	Status	No. of Meetings	
			Held	Attended
1.	Mr. Susim Mukul Datta	Chairman	7	7
2.	Mr. Sunil Kanti Roy	Managing Director	7	7
3.	Mr. Bhargab Lahiri	Deputy Managing Director	7	7
4.	Mr. Deepak Mukerjee	Independent Director	7	7
5.	Mr. Partho Sarothy Datta	Independent Director	7	6
6.	Mr. Jayanta Roy	Director	7	7
7.	Mr. Dipankar Chatterji	Director	7	7

COMMITTEES OF THE BOARD

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

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

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Investment Committee
- Supervisory Committee
- Committee for Selection of Senior Executives
- Banking Committee
- IT Strategy Committee

The Terms of Reference and composition of these Committees are given below:

1. AUDIT COMMITTEE

The terms of reference of the Audit Committee are in conformity with the requirements of Section 177 of the Companies Act, 2013 concerning, inter alia, appointment, remuneration of auditors, examination of financial statements and Auditors' Report, approval or any subsequent modification of transactions with related parties, scrutiny of inter corporate loans and investments, evaluation of internal financial controls and risk management systems. All the recommendations made by the Audit Committee were accepted by the Board.

Composition :

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

The Company has also put in place a vigil mechanism procedure for Detection and Prevention of Fraud as an additional internal control measure. The Vigil Mechanism Policy of the Company is available on the Company's website: www.peerless.co.in

The Committee held four meetings during the year.

2. NOMINATION AND REMUNERATION COMMITTEE

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

Composition:

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

Nomination and Remuneration Policy :

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

The key features of the policy are given below:

Objectives

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

Applicability

The Policy is applicable to:

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

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

The Committee held two meetings during the year.



3. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

Composition:

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

The Committee held one meeting during the year.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

Composition:

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

Corporate Social Responsibility Policy and Expenditure

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

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

During the Financial Year 2017 – 18, out of Rs. 2,90,50,000/-, representing 2% of the average net profits of the preceding three financial years, the Company sanctioned a sum of Rs. 2,91,19,843/- i.e. an excess of Rs. 69,000/- over the amount mentioned above, for CSR activities and was able to spend an amount of Rs. 2,52,43,593/-. The balance amount of Rs. 38,76,250/- could not be disbursed since the concerned agencies were not able to complete the projects during the year. The balance amount will be disbursed in the F.Y. 2018-19 on the basis of progress/ completion of the projects.

Apart from the expenditure on account of CSR, the Company spent about Rs. 2,27,76,720/- on account of donations for various philanthropic purposes.

The Annual Report on CSR activities undertaken by the Company during the financial year 2017-18 is attached to this Report (marked Annexure 'B').

The Committee held three meetings during the year.

5. INVESTMENT COMMITTEE

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

Composition:

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

The Committee held two meetings during the year.

6. SUPERVISORY COMMITTEE

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

Composition:

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

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

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

7. COMMITTEE FOR SELECTION OF SENIOR EXECUTIVES

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

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

Composition:

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

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

8. BANKING COMMITTEE

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

Composition:

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

The Committee held three meetings during the year.

9. IT STRATEGY COMMITTEE

In compliance with the directions of the Reserve Bank of India, the Board has constituted an 'IT STRATEGY COMMITTEE' consisting of Mr. P. S. Datta, Independent Director as Chairman, Mr. B. Lahiri, Deputy Managing Director, Mr. Dipankar Chatterji, Director and two Senior Executives of the Company, Mr. A. K. Mukhuty, Chief Financial Officer and Mr. Anup Kumar Maiti, Vice President (IT&CS), as Members.



The Roles and Responsibilities of the Committee are as follows:

- (i) Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- (ii) Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- (iii) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- (iv) Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- (v) Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

The first meeting of the Committee was held on 31st May, 2018.

STATUTORY AUDITORS

Messrs Mukund M Chitale & Co., Chartered Accountants (Regn.No.106655W), have completed 10 years of appointment as Statutory Auditors of the Company. Accordingly, in terms of the provisions of Section 139(2) of the Companies Act, 2013, they are not eligible for re-appointment.

Pursuant to Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the Audit Committee of the Company had considered and recommended Messrs S. N. Kulkarni & Co., Chartered Accountants (Regn. No.105441W), for appointment as Statutory Auditors of the Company for a period of 5 consecutive years. M/s. S. N. Kulkarni & Co., Chartered Accountants have furnished the requisite certificate of their eligibility for appointment.

The Board has accepted the recommendation of the Audit Committee and recommend that Messrs S. N. Kulkarni & Co., Chartered Accountants (Regn. No.105441W), be appointed as Auditors of the Company for a period of five consecutive financial years from the conclusion of the 85th Annual General Meeting upto the conclusion of the 90th Annual General Meeting, that is, from the F/Y 2018-19 to 2022-23.

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

Evaluation of the individual Directors and the Chairman of the Board, excluding Independent Directors, is made by the Independent Directors. Moreover, evaluation is made by the Board of its own performance as well as of the statutory Committees and individual Directors. The Board has adopted a questionnaire for evaluation purposes as approved by the Nomination and Remuneration Committee in compliance with the amended provisions of the Companies Act, 2013. The individual Directors participate in the evaluation process and give their feedback to enable a considered view to be taken.

APPLICABILITY OF SECRETARIAL STANDARDS

The applicable Secretarial Standards i.e. Secretarial Standards 1 and 2 were complied with.

PARTICULARS OF EMPLOYEES

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

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

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

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

DIRECTORS RESPONSIBILITY STATEMENT

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

- a) in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- b) the Directors had selected such accounting policies as are reasonable and prudent and applied them consistently to make judgments and estimates so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit of the Company for that year;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had devised proper systems for compliance with the provisions of all applicable laws and to ensure that such systems were adequate and operating effectively.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company had transferred a sum of Rs. 44,35,200/- during the year to the Investor Education and Protection Fund being Dividend paid in the year 2010 which remained unclaimed/unpaid in the Unpaid Dividend Account for seven years.

TRANSFER OF CERTAIN SHARES TO INVESTOR EDUCATION AND PROTECTION FUND.

In compliance with Section 124 (6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, 61440 equity shares in respect of 57 shareholders of the Company whose dividend remained unclaimed/unpaid for seven consecutive years or more, have been transferred to the Depository Account of the Investor Education and Protection Fund Authority maintained with the National Securities Depository Limited after complying with the procedures laid down in the rules. Any claim in respect of these shares and/or unclaimed/unpaid dividend now have to be made to the Investor Education and Protection Authority. Details of the shareholders whose shares have been transferred to the Investor Education and Protection Fund Authority are available in the Company's website.

Messrs CB Management Services Pvt. Ltd., have been appointed by the Company for the purpose of dematerialisation and transfer of the shares to the Investor Education and Protection Fund Authority and as Registrar and Share Transfer Agents of the Company.

Other Disclosures

The Managing Director and the Deputy Managing Director of the Company, who receive commission as part of their remuneration, also receive remuneration by way of sitting fees and commission from the subsidiary companies of your Company where they are appointed as Non-Executive Directors.



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

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

Acknowledgment

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

Place : Kolkata

Dated : 13th August, 2018

Registered Office :

“PEERLESS BHAVAN”

3, Esplanade East

Kolkata-700 069

For and on behalf of the Board

Susim Mukul Datta

Chairman

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. The Peerless General Finance & Investment Company Limited (hereinafter called 'the Company') during the financial year ended 31st March 2018. Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the company as shown to us during the said audit, relying on management representation, and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of the instant secretarial audit, we hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the Secretarial compliance of the statutory provisions listed hereunder and we are also of the opinion that the Company has adequate Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We further report that compliance with applicable laws is the responsibility of the Company and our Report constitutes an independent opinion. Our report is neither an assurance for future viability of the company nor a confirmation of efficient management by the company.
4. (a) We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by M/s. The Peerless General Finance & Investment Company Limited for the financial year ended on 31st March, 2018 and as shown to us during our audit, according to the provisions of the following laws:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (b) We have also examined the secretarial compliance on test check basis of the books, papers, minute books, forms and returns filed and other records maintained by M/s. The Peerless General Finance & Investment Company Limited for the financial year ended on 31st March, 2018 according to the provisions of the following law specifically applicable to the company and as shown to us during our audit, as also referred in above paragraphs of this report;
 - (i) The Reserve Bank of India Laws relating to Non-Banking Financial Companies/Residuary Non Banking Company.



5. We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013.
6. That on the basis of the audit as referred above, to the best of our knowledge, understanding and belief, we are of the view that during the period under review the Company has, save and except the observations of the statutory Auditors of the company in their report for the period under review and save and except as mentioned below, complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above in paragraph 4(a), 4(b) and paragraph 5 of this report.
- (i) Save and except one letter seeking explanation and one show cause notice received by the Company during the period under review from Assistant Registrar of Companies under Companies Act 2013, which were duly replied to by the Company, no other show cause notice had been received under Companies Act 2013, or under any other law.
7. We further report that,
- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - b) Adequate notice is given to all directors to schedule the board meetings, agenda and notes on agenda were sent at least seven days in advance and further information and clarifications on the agenda items are also provide for meaningful participation at the meeting.
 - c) Majority decision is carried through and recorded as part of the minutes.
8. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, such as laws related to taxation, local laws applicable to the area of operation of business and other laws generally applicable to Company.
9. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

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

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

Place: Kolkata
Date: 13/08/2018



‘Annexure A’

(To the Secretarial Audit Report of M/s. The Peerless General Finance & Investment Company Limited for the Financial Year ended 31/03/2018)

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

Our Secretarial Audit Report for the financial year ended 31/03/2018 of even date is to be read along with this letter.

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

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

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

Place: Kolkata
Date: 13/08/2018



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

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

Peerless' Corporate Social Responsibility Philosophy

Peerless, in its 85 long years of glorious existence, has been committed to the philosophy of 'Bahujana Hitaya, Bahujana Sukhayacha' ('Welfare for Many and Happiness for Many'). As a natural consequence, the best interests of all our stakeholders and compassion for the community at large, particularly the underprivileged segment, are the cornerstones of Peerless' Corporate Social Responsibility ("CSR") Policy.

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

Management's vision

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

Areas covering Peerless' CSR Initiatives

Based on Peerless' philosophy and past practices, the Company adopted a comprehensive CSR Policy in strict compliance with the contents and spirit of Schedule VII of the Companies Act, 2013.

Within the policy parameters, we have been actively supporting Healthcare and Educational projects across the country.

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

2. The Composition of the CSR Committee.

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

3. Average net profit of the company for last three financial years – Rs. 1452.29 million

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) – Rs. 2,90,50,000/-

5. Details of CSR spent during the financial year :

(a) Total amount to be spent for the financial year - Rs. 2,91,19,843/- *

(b) Amount unspent, if any – Rs. 38,76,250/-

* Total amount of proposals sanctioned during the FY 2017 - 18

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

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs.)	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting period (Rs.)	Amount spent : Direct or through implementing agency
1	For providing two Hearing Aid to Subhojit Das physically challenged child.	Promoting Healthcare, Schedule VII(i)	Garia , Kolkata, West Bengal	60,000/-	Direct expenditure	60,000/-	Garia Mitali Sangha, Garia, Kolkata
2	Financial Assistance for organising Medical Camp during Amarnath Yatra	Promoting Healthcare, Schedule VII(i)	Kolkata, West Bengal	2,00,000/-	Direct expenditure	2,00,000/-	Bharat Sevashram Sangha Kolkata, West Bengal
3	Helping distressed people	Promoting Healthcare, Schedule VII(i)	Adyapeath, Dakshineswar West Bengal	1,20,000/-	Direct expenditure	1,20,000/-	Dakshineswar Ramkrishna Sangha Adyapeath, West Bengal
4	Charitable Dispensary in Bangalore, Karnataka	Promoting Healthcare, Schedule VII(i)	Bangalore, Karnataka.	60,000/-	Direct expenditure	60,000/-	Bharat Sevashram Sangha Bangalore
5	Charitable Dispensary in Chennai	Promoting Healthcare, Schedule VII(i)	Chennai, Tamil Nadu	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha Chennai, Tamil Nadu
6	Charitable Dispensary in Kanyakumari	Promoting Healthcare, Schedule VII(i)	Kanyakumari, Tamil Nadu	60,000 /-	Direct expenditure	60,000/-	Bharat Sevashram Sangha Kanyakumari, Tamil Nadu



7	Charitable Dispensary in Puskar, Ajmer	Promoting Healthcare, Schedule VII(i)	Pushkar, Ajmer, Rajasthan	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha Pushkar, Ajmer, Rajasthan
8	Charitable Dispensary in Rameswaram	Promoting Healthcare, Schedule VII(i)	Rameshwaram, Tamil Nadu	60,000/-	Direct expenditure	60,000/-	Bharat Sevashram Sangha Rameshwaram, Tamil Nadu
9	Charitable Dispensary in Trivandrum	Promoting Healthcare, Schedule VII(i)	Trivandrum, Kerala	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha Trivandrum, Kerala
10	Charitable Dispensary in Varanasi	Promoting Healthcare, Schedule VII(i)	Varanasi, Uttar Pradesh	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha Varanasi, Uttar Pradesh
11	Charitable Hospital at Kakdwip	Promoting Healthcare, Schedule VII(i)	Kakdwip, West Bengal	27,28,214/-	Direct expenditure	27,28,214/-	Bharat Sevashram Sangha Kakdwip, West Bengal
12	Scholarships to deserving 35 students	Promoting Education Schedule VII(ii)	Kolkata, West Bengal	4,20,000/-	Direct expenditure	4,20,000/-	Ramakrishna Mission Swami Vivekananda's Ancestral House & Cultural Centre Kolkata
13	Running Charitable Dispensary / Mobile Medical Unit.	Promoting Healthcare, Schedule VII(i)	Hooghly, West Bengal	6,56,000/-	Direct expenditure	6,56,000/-	Ramakrishna Math, Mayal Bandipur, Hooghly West Bengal
14	To teach poor Students/ providing study materials	Promoting Education Schedule VII(ii)	Kothar, Odisha	5,07,200/-	Direct expenditure	5,07,200/-	Ramakrishna Mission Ashram, Kothar Odisha
15	Running Hostel for poor students.	Promoting Education Schedule VII(ii)	Suri, Birbhum West Bengal	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha, Suri West Bengal

16	Computer Training to poor students.	Promoting Education Schedule VII(ii)	Kothar, Odisha	1,20,000/-	Direct expenditure	1,20,000/-	Ramkrishna Mission Ashram, Kothar, Odisha
17	Free Milk Distribution	Eradicating Hunger & Malnutrition Schedule VII(i)	Bishnupur, Rajarhat, West Bengal	1,85,000/-	Direct expenditure	1,85,000/-	Ramkrishna Math, Bishnupur, Rajarhat, West Bengal
18	Free medical service / Running Dispensary	Promoting Healthcare Schedule VII(i)	Naora, West Bengal	4,26,000/-	Direct expenditure	4,26,000/-	Ramkrishna Math, Naora, Bhangar, West Bengal
19	Charitable Dispensary, Ganga Sagar	Promoting Healthcare Schedule VII(i)	Gangasagar, West Bengal	1,20,000/-	Direct expenditure	1,20,000/-	Bharat Sevashram Sangha, Gangasagar, West Bengal
20	Scholarships to the poor students	Promoting Education Schedule VII(ii)	Ramharipur, Bankura, West Bengal	90,000/-	Direct expenditure	90,000/-	Ramkrishna Mission Ashrama, Ramharipur, Bankura, West Bengal
21	Education, Training, Rehabilitation of rural blind adults.	Promoting Education & Skill Development Schedule VII(ii)	Narendrapur, Kolkata, West Bengal	7,20,000/-	Direct expenditure	7,20,000/-	Ramkrishna Mission Blind Boy's Academy, Narendrapur Kolkata
22	Charitable Dispensary	Promoting Health Care Schedule VII(i)	Kolkata, West Bengal	6,00,000/-	Direct expenditure	6,00,000/-	Maa Karunamoyee Trust, Kolkata, West Bengal
23	Renovation of Building for day care & Free coaching Centre.	Promoting Education, Schedule VII(ii)	Kolkata, West Bengal	16,07,937/-	Direct expenditure	16,07,937/-	Ramkrishna Sarada Mission Siksha Mandir, Kolkata, West Bengal
24	Free Skill Development for Women.	Skill Development Schedule VII(ii)	Hijaldiha, Bankura, West Bengal	2,29,000/-	Direct expenditure	2,29,000/-	Hijaldiha Vivekananda Seva Samity, Bankura West Bengal

25	Construction of Toilet Blocks for school in the 1st floor of School Building	Promoting Healthcare & sanitation Schedule VII(i)	Hooghly, West Bengal	3,00,000/-	Direct expenditure	3,00,000/-	Kamarpukur Nayantara Balika Vidyalaya (HS). Kamarpukur, Hooghly West Bengal
26	Providing learning materials to poor students	Promoting Education Schedule VII(ii)	Kolkata, West Bengal	4,91,056/-	Direct expenditure	4,91,056/-	Dibyayan Yoga Centre, Kolkata, West Bengal
27	Medical help to poor / Organise Medical Camp	Promoting Health Care Schedule VII(i)	Bankura, West Bengal	30,000/-	Direct expenditure	30,000/-	Sri Sarada Math, Shihore, Bankura, West Bengal
28	For Installation of sanitary napkin vending machines in girls schools.	Promoting Health Care & sanitation Schedule VII(i)	Kolkata, West Bengal	1,68,680/-	Direct expenditure	1,68,680/-	Concern for Human Welfare, Flat No. B-06/201, Peerless Nagar, Panihati, West Bengal
29	Restoration of physical environment to strengthen service delivery mechanism for under privileged people.	Promotion of Education (Vocational skill Enhancement) Schedule VII(ii)	Narendrapur, West Bengal	30,00,000/-	Direct expenditure	20,00,000/-	Vivekananda Social Welfare under Ramakrishna Mission Ashrama, Narendrapur
30	Purchase of Machineries, Endoscopy, Biopsy, trolley, ECG Machine etc	Promoting Healthcare, Schedule VII(i)	Kolkata, West Bengal	1,48,10,756/-	Direct expenditure	1,26,84,506/-	B K Roy Foundation Kolkata, West Bengal
31	For Installation of Elevators for library users of scholars/ learners	Promoting Education, Schedule VII(ii)	Baghbazar, Kolkata, West Bengal	7,50,000/-	Direct expenditure	—	Gaudiya Mission, Baghbazar, Kolkata

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

During the Financial Year 2017 – 18, out of Rs. 2,90,50,000/-, representing 2% of the average net profits of the preceding three financial years, the Company sanctioned a sum of Rs. 2,91,19,843 /- i.e. an excess of about Rs. 69000/- for CSR activities and could spend an amount of Rs. 2,52,43,593/-. The balance amount of Rs. 38,76,250/- could not be disbursed since the concerned agencies could not complete the projects during the year. The balance amount will be disbursed in the F.Y. 2018 – 19 on the basis of progress/completion of the projects.

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

Sd/-

(S. K. Roy)
Managing Director

Sd/-

(D. Mukerjee)
Chairman, CSR Committee



ANNEXURE TO THE DIRECTORS' REPORT

Information as per Sub-Rule (2) of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the Financial year ended 31st March, 2018

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

A. Top ten employees in terms of remuneration drawn

1. Roy Sunil Kanti	74	Managing Director	58535734	B.Com.	49	04.12.1968	Not Applicable
2. Lahiri Bhargab	76	Dy.Managing Director	29094171	BA, LL.B.	49 (Professional)	01.01.2001	Not Applicable
3. Mukhuty Asoke Kumar	69	Chief Financial Officer	8458246	B.Sc, FCA.	39	24.03.1980	M/s. Roy & Sen (Chartered Accountants), Sr. Audit Assistant
4. Bhattacharyya Samar	69	President & GFC	8324239	M.Com, FCA.	43	01.02.2000	Peerless Shipping & Oilfield Services Ltd., GM (Finance)
5. Ray Patit Paban	74	President (Compliances & Legal)	7322788	B.Sc, LL.B.	53	18.07.1986	Burn Standard Co.Ltd., Asst. Manager (Law)
6. Ghosh Debasis	61	Vice President - Group Indirect Tax	4011876	B.Com, FCMA	39	03.04.2017	Deloitte Haskins and Sells LLP, Director
7. Balasubramanian K	61	Company Secretary	3967894	B.Com, LL.B, FCS.	29	06.04.2009	Sesa Goa Ltd., Associate General Manager-Legal & Dy.Company Secretary
8. Maiti Anup Kumar	67	Vice President (IT & CS)	3505091	M.Sc, Diploma in Computer Science.	41	18.05.1982	Kolkata Municipal Corporation, System Manager
9. De Subhasis	47	Vice President - Group Taxation	3329867	B.Com, ACA	21	15.06.2017	Pricewaterhouse Coopers Pvt. Ltd., Associate Director
10. Chakraborty Kalyan	67	GM (Operations)	3065798	B.Com.	47	05.05.1974	M/s. Planners (Construction Company), Accountant



THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

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

B. Employed throughout the financial year and in receipt of remuneration aggregating Rs. 1,02,00,000/- or more per annum.

1. Roy Sunil Kanti	74	Managing Director	58535734	B.Com.	49	04.12.1968	Not Applicable
2. Lahiri Bhargab	76	Dy. Managing Director	29094171	BA, LL.B.	49 (Professional)	01.01.2001	Not Applicable

C. Employed for a part of the financial year and in respect of remuneration aggregating Rs.8,50,000/- or more per month.

None

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

Place : Kolkata
Dated : 13th August, 2018

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

For and on behalf of the Board
Susim Mukul Datta
Chairman



BALANCE SHEET
AS AT 31ST MARCH, 2018

(Rs. in Million)

	Particulars	Note No.	Figures as at 31.03.2018	Figures as at 31.03.2017
I	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	2	331.56	331.56
	(b) Reserves and Surplus	3	17,722.35	17,052.46
(2)	Share Application Money Pending Allotment		—	—
(3)	Non-Current Liabilities			
	(a) Deposit from Public	4	—	—
	(b) Deferred Tax Liabilities (Net)	34	—	2.65
	(c) Other Long Term Liabilities	5	6.66	6.21
	(d) Long-Term Provisions	6	51.45	106.31
(4)	Current Liabilities			
	(a) Deposit from Public	4	15,493.88	15,518.06
	(b) Trade Payables		—	—
	(c) Other Current Liabilities [(Includes dues of Micro & small enterprises Rs. Nil (Prev. Year Rs. 0.01 Million)]	7	338.79	387.94
	(d) Short-Term Provisions	8	35.23	31.76
	TOTAL		33,979.92	33,436.95
II	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets	9		
	(i) Tangible Assets		517.05	521.45
	(ii) Intangible Assets		—	0.27
	(iii) Capital Work in Progress		17.22	2.84
	(b) Non-Current Investments	10	25,567.51	24,355.52
	(c) Deferred tax assets(net)	34	49.40	—
	(d) Long-Term Loans and Advances	11	228.13	413.40
	(e) Other Non-Current Assets	12	43.71	52.46
(2)	Current Assets			
	(a) Current Investments	10	6,713.43	7,233.48
	(b) Inventories	13	80.25	94.43
	(c) Cash and Cash Equivalents	14	162.27	176.05
	(d) Short-term Loans and Advances	15	76.83	36.40
	(e) Other Current Assets	16	524.12	550.65
	TOTAL		33,979.92	33,436.95

The Notes to Account forms integral part of Financial Statements

1 to 45

As per our Report of even date

For MUKUND M CHITALE & CO.

Chartered Accountants

Firm Reg. No. 106655W

(S. M. Chitale)

Partner

M.No. 111383

Kolkata

Dated : 22nd June 2018

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Susim Mukul Datta

Sunil Kanti Roy

Bhargab Lahiri

Deepak Mukerjee

Chairman

Managing Director

Dy. Managing Director

Director



STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Million)

	Particulars	Note No.	For the year ended	
			31.03.2018	31.03.2017
I	Revenue from Operations	17	2,468.23	2,362.92
II	Other Income	18	285.44	233.34
III	Total Revenue (I+II)		2753.67	2,596.26
IV	Expenses			
	Employee Benefits Expense	19	521.63	556.10
	Finance Costs	20	0.61	2.68
	Provision for Doubtful Debts and Receivables/Investments	21	201.69	576.63
	Amortisation of premium - Govt. Securities/Bonds/Debentures		13.66	11.18
	Depreciation and Amortisation	22	38.36	24.57
	Other Expenses	23	907.69	565.07
	Total Expenses		1,683.64	1,736.23
V	Profit before Prior Period Adjustments, Exceptional Items and tax (III-IV)		1,070.03	860.03
VI	Prior Period Adjustments		(1.22)	(1.93)
VII	Profit before Exceptional Items and tax (V+VI)		1,068.81	858.10
VIII	Exceptional Items	24	83.26	—
IX	Profit before tax (VII-VIII)		985.55	858.10
X	Tax Expenses			
	(I) Current Tax		190.00	330.00
	(II) Deferred Tax	34	(52.05)	(7.34)
			137.95	322.66
XI	Profit for the year from continuing operations carried forward to Balance Sheet (IX- X)		847.60	535.44

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

255.64

161.49

The Notes to Account forms integral part of Financial Statements 1 to 45

As per our Report of even date

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

(S. M. Chitale)

Partner

M.No. 111383

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Dated : 22nd June 2018

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Director



THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Million)

PARTICULARS	For the year ended 31.03.2018	For the year ended 31.03.2017
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxation	985.55	858.10
Adjustments for :		
Depreciation & Amortisation	38.36	24.57
Provision for Diminution in Value of Investment	201.65	576.60
Provision for Doubtful Debts and Receivables	0.04	0.03
Amortisation of Premium - Government Securities/Bonds/Debentures	13.66	11.18
Prior Period Adjustments	1.22	1.93
Profit on Sale of Fixed Assets	(0.48)	(0.74)
(Profit)/Loss on Sale of Investments	(149.50)	(166.12)
Interest	(1,869.63)	(2,032.93)
Dividend	(53.75)	(117.28)
Advances/Other Receivables Written Off	148.24	3.22
Provisions/Liability no longer required written back	(764.68)	(140.01)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(1,449.32)	(981.45)
Adjustments for :		
Increase/(Decrease) in Deposits from Public	(25.40)	(68.41)
(Increase)/Decrease in Current & Non-Current Assets	(51.09)	173.15
(Increase)/Decrease in Inventories	14.18	39.07
Increase/(Decrease) in Current & Non-Current Liabilities & Provisions	308.47	63.68
CASH (UTILISED IN)/GENERATED FROM OPERATIONS	(1,203.16)	(773.96)
Direct Tax Refund/(Paid)	(349.75)	(412.79)
Interest received	1,910.87	2,063.70
Dividend received	53.75	117.28
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES (A)	411.71	994.23
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	0.52	1.38
Purchase of Fixed Assets	(42.75)	(15.95)
Investments (Net)		
Long-Term	522.33	(2,701.10)
Current	(705.75)	1,712.48
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES (B)	(225.65)	(1,003.19)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(171.33)	(154.44)
Tax on Dividend	(28.51)	(23.62)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES (C)	(199.84)	(178.06)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(13.78)	(187.02)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	176.05	363.07
CASH AND CASH EQUIVALENTS (CLOSING BALANCE) - NOTE 1	162.27	176.05
NOTE 1 : CASH AND CASH EQUIVALENTS COMPRISE :		
Cash in hand	1.00	1.02
Cheques/Demand Drafts in hand	0.12	0.09
Stamps in Hand	0.06	0.12
Bank Balance with Scheduled bank in Current Accounts & Unpaid Dividend Accounts	161.09	174.82
CLOSING CASH AND CASH EQUIVALENTS	162.27	176.05

The Notes to Accounts forms integral part of Financial Statements 1 to 45
As per our Report of even date

For MUKUND M CHITALE & CO.

Chartered Accountants
Firm Reg. No. 106655W

(S. M. Chitale)

Partner

M. No. 111383

Kolkata

Dated : 22nd June, 2018.

K. Balasubramanian
Company Secretary

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For and on behalf of the Board

Susim Mukul Datta

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Bhargab Lahiri

Deepak Mukerjee

Chairman

Managing Director

Dy. Managing Director

Director

NOTES ON ACCOUNTS

NOTE – 1: SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

- k. Fixed assets are reviewed on each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined and impairment loss is recognized. The impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased.
- l. Earning per equity share (basic/diluted) is arrived at based on net profit after taxation attributable to equity shareholders to the basic/weighted average number of equity shares.
- m. Provision for Tax is made for current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent periods are recognized using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is “virtual certainty” that such deferred tax assets can be realized against future taxable profits.
- n. Employee benefits are accrued in the year services are rendered by the employees.
- Contribution to defined contribution schemes such as Provident Fund, Superannuation Fund etc. are recognized as and when incurred.
- Long-term employee benefits such as contribution to gratuity, leave etc. are determined at close of the year at present value of the amount payable using actuarial valuation techniques.
- Actuarial gain and losses are recognized in the year when they arise.
- o. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed by way of notes.

NOTES ON ACCOUNTS (Contd.)

(Rs. in Million)

	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 2 : SHARE CAPITAL		
Authorised Capital		
35,00,000 Equity Shares of Rs. 100/- each	350.00	350.00
	<u>350.00</u>	<u>350.00</u>
Issued, Subscribed & Called up Capital		
33,15,584 Equity Shares of Rs. 100/- each fully paid up	331.56	331.56
TOTAL	<u>331.56</u>	<u>331.56</u>

	<u>As at 31.03.2018</u>		<u>As at 31.03.2017</u>	
	No. of Shares	Rs. in Million	No. of Shares	Rs. in Million
a) Movement of Share Capital:				
No. of Shares Outstanding as at 01.04.2017/01.04.2016	33,15,584	331.56	33,15,584	331.56
New Shares issued during the year	—	—	—	—
No. of Shares Outstanding as at 31.03.2018/31.03.2017	<u>33,15,584</u>	<u>331.56</u>	<u>33,15,584</u>	<u>331.56</u>

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

Sl. No.	Name of the Shareholder	<u>As at 31.03.2018</u>		<u>As at 31.03.2017</u>	
		No. of Shares Held	% of Shareholding	No. of Shares Held	% of Shareholding
1	Mr. Sunil Kanti Roy & Mrs. Shikha Roy	668,448	20.16%	668,448	20.16%
2	Mr. Jayanta Roy	324,640	9.79%	324,640	9.79%
3	Shikha Holdings Private Limited	630,192	19.01%	630,192	19.01%
4	Bichitra Holdings Private Limited	327,669	9.88%	327,669	9.88%
5	Poddar Projects Limited	218,240	6.58%	218,240	6.58%
6	Mr. R. L. Gaggar	179,200	5.40%	179,200	5.40%
7	Mr. Tuhin Kanti Ghosh	225,920	6.81%	225,920	6.81%
	TOTAL	<u>2,574,309</u>	<u>77.63%</u>	<u>2,574,309</u>	<u>77.63%</u>

c) Rights, Preferences & Restrictions attached to Shares:

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



NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 3 : RESERVES & SURPLUS		
(A) Capital Reserve	0.18	0.18
(B) Revaluation Reserve as at 01.04.17/01.04.16	10.77	11.33
Less : Transfer to General Reserves [Note 9]	0.54	0.56
	<u>10.23</u>	<u>10.77</u>
(C) Capital Redemption Reserve	0.02	0.02
(D) Special Reserve**		
Opening Balance as at 01.04.17/01.04.16	5,068.34	4,958.34
Add: Transfer from Surplus in Statement of Profit & Loss	170.00	110.00
	<u>5,238.34</u>	<u>5,068.34</u>
(E) General Reserve		
Opening Balance as at 01.04.17/01.04.16	6,351.15	6,250.59
Add: Transfer from Surplus in Statement of Profit & Loss	100.00	100.00
Add: Transfer from Revaluation Reserve	0.54	0.56
	<u>6,451.69</u>	<u>6,351.15</u>
(F) Surplus in Statement of Profit & Loss		
Opening Balance as at 01.04.17/01.04.16	5,622.00	5,436.23
Add: Profit After Tax for the Year	847.60	535.44
Less :		
Transfer to Special Reserve	170.00	110.00
Final Dividend [Rs. 45 per share (Prev. Year Rs. 35 per share)]	149.20	116.05
Dividend Distribution Tax on Final Dividend	28.51	23.62
Transfer to General Reserve	100.00	100.00
	<u>6,021.89</u>	<u>5,622.00</u>
TOTAL OF (A) TO (F)	<u>17,722.35</u>	<u>17,052.46</u>

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

The Board of Directors at the meeting held on 22nd June 2018, recommended a final dividend of Rs. 100 per share [Rs. 331.56 million], for the financial year ended 31st March 2018. In terms of the revised Accounting Standard (AS)- 4 'Contingencies and Events occurring after Balance Sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, dated 30 March 2016, the Company has not accounted for proposed dividend and dividend distribution tax thereon as liability as at 31st March 2018.



NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 4 : DEPOSIT FROM PUBLIC		
4.1 Deposit From Public		
Closing Liability as at year ended 31.03.2018/31.03.2017*	<u>15,493.88</u>	<u>15,518.06</u>

* Consists of liability on account of Unpaid/Unclaimed certificates [also including liability for Returned Money Orders, Stale Cheques and Unidentified Subscription Deposit] Rs. 15,493.87 million (Prev. Year Rs. 15,518.04 million)

BREAKUP OF DEPOSIT LIABILITY

NON-CURRENT PORTION	—	—
CURRENT PORTION	15,493.88	15,518.06
TOTAL	<u>15,493.88</u>	<u>15,518.06</u>

4.2 The Closing Deposit Liability of Rs.15,493.88 million (Prev. Year 15,518.06 million) , includes liability in respect of Unclaimed/Unpaid Certificates of Rs. 489.27 million (Prev. Year 489.54 million) which has been ascertained on the basis of details received from branches or as certified by Independent Firm of Chartered Accountants. The said amount is after considering reinvestment /payments and which has been provided by management.

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

4.3 Based on exercise of reconciliation of unclaimed/unpaid certificates, carried out by the management during the year ended 31.03.2018, Rs. 1.22 million (Prev. Year Rs. 1.93 million) were ascertained and accordingly have been debited in the Statement of Profit and Loss as Prior Period Adjustments.

4.4 In accordance with directives received from Reserve Bank of India vide letter dated 31st October 2014, read with letter dated 03rd February 2015, the Company was required to open an Escrow Account and investments to the extent of Liability towards Depositors as at 31st December 2014 needed to be linked to such escrow account so that any proceeds thereof including coupon payment received are credited only to Escrow Account. The Company has complied with the directive of Reserve Bank of India. The book value & accrued interest of Investments Linked with Escrow Account (including Escrow Bank Account) amounts to Rs. 15,856.12 million as at 31st March 2018 (Prev. Year Rs. 15,868.08 millions) against outstanding Liability towards Depositors of Rs. 15,493.88 million as at 31st March 2018 (Prev. Year Rs. 15,518.06 million).

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 5 : OTHER LONG-TERM LIABILITIES		
Security Deposit*	6.66	6.21
TOTAL	<u>6.66</u>	<u>6.21</u>

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

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 6 : LONG-TERM PROVISIONS		
Provision for Standard Assets	0.60	0.60
Provision for Employee Benefits –		
Gratuity	—	32.13
Leave Encashment	50.85	73.58
TOTAL	<u>51.45</u>	<u>106.31</u>



NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 7 : OTHER CURRENT LIABILITIES		
Advance against Sale of Right to Property - Investments	145.38	167.03
Advance against Sale of Flats - Construction Project	3.66	2.04
Income Received in Advance *	1.72	1.72
Unclaimed/Unpaid Dividends #	33.50	55.63
Security/Other Deposits	6.00	11.17
Statutory Liabilities	12.32	16.38
Liability for Expenses		
Due to Micro, Small and Medium Enterprises	—	0.01
Others @	125.71	107.28
Branch and Other Office Adjustments (Net)	—	0.02
Other Liabilities \$	10.50	26.66
TOTAL	<u>338.79</u>	<u>387.94</u>

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

@ Also includes amount of Rs. 51.00 million (Prev. Year Rs. 29.47 million) due to related parties.

\$ Also includes amount of Rs. 0.28 million (Prev. Year Rs. 0.03 million) due to related parties.

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

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 8 : SHORT-TERM PROVISIONS		
Provision for Employee Benefits -		
Leave Encashment	34.83	31.36
Provision for Standard Assets	0.40	0.40
TOTAL	<u>35.23</u>	<u>31.76</u>



NOTES ON ACCOUNTS (Contd.)

NOTE - 10 : INVESTMENTS – CURRENT AND NON-CURRENT INVESTMENTS

	As at 31 March, 18 (Rs. in Million)	As at 31 March, 17 (Rs. in Million)
(A) INVESTMENTS – CURRENT* :		
I] Investment in Fixed Deposits	204.35	1,975.68
II] Investment in Mutual Funds	5,788.24	2,808.42
III] Investment in Commercial Paper	—	159.05
IV] Investment in Shares - Other than Subsidiaries	533.81	419.68
V] Investment in Debentures - Other than Subsidiaries	200.34	649.65
VI] Investment in Bonds	284.65	384.65
VII] Investment in Government Securities	—	492.25
VIII] Investment in Right to Property	242.00	301.22
IX] Investment in Shares - Subsidiary Companies	—	1,054.98
	<u>7,253.39</u>	<u>8,245.58</u>
Less: Provision for Diminution in Value of Investments	539.96	1,012.10
TOTAL	<u>6,713.43</u>	<u>7,233.48</u>
(B) INVESTMENTS – NON-CURRENT*		
I] Investment in Fixed Deposits	—	3.55
II] Investment in Mutual Funds	230.00	395.00
III] Investment in Shares - Other than Subsidiaries	326.80	375.70
IV] Investment in Debentures - Other than Subsidiaries	—	200.90
V] Investment in Bonds	5,245.62	5,247.85
VI] Investment in Government Securities	17,810.87	16,123.84
VII] Investment in Shares - Subsidiary Companies	2,307.42	2,262.42
VIII] Investment in Shares - Joint Venture Company	6.63	6.63
IX] Investment in Debentures - Subsidiary Company	100.00	100.00
X] Investment Property	101.87	107.23
	<u>26,129.21</u>	<u>24,823.12</u>
Less: Provision for Diminution in Value of Investments	561.70	467.60
TOTAL	<u>25,567.51</u>	<u>24,355.52</u>
GRAND TOTAL	<u>32,280.94</u>	<u>31,589.00</u>

* Classification as per Schedule III requirements.

	Book Value (Net of Provisions) (Rs. In Million)	Market Value (Rs. In Million)
Aggregate Quoted Investments	751.89	789.45
Previous Year	683.55	743.14
Aggregate of Investments listed but not quoted	23,256.84	
Previous Year	22,814.49	
Aggregate of Unquoted Investments	8,272.21	
Previous Year	8,090.96	
Current Year Total	<u>32,280.94</u>	
Previous Year Total	<u>31,589.00</u>	



NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

(I) (A) INVESTMENT IN FIXED DEPOSITS

- CURRENT
- INVESTMENTS - TRADE

Description	Face Value	Book Value	Face Value	Book Value
	31.03.2018	31.03.2018	31.03.2017	31.03.2017
	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)
Fixed Deposits with Scheduled Banks * # \$		204.35		201.52
Fixed Deposits with NBFC's - HDFC Ltd		—		1,520.73
Fixed Deposits with NBFC's - Mahindra & Mahindra Financial Services Ltd		—		253.43
TOTAL (I) (A)		204.35		1,975.68

(I) (B) INVESTMENT IN FIXED DEPOSITS

- NON-CURRENT
- INVESTMENTS - TRADE

Description	Face Value	Book Value	Face Value	Book Value
	31.03.2018	31.03.2018	31.03.2017	31.03.2017
	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)
Fixed Deposits with Scheduled Banks * # \$		—		3.55
TOTAL (I) (B)		—		3.55

\$ Includes Rs. 203.55 millions (Prev. Year Rs. 203.35 million) earmarked under an escrow account as security amount towards repayment of Liability towards depositors. [Note 4.4]. (*This amount includes amount Rs.3.55 millions (Prev. Year. Rs. 3.55 millions) invested as per the order of Hon'ble High Court of Calcutta. [Refer Note No. 28].)

Also includes fixed deposits amounting to Rs. 0.80 millions (Prev. Year Rs. 1.52 million) which have been kept as margin money for Bank Guarantee availed from Bank.



NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

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

— CURRENT

— INVESTMENTS - TRADE

Description	No. of Units 31.03.2018	Book Value 31.03.2018 (Rs. in Million)	No. of Units 31.03.2017	Book Value 31.03.2017 (Rs. in Million)
Aditya Birla Sun Life Balanced '95 Fund - Direct Plan - Growth Option	315,190.51	250.00	—	—
Aditya Birla Sun Life Frontline Equity Fund - Growth	302,479.60	70.00	—	—
Aditya Birla Sun Life Income Plus Growth Regular Plan	—	—	4,092,226.23	300.00
BNP Paribas Equity Fund - Growth	662,087.38	60.00	—	—
BNP Paribas Overnight Fund - Growth	37,517.93	100.00	—	—
BOI AXA Mid Cap Equity and Debt Fund - Growth	3,021,776.18	45.00	—	—
Canara Robeco Dynamic Bond Fund - Growth	—	—	10,849,461.00	200.00
Canara Robeco Emerging Equities Fund - Growth	640,999.58	65.00	—	—
DHFL Pramerica Banking & PSU Debt Fund - Growth	6,523,157.21	100.00	—	—
DSP BlackRock Balanced Fund - Growth	765,331.05	120.00	—	—
DSP BR Small and Mid cap Fund - Growth	1,514,665.94	90.00	—	—
DSP BR Strategic Bond Fund - Instt. Growth	—	—	101,560.63	200.00
DSP BR Strategic Bond Fund - Instt. Monthly Dividend	104,025.33	108.06	103,083.67	107.07
Essel 3 in 1 Fund - Growth	2,531,061.75	45.00	—	—
Essel Large & Midcap Fund - Growth	1,361,521.81	20.00	—	—
Essel Liquid Fund - Direct Plan - Growth	287,667.07	550.00	—	—
Essel Short Term Fund - Monthly Dividend Plan	7,204,296.42	79.83	—	—
Essel Ultra Short Term Fund - Regular Growth	51,559.37	100.00	—	—
Franklin India Treasury Management Account - Growth	38,533.25	100.00	—	—
HDFC Banking & PSU Debt Fund - Growth	—	—	3,827,663.29	50.00
HDFC Cash Management Fund - Savings Plan - Growth	27,629.64	100.00	—	—
HDFC Cash Management Fund - Daily Dividend	—	—	47,072.91	50.07
HDFC Prudence Fund - Direct Plan - Growth Option	427,378.54	230.00	—	—
HDFC Top 200 Fund - Growth	—	—	13,618.52	5.00
HSBC Low Duration Fund - Growth	9,486,825.96	150.00	—	—
HSBC Small Cap Equity Fund - Growth	1,482,292.84	100.00	—	—
ICICI Pru Focused Bluechip Equity Fund - Growth	703,647.56	30.00	—	—
ICICI Prudential Balanced Fund - Direct Plan - Growth Option	1,765,193.16	240.00	—	—
ICICI Prudential Income Plan - Regular Growth	—	—	4,134,210.53	216.88
ICICI Prudential Long Term Plan - Qly Dividend	9,774,689.33	110.22	9,506,434.72	107.27
IDBI Liquid Fund - Regular - Growth	53,811.36	100.00	—	—
IDFC Balanced Fund - Direct Plan - Growth Option	21,307,579.16	250.00	—	—
IDFC Cash Fund - Growth	47,466.82	100.00	—	—
IDFC Corporate Bond Fund - Growth	—	—	13,793,092.25	150.00
Invesco India Growth Fund - Growth	1,264,158.82	45.00	—	—
JM High Liquidity Fund - Growth	2,105,329.64	100.00	—	—
Kotak Classic Equity Scheme - Growth	957,997.97	50.00	—	—

NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

Kotak Income Opportunities Fund - Direct Growth	—	—	2,882,842.90	52.67
Kotak Liquid Fund - Direct Plan - Growth	28,442.49	100.00	—	—
L&T Income Opportunities Fund - Dividend	10,194,523.49	110.13	9,691,880.55	104.63
L&T India Prudence Fund - Growth	4,966,315.93	140.00	—	—
LIC MF Savings Plus Fund - Growth	5,442,611.29	150.00	4,107,467.79	100.00
Mahindra Liquid Fund - Direct - Growth	89,001.61	100.00	—	—
Mirae Asset India Opportunities Fund - Growth	989,129.84	50.00	—	—
Peerless 3 in 1 Fund - Direct Growth	—	—	899,976.60	15.00
Peerless Flexible Income Fund - Direct Plan - Growth	—	—	3,456,404.37	50.00
Peerless Liquid Fund - Direct Plan - Growth	—	—	290,529.22	520.00
Peerless Short Term Fund - Monthly Dividend	—	—	7,204,296.42	79.83
Peerless Ultra Short Term Fund - Direct Plan - Growth	—	—	27,511.12	50.00
Principal Balanced Fund - Growth	1,599,676.17	130.00	—	—
Principal Emerging Bluechip Fund - Growth	298,660.51	35.00	—	—
Reliance Growth Fund - Growth Plan - Growth Plan	56,349.69	70.00	67,662.34	60.00
Reliance Income Fund - Growth Plan - Growth Option	—	—	3,777,805.11	200.00
Reliance Regular Savings Fund - Balanced Plan - Direct Plan Growth Option	3,967,749.59	230.00	—	—
Reliance Top 200 Fund - Growth	2,900,721.65	100.00	—	—
Reliance Vision Fund - Growth Plan - Growth Option	204,975.48	125.00	85,860.10	40.00
SBI Savings Fund - Regular Growth	—	—	1,977,808.98	50.00
SBI Magnum Balanced Fund - Direct Plan - Growth Option	1,893,915.76	250.00	—	—
SBI Bluechip Fund - Growth	1,750,860.80	70.00	—	—
Sundaram Money Fund - Direct Plan - Growth	2,733,823.96	100.00	—	—
Tata Balanced Fund - Direct Plan - Growth Option	786,741.96	170.00	—	—
UTI Balanced Fund - Direct Plan - Growth Option	1,418,246.15	250.00	—	—
UTI Liquid Cash Plan - Instt- Growth	35,210.61	100.00	—	—
UTI Short Term Income Fund - Instt. Direct Growth	—	—	5,194,544.53	100.00
TOTAL (II) (A)			<u>5,788.24</u>	<u>2808.42</u>



NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

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

- NON-CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2018	Book Value 31.03.2018 (Rs.in Million)	No. of Units 31.03.2017	Book Value 31.03.2017 (Rs.in Million)
Essel Large Cap Equity Fund - Growth	8,228,025.90	200.00	—	—
Essel Long Term Advantage Fund - Growth	2,502,667.09	30.00	—	—
L&T Equity Fund - Growth	—	—	460,649.01	30.00
Peerless Equity Fund Growth	—	—	7,536,657.36	150.00
Peerless Midcap Fund - Growth	—	—	9,355,618.90	120.00
Peerless Long Term Advantage Fund - Growth	—	—	1,500,000.00	15.00
Kotak Opportunities Fund - Growth - Regular Plan	—	—	867,971.94	80.00
TOTAL (II) (B)		<u>230.00</u>		<u>395.00</u>
TOTAL OF INVESTMENTS IN MUTUAL FUNDS – (II) (A) + (II) (B)		<u>6,018.24</u>		<u>3,203.42</u>

(III) (A) INVESTMENT IN COMMERCIAL PAPER

- CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2018	Book Value 31.03.2018 (Rs.in Million)	No. of Units 31.03.2017	Book Value 31.03.2017 (Rs.in Million)
10.25% Commercial Paper of Religare Securities Ltd.	—	—	170,000,000	159.05
TOTAL (III) (A)		<u>—</u>		<u>159.05</u>



THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

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

— CURRENT

— INVESTMENTS - TRADE

Equity Shares & Preference Shares (Quoted) - Fully Paid

Name of the Company	No. of Equity Shares 31.03.18	Face Value per Share Rs.	Book Value 31.03.18 (Rs.in Million)	No. of Equity Shares 31.03.17	Book Value 31.03.17 (Rs.in Million)
ACC Limited	9,000	10	13.82	9,175	13.69
Ambuja Cements Limited	—	2	—	2,000	0.40
Asian Paints Limited	3,800	1	3.80	4,700	4.59
Aurobindo Pharma Ltd.	—	1	—	5,000	3.86
Axis Bank Limited	13,650	2	6.92	12,000	6.11
Bank of Rajasthan Ltd.	50	10	0.03	50	0.03
Bajaj Finance Ltd.	2,900	2	4.62	—	—
Bajaj Finserv Ltd.	3,875	5	18.83	—	—
Castrol India Limited	10,500	5	2.04	3,550	1.39
Cochin Shipyard Ltd.	11,250	10	6.08	—	—
Emami Limited	7,850	1	8.32	13,275	14.66
Essar Shipping Ltd. *	50	10	0.00	50	0.00
FAL Industries Ltd.	9,006	10	0.28	9,006	0.28
Gujarat Ambuja Cements Ltd.	75,750	2	2.15	75,750	2.15
Grasim Industries Ltd.	10,650	2	11.96	—	—
HDFC Bank	13,000	2	20.09	12,500	14.11
HDFC Ltd	11,300	2	16.94	12,000	14.48
Hdfc Standard Life Insurance Ltd.	15,000	10	4.35	—	—
Hero Motor Corp. Ltd.	4,225	2	14.39	7,200	23.85
Hindustan Unilever Ltd.	3,250	1	4.11	—	—
Hindustan Motors Ltd.	3,100	5	0.17	3,100	0.17
ICICI Bank Ltd.	10,525	2	2.68	14,350	4.01
ICICI Prudential Life Insurance Company Ltd	3,000	10	1.11	3,550	1.14
IFCI Ltd.	900	10	0.04	900	0.04
India Cements Ltd. *	150	10	0.00	150	0.00
India Glycols Ltd.	100	10	0.01	16,600	1.53
Infosys Limited	9,000	5	9.21	9,500	9.72
ING Vysya Bank Ltd.	4,769	10	0.77	4,769	0.77
ITC Limited	43,000	1	11.91	7,825	1.63
Jaiprakash Associates Ltd.	450	2	0.01	1,825	0.04
Kansai Nerolac Paints Ltd.	6,100	1	2.93	—	—
Kotak Mahindra Bank Ltd	8,200	5	6.07	9,000	6.27
Lakshmi Vilas Bank Ltd.	1,550	10	0.27	1,550	0.27
Larsen & Toubro Ltd.	1,170	2	0.34	1,170	0.34
LUPIN Ltd	20,000	2	30.34	15,000	25.85
Mahanagar Gas Ltd.	12,000	10	12.03	—	—
Maharashtra Seamless Ltd.	2,900	5	0.18	2,900	0.18
Mahindra & Mahindra Limited	21,000	5	14.34	10,000	13.72
Marico Ltd.	6,000	1	1.68	9,500	2.66
Maruti Suzuki Limited	4,350	5	35.27	2,375	12.11
Nagarjuna Fertilisers & Chemicals Ltd. *	300	1	0.00	300	0.00
Pidilite Industries Limited	3,967	1	2.78	10,000	7.00
Reliance Industries Ltd.	2,018	10	0.47	2,018	0.47
Sanghi Industries Ltd.	200	10	0.02	200	0.02
Soma Textile & Industries Ltd.	200	10	0.01	200	0.01
Spentex Industries Ltd.	3,500	10	0.09	3,500	0.09
State Bank of India	78,000	1	2.18	78,000	2.18
SBI Life Insurance Company Ltd	16,750	10	11.47	—	—
Sun Pharmaceutical Industries Limited	18,000	1	13.52	15,300	12.91
Supreme Petrochem Ltd. *	100	10	0.00	100	0.00
TATA CAPITAL LTD (8.33% CRPS)	70,000	1,000	70.02	70,000	70.02
Tata Consultancy Limited	5,375	1	13.41	7,825	18.51
Tata Steel Ltd.	225	10	0.03	225	0.03
Tata Motors Ltd.	9,500	2	3.90	—	—
Tech Mahindra Limited	9,250	5	5.06	10,750	6.07
Titan Industries Ltd.	20,750	1	17.76	—	—
Ultratech Cement Ltd.	4,936	10	15.37	5,136	15.30
YES Bank Ltd.	39,900	2	11.22	7,000	8.61
SUB TOTAL			435.40		321.27



NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

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

— CURRENT

— INVESTMENTS - TRADE

Others (Unquoted) - Fully Paid

Name of the Company	No. of Equity Shares 31.03.18	Face Value per Share Rs.	Book Value 31.03.18 (Rs.in Million)	No. of Equity Shares 31.03.17	Book Value 31.03.17 (Rs.in Million)
Allahabad Bank	262	10	0.01	262	0.01
Continental Commercial Company Ltd.	15,145	100	1.52	15,145	1.52
Ohmtron India Ltd.	500	100	0.05	500	0.05
Rajban Sea Food Ltd. *	10	10	0.00	10	0.00
Saraswati Engineering Ltd.	600,000	10	9.90	600,000	9.90
Travancore Titanium Products Ltd.	192,228	10	86.93	192,228	86.93
SUB TOTAL			98.41		98.41
			533.81		419.68

* The figures represent amounts rounded off to millions

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

— NON-CURRENT

— INVESTMENTS - TRADE

Equity & Preference Shares (Quoted) – Fully Paid

Name of the Company	No. of Shares 31.03.18	Face Value per Share Rs.	Book Value 31.03.18 (Rs.in Million)	No. of Shares 31.03.17	Book Value 31.03.17 (Rs.in Million)
Bank of Baroda	57,250	2	11.09	57,250	11.09
Bharat Heavy Electricals Ltd.	—	2	—	—	—
Coal India Ltd.	15,250	10	5.90	25,775	9.97
Larsen & Toubro Finance Ltd.	7,000	10	0.36	12,475	0.65
Larsen & Toubro Finance Ltd. - Preference Shares - 8.40%	—	10	—	500,000	50.00
Larsen & Toubro Ltd.	51,950	2	57.52	39,750	51.53
LIC Housing Finance Ltd.	38,250	2	20.44	30,625	12.63
Oil & Natural Gas Corporation Ltd.	215,287	5	48.74	215,287	48.74
Punjab National Bank	—	2	—	—	—
Reliance Industries Ltd.	153,500	10	101.72	95,275	100.02
State Bank of India	320,250	1	81.03	359,800	91.07
TOTAL (III) (B)			326.80		375.70
TOTAL OF INVESTMENT IN SHARES - OTHER THAN SUBSIDIARIES – (IV) (A) + (III) (B)			860.61		795.38



NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

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

— NON-CURRENT

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value	Book Value	Nominal Value	Book Value
		31.03.2018	31.03.2018	31.03.2017	31.03.2017
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
Hudco Ltd. (Tax Free)	8.51%	300.00	300.00	300.00	300.00
Hudco Ltd. (Tax Free)	7.34%	100.00	100.79	100.00	100.95
Hudco Ltd. (Tax Free)	8.10%	50.00	51.14	50.00	51.42
India Infrastructure Finance Company Limited (Tax Free)	8.16%	250.00	250.00	250.00	250.00
India Infrastructure Finance Company Limited (Tax Free)	7.19%	500.00	489.15	500.00	489.30
Indian Railway Finance Corporation Limited (Tax Free)	8.00%	141.88	140.61	141.88	140.61
Indian Railway Finance Corporation Limited (Tax Free)	7.18%	500.00	483.55	500.00	483.60
Indian Railway Finance Corporation Limited (Tax Free)	8.35%	100.00	100.00	100.00	100.00
Indian Railway Finance Corporation Limited (Tax Free)	8.23%	500.00	500.00	500.00	500.00
National Highways Authority Of India (Tax Free)	8.20%	207.55	208.08	207.56	208.34
National Highways Authority Of India (Tax Free)	8.27%	200.00	200.00	200.00	200.00
National Housing Bank (Tax Free)	8.26%	72.20	72.20	72.19	72.19
National Housing Bank (Tax Free)	6.87%	500.00	460.45	500.00	460.45
Power Finance Corporation (Tax Free)	7.21%	500.00	502.80	500.00	503.40
Power Finance Corporation (Tax Free)	8.20%	250.00	251.10	250.00	251.47
Rural Electrification Corporation Ltd. (Tax Free)	8.18%	500.00	500.17	500.00	500.20
Rural Electrification Corporation Ltd. (Tax Free)	7.21%	350.00	351.54	350.00	351.87
Indian Renewable Energy Development Agency Limited (Tax Free)	7.17%	250.00	249.98	250.00	249.98
Indian Renewable Energy Development Agency Limited (Tax Free)	7.28%	34.06	34.06	34.06	34.07
TOTAL (V) (B)		5,305.69	5,245.62	5,305.69	5,247.85
TOTAL OF INVESTMENT IN BONDS – (VI) (A) + (V) (B)			5,530.27		5,632.50

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

— CURRENT*

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value	Book Value	Nominal Value	Book Value
		31.03.2018	31.03.2018	31.03.2017	31.03.2017
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
Government of India Bond 2017	7.49%	—	—	500.00	492.25
TOTAL (VII) (A)		—	—	500.00	492.25

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

NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

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

— **NON-CURRENT**

— **INVESTMENTS - TRADE**

Name of the Company	Description	Nominal Value	Book Value	Nominal Value	Book Value
		31.03.2018	31.03.2018	31.03.2017	31.03.2017
		(Rs.in Million)	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)
Government Of India Bond 2024	8.40%	450.00	462.12	450.00	464.03
State Development Loans 2024	8.25%	500.00	502.74	500.00	503.15
State Development Loans 2025	7.97%	120.00	122.36	120.00	122.67
State Development Loans 2025	7.99%	350.00	358.90	350.00	360.07
State Development Loans 2025	8.00%	350.00	346.61	350.00	346.61
State Development Loans 2025	8.06%	100.00	99.98	100.00	99.98
State Development Loans 2025	8.07%	100.00	100.08	100.00	100.09
State Development Loans 2025	8.08%	403.84	402.08	403.84	402.08
State Development Loans 2025	8.09%	250.00	250.45	250.00	250.51
State Development Loans 2025	8.10%	150.00	150.13	150.00	150.14
State Development Loans 2025	8.12%	450.00	450.64	450.00	450.72
State Development Loans 2025	8.14%	900.00	901.04	900.00	901.19
State Development Loans 2025	8.15%	450.00	450.53	450.00	450.60
State Development Loans 2025	8.16%	750.00	751.78	750.00	752.02
State Development Loans 2025	8.17%	100.00	100.12	100.00	100.14
State Development Loans 2025	8.18%	50.00	50.13	50.00	50.15
State Development Loans 2025	8.23%	950.00	951.78	950.00	952.02
State Development Loans 2025	8.25%	450.00	450.70	450.00	450.80
State Development Loans 2025	8.27%	1,144.57	1,149.93	1,144.57	1,150.66
State Development Loans 2025	8.28%	650.00	650.57	650.00	650.65
State Development Loans 2025	8.30%	500.00	502.93	500.00	503.32
State Development Loans 2025	8.31%	1,709.00	1,709.77	1,700.00	1,711.10
State Development Loans 2026	7.07%	250.00	250.33	250.00	250.36
State Development Loans 2026	7.08%	350.00	350.17	350.00	350.19
State Development Loans 2026	7.10%	250.00	250.02	250.00	250.02
State Development Loans 2026	7.14%	50.00	50.07	50.00	50.07
State Development Loans 2026	7.18%	50.00	50.60	50.00	50.67
State Development Loans 2026	7.22%	350.00	352.17	350.00	352.42
State Development Loans 2026	7.24%	50.00	50.05	50.00	50.06
State Development Loans 2026	7.25%	250.00	250.21	250.00	250.24
State Development Loans 2026	7.27%	500.00	504.31	500.00	504.81
State Development Loans 2026	7.37%	250.00	253.00	250.00	253.34
State Development Loans 2026	7.61%	50.00	52.32	50.00	52.60
State Development Loans 2026	7.86%	500.00	509.57	500.00	510.73
State Development Loans 2026	8.30%	520.78	521.54	520.78	521.63
State Development Loans 2026	8.38%	180.00	180.06	180.00	180.06
State Development Loans 2026	8.53%	320.00	320.11	320.00	320.12
State Development Loans 2026	8.88%	50.00	50.35	50.00	50.39
State Development Loans 2027	7.14%	1,000.00	1,002.37	1,000.00	1,002.64
State Development Loans 2027	7.16%	50.00	50.11	50.00	50.12
State Development Loans 2027	7.20%	50.00	47.17	-	-
State Development Loans 2027	7.23%	50.00	50.10	-	-
State Development Loans 2027	7.24%	50.00	50.04	-	-
State Development Loans 2027	7.26%	50.00	50.19	-	-
State Development Loans 2027	7.27%	150.00	150.43	-	-



NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

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

State Development Loans 2027	7.30%	50.00	50.11	—	—
State Development Loans 2027	7.35%	100.00	100.20	—	—
State Development Loans 2027	7.59%	50.00	50.15	50.00	50.17
State Development Loans 2027	7.61%	100.00	100.30	—	—
State Development Loans 2027	7.62%	250.00	251.08	—	—
State Development Loans 2027	7.64%	350.00	351.04	—	—
State Development Loans 2027	7.65%	150.00	147.24	—	—
State Development Loans 2027	7.68%	50.00	50.18	—	—
State Development Loans 2027	7.70%	50.00	49.45	—	—
State Development Loans 2027	7.73%	50.00	50.22	—	—
State Development Loans 2027	7.76%	50.00	50.18	—	—
State Development Loans 2027	7.82%	50.00	49.97	—	—
State Development Loans 2027	7.92%	100.00	100.44	100.00	100.50
State Development Loans 2028	8.20%	100.00	99.65	—	—
		17,739.19	17,810.87	16,039.19	16,123.84
TOTAL (VI) (B)					
TOTAL OF INVESTMENT IN GOVT. SECURITIES – (VII) (A)+ (VI)(B) \$			17,810.87		16,616.09

\$ Out of said amount Rs.15,333.83 million (P.Y. Rs.15,339.76 millions) represents Investments earmarked under an escrow account as security amount towards repayment of Liability towards depositors. [Note 4.4]

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

(VIII) (A) INVESTMENT IN RIGHT TO PROPERTY

- CURRENT
- TRADE

Description	Book Value 31.03.2018 (Rs. in Million)	Book Value 31.03.2017 (Rs. in Million)
Right to Property	242.00	301.22
TOTAL (VIII) (A)	242.00	301.22
TOTAL OF INVESTMENTS IN RIGHT TO PROPERTY	242.00	301.22



NOTES ON ACCOUNTS (Contd.)

NOTE - 10 (Contd.)

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

— NON-CURRENT

— INVESTMENTS - OTHER THAN TRADE

(Unquoted) - Fully Paid

Name of the Company	No. of Shares 31.03.18	Face Value per Share Rs. P.	Book Value 31.03.18 (Rs. in Million)	No. of Shares 31.03.17	Book Value 31.03.17 (Rs. in Million)
Bengal Peerless Housing Development Ltd.	662,850	10.00	6.63	662,850	6.63
TOTAL (VIII) (B)			6.63		6.63

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

—NON CURRENT

— INVESTMENTS - OTHER THAN TRADE

(Unquoted)

Name of the Company	Rate	No. of Debentures 31.03.18	Book Value 31.03.18 (Rs. in Million)	No. of Debentures 31.03.17	Book Value 31.03.17 (Rs. in Million)
Peerless Hospitex Hospital & Research Centre Ltd.	8.00%	1,000,000	100.00	1,000,000	100.00
TOTAL (IX) (B)			100.00		100.00

(X) (B) INVESTMENT PROPERTY

— NON-CURRENT

— INVESTMENTS - OTHER THAN TRADE

(Unquoted)

Name of the Company	Book Value 31.03.2018 (Rs. in Million)	Book Value 31.03.2017 (Rs. in Million)
Land & Building at Konnagar	107.23	107.23
Less: Accumulated Depreciation	(5.36)	—
TOTAL (X) (B)	101.87	107.23

During the previous year, the Company has decided to use part of self constructed building at Konnagar for the purpose of earning rental income rather than holding it as part of Inventory of Flats. Accordingly the proportionate cost of construction of building of Rs. 95.95 million and proportionate cost of land of Rs. 11.28 million has been transferred to Investment Property from Inventories - Project Work in Progress.

NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)			
	<u>31.03.2018</u>		<u>31.03.2017</u>	
NOTE - 11: LONG-TERM LOANS AND ADVANCES				
(Unsecured, unless otherwise stated)				
(Considered good by Management except to the extent provided for)				
Loan secured against mortgage/hypothecation of Properties/ Shares/Vehicles	8.11		8.18	
Less : Provided for	<u>4.10</u>	4.01	<u>4.10</u>	4.08
House Building Loan [Secured against mortgage of properties]		6.82		10.88
Consumer Durable Loan [Secured against hypothecation of consumer durable items]		0.95		1.89
Personal Loan to Employees		0.10		0.15
Sundry Deposits		15.92		15.08
Advance Recoverable in cash or in kind or for value to be received				
Advance @	36.31		2.74	
Less : Provided for	<u>0.74</u>	35.57	<u>0.74</u>	2.00
Advance Taxes (including Interest Tax, Wealth Tax and Income Tax Deducted at Source) - net of provisions		163.13		376.62
Prepaid Expenses		1.63		2.70
TOTAL		<u>228.13</u>		<u>413.40</u>

@ Includes Rs. 32.76 million (Prev. Year Rs. Nil million) receivable from related parties [considered good].

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 12: OTHER NON-CURRENT ASSETS		
(Unsecured, unless otherwise stated)		
(Considered good by Management except to the extent provided for)		
Accrued Interest on Loan to Employees@	24.53	33.28
Amount Receivable - ESI Matters	<u>19.18</u>	<u>19.18</u>
TOTAL	<u>43.71</u>	<u>52.46</u>

@ Out of above Rs. 24.29 million (Prev. Year Rs. 33.23 million) is also secured against mortgage of properties and hypothecation of consumer durable items.



NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 13: INVENTORIES		
(Valued at Lower of Cost and Net Realisable Value)		
Project Work in Progress	25.67	25.15
Stock of Flats & Office Space	54.58	69.28
TOTAL	<u>80.25</u>	<u>94.43</u>
Breakup of Project Work in Progress		
Cost of Land	2.70	2.70
Cost of Construction	16.00	16.00
Other Development Costs	6.97	6.45
TOTAL	<u>25.67</u>	<u>25.15</u>

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 14 : CASH AND CASH EQUIVALENTS		
Cash in hand	1.00	1.02
Cheques/Demand Drafts in hand	<u>0.12</u>	<u>0.09</u>
Stamps in hand	0.06	0.12
Bank Balance with Scheduled Banks in Current Accounts @	127.59	119.19
Bank Balance for Unpaid Dividend	33.50	55.63
TOTAL	<u>162.27</u>	<u>176.05</u>

@ Includes Rs. 40.41 million (Prev. Year Rs.29.04 million) kept in an Escrow Bank Account , on account of security towards Aggregate Liability to Depositors (ALD). [Note 4.4]

NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)			
	<u>31.03.2018</u>		<u>31.03.2017</u>	
NOTE - 15: SHORT-TERM LOANS AND ADVANCES				
(Unsecured, unless otherwise stated)				
(Considered good by Management except to the extent provided for)				
Loan secured against mortgage/hypothecation of Properties/Shares/Vehicles	10.36		10.42	
Less : Provided for	5.30	5.06	5.32	5.10
House Building Loan [Secured against mortgage of properties]	4.48		6.61	
Less : Provided for	1.09	3.39	1.15	5.46
Consumer Durable Loan [Secured against hypothecation of consumer durable items]	1.30		1.79	
Less : Provided for	0.20	1.10	0.20	1.59
Personal Loan to Employees	0.21		0.36	
Less : Provided for	—	0.21	—	0.36
Advance Recoverable in cash or in kind or for value to be received				
Advance	53.18		7.73	
Less : Provided for	0.08	53.10	0.08	7.65
Prepaid Expenses		13.97		16.24
TOTAL		<u>76.83</u>		<u>36.40</u>

	(Rs. in Million)			
	<u>31.03.2018</u>		<u>31.03.2017</u>	
NOTE - 16: OTHER CURRENT ASSETS				
(Unsecured, unless otherwise stated)				
(Considered good by Management except to the extent provided for)				
Stock of printed matters		0.09		0.09
Branch and Other Office Adjustments (Net)		0.43		-
Gratuity receivable from LIC		13.32		-
Accrued Interest on Investments \$		486.39		517.82
Accrued Interest on Loan to Employees #		3.34		4.40
Amount Receivable @	26.54		182.53	
Less : Provided for	5.99	20.55	154.19	28.34
TOTAL		<u>524.12</u>		<u>550.65</u>

\$ Out of above, Rs. 278.33 Million (Prev. Year Rs. 295.73 million) is on account of interest accrued on Investments earmarked in an Escrow Account on account of security towards Aggregate Liability to Depositors (ALD). - Note [4.4]

@ Includes Rs. 10.71 million (Prev. Year Rs. 1.72 million) receivable from related parties [considered good].

Out of above Rs. 3.30 million (Prev. Year Rs. 4.29 million) is also secured against mortgage of properties and hypothecation of consumer durable items.

NOTES ON ACCOUNTS (Contd.)

(Rs. in Million)

For the year ended

31.03.2018 **31.03.2017**

NOTE - 18 : OTHER INCOME

Interest - Others	1.28	2.39
Rent	71.87	66.75
Profit on Sale of Fixed Assets	0.48	0.74
Service Fees	20.44	19.03
Provisions/Liabilities no longer required written back	188.08	140.01
Miscellaneous Income	3.29	4.42
TOTAL	285.44	233.34

a) Interest - Others:

Interest on Employee Loans/Others	1.28	2.39
-----------------------------------	------	------

TOTAL

1.28 **2.39**

b) Provisions/Liabilities no longer required written back consists of:

Diminution in Investments	3.09	116.92
Loans and Advances	148.31	2.89
Liability for Expenses	36.50	20.03
Others	0.18	0.17

TOTAL

188.08 **140.01**

c) Miscellaneous Income consists of:

Realisation of Non-Performing Loan/Advance written off in previous years	—	0.12
Others	3.29	4.30

TOTAL

3.29 **4.42**

(Rs. in Million)

For the year ended

31.03.2018 **31.03.2017**

NOTE - 19 : EMPLOYEE BENEFITS EXPENSE

Salaries, Wages, Bonus, Gratuity etc.	377.47	434.56
Contribution to Provident & Other Funds	38.92	41.50
Directors' Remuneration :		
Managing/Wholetime Directors		
Salary	25.40	22.20
Contribution to Provident & Other Funds	5.18	5.47
Other Benefits	56.03	32.58
Staff Amenities & Welfare	18.63	19.79
TOTAL	521.63	556.10



NOTES ON ACCOUNTS (Contd.)

(Rs. in Million)

For the year ended

NOTE - 20: FINANCE COSTS

	31.03.2018	31.03.2017
Interest on Others	0.04	1.97
Bank & Finance Charges	0.57	0.71
TOTAL	0.61	2.68

(Rs. in Million)

For the year ended

**NOTE - 21 : PROVISION FOR DOUBTFUL DEBTS
AND RECEIVABLES/INVESTMENTS**

	31.03.2018	31.03.2017
Provision for Doubtful Debts and Receivables	0.04	0.03
Provision for Diminution in Value of Investments	201.65	576.60
TOTAL	201.69	576.63

(Rs. in Million)

For the year ended

NOTE - 22 : DEPRECIATION AND AMORTISATION

	31.03.2018	31.03.2017
Depreciation on Tangible Assets	32.73	24.04
Amortisation of Intangible Assets	0.27	0.53
Depreciation on Investment Property	5.36	—
TOTAL	38.36	24.57

NOTES ON ACCOUNTS (Contd.)

	(Rs. in Million)	
	For the year ended	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 23: OTHER EXPENSES		
Construction Project Expenses	12.92	38.59
Commission to Other Directors	5.80	4.08
Directors' Fees	2.15	2.09
Charities and Donation	22.78	12.49
Rent	32.00	32.19
Rates & Taxes	13.38	15.01
Insurance	3.15	2.96
Electricity charges	28.88	25.22
Advertisement & Publicity	243.13	107.00
Legal & Professional Charges	207.10	153.65
Repairs –		
Building	17.77	5.08
Others	24.43	20.04
Security & Manpower / Contract Cost	44.65	41.61
Advances/Other receivables Written Off	148.24	3.22
Corporate Social Responsibility Expenses (Note 41)	25.24	32.22
Other Expenditure	76.07	69.62
TOTAL	<u>907.69</u>	<u>565.07</u>

	(Rs. in Million)	
	For the year ended	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 24: EXCEPTIONAL ITEMS - EXPENSE/(INCOME)		
Loss on Sale of Investment in subsidiaries	382.37	—
Provision for Diminution in Value of Investment in subsidiaries	(576.60)	—
Employee Separation Expense - Voluntary Retirement Scheme	277.49	—
TOTAL	<u>83.26</u>	<u>—</u>

- i) During the year ended 31.03.2018, the Company has sold off its investment in subsidiaries “Peerless Funds Management Company Limited and Peerless Trust Management Company Limited”. Loss on sale of said investments of Rs. 382.37 millions has been charged to Statement of Profit and Loss and the same has been disclosed under exceptional items. Provision for diminution made against these investment in the previous year, now no longer required has been written back to Statement of Profit and Loss and the same has been disclosed under exceptional items.
- ii) During the year ended 31.03.2018, the Company has incurred an expense of Rs. 277.49 million (Prev. Year Rs. Nil million) in respect of voluntary retirement scheme floated by the Company. The same has been disclosed under exceptional items.



NOTES ON ACCOUNTS

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

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

Income Tax

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

In respect of A.Y's 1987-88 to 2015-16, for certain years, the Company / Department have gone into appeal and the assessments are pending for adjudication at various stages [Gross Demand Rs. 6,700.83 million and Net demand Rs. (425.45) million after adjusting TDS, Advance Tax and refund sanctioned]. Amount of demands not determinable have presently been not included herein.

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

Advance Tax (including Interest Tax & Wealth Tax/Tax deducted at source, net of provisions) amounting to Rs. 163.13 millions shown under Note 11 [Long Term Loans and Advances] of financial statements includes Income Tax deducted at source of Rs. 177.98 million for which credit is yet to be accepted by the Income Tax Department pending verification.

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

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

Defined Contribution Scheme

Description	(Rs. in Million)	
	2017-18	2016-17
Employer's Contribution to Provident Fund	18.87	20.09
Employer's Contribution to Pension Fund	9.39	11.73
Employer's Contribution to Superannuation Fund	5.96	4.96
Total	34.23*	36.78*

* excludes employers contribution of Rs. 10.83 million (Prev. Year Rs. 10.19 million) on account of insurance scheme for employees.

Defined Benefit Scheme

Obligation in respect of employee's gratuity fund scheme managed by Life Insurance Corporation of India is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation:

NOTES ON ACCOUNTS (contd.)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :		
Liability at the beginning of the year	313.66	290.94
Interest Cost	19.33	20.74
Current Service Cost	10.67	10.14
Actuarial (gain) / loss on obligations	(26.55)	24.24
Benefits paid	(82.21)	(32.40)
Past Service Cost	0.40	—
Liability at the end of the year	235.30	313.66
Changes in the Fair Value of Plan Asset representing reconciliation of opening and closing balances thereof are as follows:		
Fair value of Plan Assets at the beginning of the year	281.53	260.54
Expected Return on Plan Assets	19.39	17.46
Contributions by the Company	30.87	29.67
Benefits paid	(82.21)	(32.40)
Actuarial gain / (loss) on Plan Assets	(0.17)	6.26
Fair value of Plan Assets at the end of the year	249.41	281.53
Total actuarial gain / (loss) to be Recognized	26.38	(17.98)
Actual return on Plan Assets		
Expected return on Plan assets	19.39	17.46
Actuarial gain / (loss) on Plan Assets	(0.17)	6.26
Actual Return on Plan Assets	19.22	23.72
Amount Recognized in Balance Sheet		
Liability at the end of the year	235.30	313.66
Fair value of Plan Assets at the end of the year	(249.41)	(281.53)
Amount not Recognized as an asset (Para 59(b) of AS-15)	0.79	—
Amount Recognized in the Balance Sheet – (Asset)/Liability	(13.32)	32.13
	<u>31.03.2018</u>	<u>31.03.2017</u>
Expenses Recognized in the Income Statement		
Current Service Cost	10.67	10.14
Interest Cost	19.33	20.74
Expected Return on Plan Assets	(19.39)	(17.46)
Net Actuarial (gain) / loss to be Recognized	(26.38)	17.98
Past Service Cost	0.40	—
Amount not Recognized as an asset (Para 59(b) of AS-15)	0.79	—
Expenses Recognized in Profit & Loss Account	(14.58)	31.40
Investment Details of Plan Assets		
– Insurer Managed Fund (100%)	249.41	281.53
	<u>31.03.2018</u>	<u>31.03.2017</u>
Balance Sheet Reconciliation		
Opening Net Liability	32.13	30.40
Expenses as above	(14.58)	31.40
Employers Contribution	(30.87)	(29.67)
Amount Recognized in the Balance Sheet – (Asset)/Liability	(13.32)	32.13



NOTES ON ACCOUNTS (contd.)

	(Rs. in Million)				
	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
Amounts recognized in current year and previous four years					
Defined Benefit Obligation	235.31	313.66	290.94	289.15	263.91
Plan Assets	249.41	281.53	260.54	246.48	238.85
Amount not Recognized as an asset (Para 59(b) of AS-15)	0.79	—	—	—	—
(Surplus)/Deficit	(13.32)	32.13	30.40	42.67	25.06
Experience adjustments on plan liabilities					
Loss/(Gain)	4.51	8.70	3.53	4.12	13.63
Experience adjustments on plan Assets					
(Loss)/Gain	(0.17)	6.26	3.57	4.68	3.83
Compensated Absences					

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

	(Rs. in Million)	
	<u>As at 31st March 2018</u>	<u>As at 31st March 2017</u>
Privileged Leave	80.54	96.80
Sick Leave	5.14	8.14
Total	85.68	104.94

Principal Actuarial assumptions as at the Balance Sheet date

Discount Rate	7.60%	6.75%
Rate of Return on Plan Assets	7.50%	7.50%
Salary Escalation Rate	6.00%	8.00%
Retirement Age	58 years	58 years
Leaving Service	Age Rate	Age Rate
	21-30 10%	21-30 10%
	31-40 5%	31-40 5%
	41-50 3%	41-50 3%
	51-57 2%	51-57 2%

- Notes : i) Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.
- ii) The Company expects to contribute Rs.30 million to Gratuity fund in 2018-19.
28. (a) The Company has been legally advised that the provisions of section 205C of the Companies Act, 1956 (Section 125 of the Companies Act, 2013) in respect of subscription amounts collected from the Certificate-holders are not applicable to it. Accordingly, such amounts, which are lying unclaimed for 7 years or more, have not been transferred to the Investors Education and Protection Fund.
- (b) In respect of the notice received from Deputy Registrar of Companies, West Bengal for non-deposit of amount of unpaid deposit to the extent of Rs. 3.55 million to the said fund, pursuant to a writ petition filed by the Company before the Hon`ble High Court at Calcutta, the said sum was deposited in earlier year in a separate account with a nationalized bank and continues to remain so till final judgement of Hon`ble High Court at Calcutta is received.

NOTES ON ACCOUNTS (contd.)

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

Particulars	(Rs. in Million)	
	As at 31.03.2018	As at 31.03.2017
a) i. Principal amount remaining unpaid to supplier under the MSMED Act 2006	Nil	0.01
ii. Interest on a) (i) above	Nil	Nil
b) i. Amount of Principal paid beyond the appointed date	Nil	Nil
ii. Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	Nil	Nil
c) Amount of Interest due and payable for the period of delay in making payment, but without adding the interest specified under section 16 of the said Act	Nil	Nil
d) Amount of Interest accrued and due	Nil	Nil
e) Amount of further interest remaining due and payable even in succeeding years	Nil	Nil

30. Contingent Liability :

	(Rs. in Million)	
	As at 31.03.2018	As at 31.03.2017
i. Claims against the Company not acknowledged as debts (to the extent ascertained from the available records)		
• ESI Matters (sub judice)	245.37	245.37
• Other Matters (including those pending before consumer forums)	2.74	2.77
ii. Service Tax matters (under dispute)	15.61	15.61
iii. Direct Tax matters (refer note 26 above) – Amount not determinable	—	—
Note : Future cash outflows, if any, in respect of (i) to (iii) above is dependent upon the outcome of judgement/decisions etc.		

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

	(Rs. in Million)	
	As at 31.03.2018	As at 31.03.2017
Capital Commitment	138.47	—

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

Description	(Rs. in Million)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Statutory Audit	3.00	3.00
Certification, Out of pocket Expenses, etc.	4.31	4.64



NOTES ON ACCOUNTS (contd.)

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

a) Enterprise where control exist

Subsidiary Companies

Peerless Financial Products Distribution Limited

Peerless Hospitex Hospital & Research Center Ltd.

Peerless Securities Ltd.

Peerless Hotels Ltd.

Peerless Funds Management Company Ltd. (Upto 21st September 2017)

Peerless Trust Management Company Ltd. (Upto 21st September 2017)

Peerless Financial Services Ltd.

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

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

Joint Venture/Group Enterprises

Bengal Peerless Housing Development Co. Ltd.

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

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

Bichitra Holdings Private Ltd.

Shikha Holdings Private Ltd.

Peerless Mutual Fund (managed by Peerless Funds Management Company Ltd)
- (Upto 21st September 2017)

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

Mr. S K Roy, Managing Director

Mr. B. Lahiri, Deputy Managing Director

Mr. Jayanta Roy – Director – Relative of Managing Director

Mr. A. K. Mukhuty – Chief Financial Officer

Mr. K. Balasubramanian – Company Secretary

Mr. T.K Roy - Relative of Managing Director

Mrs. Shikha Roy - Relative of Managing Director

Mrs. Debasree Roy – Relative of Managing Director

NOTES ON ACCOUNTS (contd.)

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

(Rs. in Million)

Sl. No.	Nature of transaction	Subsidiaries	Associates/ Group Enterprises	Key Management Personnel/ Relatives	Grand Total
1.	EXPENSES				
	Receiving of Services/ Reimbursement of Expenses *	10.08	7.04	—	17.12
	Previous Period	4.45	6.23	—	10.68
	Remuneration @ #	—	—	46.75	46.75
	Previous Period	—	—	42.17	42.17
	Commission to Other Directors	—	—	51.00	51.00
	Previous Period	—	—	29.47	29.47
	Sitting Fees to Directors	—	—	1.38	1.38
	Previous Period	—	—	0.22	0.22
	Rent Expense	0.05	—	—	0.05
	Previous Period	0.13	—	—	0.13
	Dividend	—	45.80	54.92	100.72
	Previous Period	—	35.63	42.72	78.35
	Total - Current Period	10.13	52.84	154.05	217.02
	Total - Previous Period	4.58	41.86	114.58	161.02
2	INCOME				
	Rendering of Services/ Reimbursement of Expenses	11.53	—	—	11.53
	Previous Period	19.40	—	—	19.40
	Interest	8.00	—	—	8.00
	Previous Period	8.00	—	—	8.00
	Rental Income	48.44	5.62	—	54.06
	Previous Period	46.39	5.51	—	51.90
	Dividend on Preference / Equity Shares / Mutual fund	9.15	15.38	—	24.53
	Previous Period	8.24	54.99	—	63.23
	Profit on sale of Units of Mutual fund	—	32.75	—	32.75
	Previous Period	—	71.26	—	71.26
	Total - Current Period	77.12	53.75	—	130.87
	Total - Previous Period	82.03	131.76	—	213.79
3.	ASSETS				
	Amounts Receivable / Advance	8.90	34.57	—	43.47
	Previous Period	1.72	—	—	1.72
	INVESTMENTS				
	Shares – Equity	2,082.42	6.63	—	2,089.05
	Previous Period	3,092.40	6.63	—	3,099.03
	Shares – Preference	225.00	—	—	225.00
	Previous Period	225.00	—	—	225.00
	Debentures	100.00	—	—	100.00
	Previous Period	100.00	—	—	100.00



NOTES ON ACCOUNTS (contd.)

(Rs. in Million)

Sl. No.	Nature of transaction	Subsidiaries	Associates/ Group Enterprises	Key Management Personnel/ Relatives	Grand Total
	Schemes of Mutual Fund	—	—	—	—
	Previous Period	—	999.83	—	999.83
	Total - Current Period	2,416.32	41.20	—	2,457.52
	Total - Previous Period	3,419.12	1,006.46	—	4,425.58
4	LIABILITY				
	Amounts Payable / Advance / Security Deposit / Earnest Money	1.75	0.76	51.00	53.51
	Previous Period	1.75	0.51	29.47	31.73
	Provision for Investment in Shares – Equity	423.76	—	—	423.76
	Previous Period	948.19	—	—	948.19
	Provision for Investment in Shares – Preference	135.00	—	—	135.00
	Previous Period	135.00	—	—	135.00
	Total - Current Period	560.51	0.76	51.00	612.27
	Total - Previous Period	1,084.94	0.51	29.47	1,114.92
5	TRANSACTIONS				
	Provision Made on Investment	52.17	—	—	52.17
	Previous Period	576.60	—	—	576.60
	Provision made on Investment written back	(576.60)	—	—	(576.60)
	Previous Period	—	—	—	—
	Investment in Equity Shares	—	—	—	—
	Previous Period	30.00	—	—	30.00
	Investment in Schemes of Mutual Fund	—	3,264.29	—	3,264.29
	Previous Period	—	6,018.74	—	6,018.74
	Redemption of Schemes of Mutual Fund	—	3,009.42	—	3,009.42
	Previous Period	—	6,137.77	—	6,137.77

* Includes Brokerage on purchase/sale of Investments.

@ Excludes perquisites amounting to Rs. 0.06 million [Prev. Period Rs. 0.03 millions]

Includes Remuneration paid to Key Managerial Personnel as defined under Companies Act, 2013

NOTES ON ACCOUNTS (contd.)

34. The break up of Deferred Tax Assets and Liabilities are as under : (Rs. in Million)

Description	Opening as at 01.04.2017	Charge or (credit) for the year ended 31.03.2018	Closing as at 31.03.2018
Deferred Tax Assets			
Expenses allowed on payment basis	47.44	26.37	21.07
Employee Separation Expense – VRS	Nil	(64.64)	64.64
Deferred Tax Liability			
Depreciation	(50.69)	(13.78)	(36.31)
Net Deferred Tax Asset/(Liability)	(2.65)	(52.05)	49.40

35. The Company's significant leasing arrangements (both as a lessor and lessee) are in respect of operating leases for premises. These leasing arrangements which are not non-cancellable relate to the period between 3 to 10 years and are usually renewable by mutual consent on mutual agreeable terms. The aggregate lease rentals amounting to Rs. 32 million (Prev. Year Rs. 32.19 million) have been charged as rent under Note 23 of Financial Statements. Rs. 4.60 million (Prev. Year Rs. 5.32 million) have been recognised as sub-lease payments received in respect of these leases which is disclosed as part of Rent Income under Note 18.

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

(Rs. in Million)

Description of Assets given on lease	Gross Block as on 31.03.2018	Accumulated Depreciation as on 31.03.2018	Depreciation for the year ended 31.03.2018
Buildings*	658.63 (Prev. Year – 658.63)	490.78 (Prev. Year – 482.18)	8.60 (Prev. Year – 9.17)
Software	8.21 (Prev. Year – 8.21)	8.21 (Prev. Year – 8.21)	Nil (Prev. Year – Nil)

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

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

	For the year ended 31.03.2018	For the year ended 31.03.2017
a) Profit attributable to Equity Shareholders – (Rs. in millions)	847.60	535.44
b) Basic and weighted average number of Equity Shares outstanding during the year	33,15,584	33,15,584
c) Nominal value per Equity Share	Rs. 100	Rs. 100
d) Basic and Diluted EPS	Rs. 255.64	Rs. 161.49



NOTES ON ACCOUNTS (contd.)

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

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

(Rs. in Million)

Particulars	31st March 2018			31st March 2017		
	RNBC & allied activities	Unallocated Reconciling items	Total	RNBC & allied activities	Unallocated Reconciling items	Total
Revenue						
Revenue from Operations	2,453.97	14.26	2,468.23	2,313.94	48.98	2,362.92
Other Income	284.48	0.96	285.44	233.34	—	233.34
Total Income	2,738.45	15.22	2,753.67	2,545.03	51.23	2,596.26
Expenses	1,747.38	20.74	1,768.12	1,699.57	38.59	1,738.16
Segment Results	991.07	(5.52)	985.55	845.46	12.64	858.10
Profit Before Tax			985.55			858.10
Provision for Taxation			137.95			322.66
Profit After Tax			847.60			535.44
Other Information						
Segment Assets	33,895.40	84.52	33,979.92	33,324.08	112.87	33,436.95
Total Assets	33,895.40	84.52	33,979.92	33,324.08	112.87	33,436.95
Segment Liabilities	15,920.08	5.93	15,926.01	16,037.57	15.36	16,052.93
Total Liabilities	15,920.08	5.93	15,926.01	16,037.57	15.36	16,052.93
Depreciation			38.36			24.57
Capital Expenditure			28.36			17.01
Non-Cash Expenditure			361.81			621.93

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

(Rs. in Million)

38. Expenditure in Foreign Currency:	2017-18	2016-17
Travelling/Leave Travel Concession, etc.	0.28	0.12

39. Sharing of Costs

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

NOTES ON ACCOUNTS (contd.)

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

	(Rs. in Million)	
	2017-18	2016-17
Provision for Standard Assets as at 01.04.2017/01.04.2016	1.00	1.00
Add: Amount provided for during the year	Nil	Nil
Closing balance as at 31.03.2018/31.03.2017	1.00	1.00

- 41 As per provisions of the Companies Act, 2013 the Company has during the year incurred expenditure relating to CSR activities amounting to Rs. 25.24 million (Prev. Year Rs. 32.22 million) and the same is reflected in Other Expenses in Note 23. The Company was to spend Rs. 28.83 million (Prev. Year Rs. 29.64 million) towards CSR activities.

- 42 Disclosure as required by AS-27 on Financial Reporting of Interest in Joint Ventures is shown below:-
Investment in Joint venture – Bengal Peerless Housing Development Company Limited with 36.70% share (based on unaudited financials)

	(Rs. in Million)		
Sl. No.	Particulars	2017-18	2016-17
1.	Assets	1192.26	1,156.54
2.	Liabilities	590.55	559.86
3.	Income	68.06	585.14
4.	Expenditure	63.04	475.94
5.	Share of Profit	5.02	109.20

- 43 Disclosure with respect to Real Estate Transactions

	(Rs in Million)		
Sl. No	Particulars	2017-18	2016-17
1	Total Contract Revenue recognized during the year	14.26	48.98
2	Total Contract Revenue recognized during the year (In respect of Contracts in Progress at the end of the year)	—	—
3	Particulars about contracts in progress at the end of the period		
	Aggregate amount of cost incurred upto year end	25.67	25.15
	Aggregate amount of Profit/(Loss) Recognized	—	—
	Advance Received	—	—
	Retention Money	—	—
4	Gross Amount due from Customers for Contract Work	—	—

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



NOTES ON ACCOUNTS (contd.)

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

a) Capital Risk Adequacy Ratio

Sr. No.	Particulars	(Rs. in Million)	
		31.03.2018	31.03.2017
1	CRAR (%)	117.43	110.41
2	CRAR - Tier I Capital (%)	117.39	110.37
3	CRAR - Tier II Capital (%)	0.04	0.04
4	Amount of subordinated debt raised as Tier-II capital	—	—
5	Amount raised by issue of Perpetual Debt Instruments	—	—

b) Investments

Sr. No.	Particulars	(Rs. in Million)	
		31.03.2018	31.03.2017
1	Value of Investments		
	i) Gross Value of Investments		
	a) In India	33,382.60	33,068.70
	b) Outside India	—	—
	ii) Provisions for Depreciation		
	a) In India	1,101.66	1,479.70
	b) Outside India	—	—
	iii) Net Value of Investments		
	a) In India	32,280.94	31,589.00
	b) Outside India	—	—
2	Movement of provisions held towards depreciation on investments.		
	i) Opening balance	1,479.70	1,020.02
	ii) Add : Provisions made during the year	201.65	576.60
	iii) Less : Write-off/write-back of excess provisions during the year	579.69	116.92
	iv) Closing balance	1,101.66	1,479.70

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

(Rs.in Million)

Particulars	Investments (having stated maturity period)		Advances		Deposits*
	31.03.2018	31.3.2017	31.03.2018	31.3.2017	
	1 day to 30/31 days (one month)	150.00	216.98	14.42	
Over one month to 2 months	50.00	200.02	0.01	0.01	
Over 2 months to 3 months	—	—	0.01	0.01	
Over 3 months to 6 months	0.74	504.13	0.03	0.03	
Over 6 months to 1 year	203.89	509.49	0.06	0.05	
Over 1 year & up to 3 years	20.06	204.45	0.21	0.21	
Over 3 year & up to 5 years	3,089.22	751.82	0.21	0.21	
Over 5 years	20,047.28	20,719.88	3.50	3.64	
Total	23,561.19	25,052.77	18.47	18.60	
	@	@			

NOTES ON ACCOUNTS (contd.)

* The Deposit Liability of Rs. 15,493.87 million (Prev. Year Rs.15,518.04 million) has already matured and is remaining unclaimed as at 31st March 2018. Thus, maturity pattern relating to deposits is not disclosed herein above.

@ Includes investment earmarked amounting to Rs. 15,537.38 million (Prev. Year Rs.15,543.30 million) in an escrow account as security towards repayment of liability to depositors (ALD).

d) Exposure To Real Estate Sector – Lending towards Commercial/Residential Mortgages & Investment in Mortgage Backed Securities – The Company has made an Investment in the Right to Property and the amount outstanding as at 31st March 2018 is Rs. 241.99 Million [P.Y. Rs.301.22 million]

e) Exposure to Capital Market

Particulars	(Rs. in Million)	
	31.03.2018	31.03.2017
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	4,116.26	1,078.52
(ii) advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs /ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	—	—
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	—	—
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures /units of equity oriented mutual funds 'does not fully cover the advances;	—	—
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	—	—
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	—	—
(vii) bridge loans to companies against expected equity flows/issues;	—	—
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	—	—
Total Exposure to Capital Market	4,116.26	1,078.52

f) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	(Rs. in Million)	
	31.03.2018	31.03.2017
Provisions for depreciation on Investment	201.65	576.60
Provision towards NPA	0.04	0.03
Provision made towards Income tax	190.00	330.00
Other Provision and Contingencies	—	—
Provision for Standard Assets	—	—



NOTES ON ACCOUNTS (contd.)

	(Rs. in Million)	
	31.03.2018	31.03.2017
g) Concentration of Deposits, Advances, Exposures and NPA's		
Concentration of Deposits (for deposits taking NBFCs)		
Total Deposits of twenty largest depositors	5.94	5.94
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	0.04%	0.04%

	(Rs. in Million)	
	31.03.2018	31.03.2017
Concentration of Advances [Top 20 borrowers]		
Gross Advances	18.47	18.60
Provision towards advances	9.40	9.42
Net Advances	9.07	9.18
Percentage of advances of twenty largest borrowers to Total Exposure @ #	100%	100%

@ Includes net NPA Advances of Rs. 4.98 million (Prev. Year Rs. 5.02 million)

Advances excludes Advances & Loans to Staff and Receivables.

	(Rs. in Million)	
	31.03.2018	31.03.2017
Concentration of Exposures		
Total Exposures to twenty largest borrowers/Customers	15.01	15.12
Percentage of Exposure to twenty largest borrowers/Customers to Total Exposure of the NBFC on borrowers/Customers	0.10%	0.10%

	(Rs. in Million)	
	31.03.2018	31.03.2017
Concentration of NPAs-[Top 4 NPAs based on Net Advances]		
Gross Advances	10.01	10.04
Provision towards Advances	5.03	5.02
Net Advances #	4.98	5.02

Advances excludes Advance & Loans to Staff and Receivables.

h) Sector - wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	—
2	MSME	—
3	Corporate borrowers	96.58% (Prev. Year 96.58%)
4	Services	—
5	Unsecured personal loans#	—
6	Auto loans	—
7	Other personal loans	7.71% (Prev. Year 7.49%)

Excludes Staff Advances & Receivables.

NOTES ON ACCOUNTS (contd.)

i) Movement in NPAs

Particulars	(Rs. in Million)	
	31.03.2018	31.03.2017
(i) Net NPAs to Net Advances (%)	22.21%	2.94%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	170.80	173.66
(b) Additions during the year	0.04	0.03
(c) Reductions during the year	148.33	2.89
(d) Closing balance @	22.51	170.80
(iii) Movement of Net NPAs		
(a) Opening balance	5.02	5.02
(b) Additions during the year	—	—
(c) Reductions during the year	0.02	—
(d) Closing balance @	5.00	5.02
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	165.78	168.64
(b) Additions during the year	0.04	0.03
(c) Reductions during the year	148.31	2.89
(d) Closing balance @	17.51	165.78

@ Includes Net advances of Rs. 4.98 million (Prev. Year Rs.5.02 million) as disclosed in (g) above. This balance also includes Staff Loans & Advances and Other Receivables.

j) Customer Complaints

	2017-2018	2016-2017
No. of Complaints as at beginning of year	0	1
No. of Complaints received during the year	77	18
No. of Complaints redressed during the year	75	19
No. of Complaints as at end of year	2	0

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

As per our Report of even date

For MUKUND M CHITALE & CO.

Chartered Accountants

Firm Reg. No. 106655W

(S. M. Chitale)

Partner

M.No. 111383

Kolkata

Dated : 22nd June 2018

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Susim Mukul Datta

Sunil Kanti Roy

Bhargab Lahiri

Deepak Mukerjee

Chairman

Managing Director

Dy. Managing Director

Director



INDEPENDENT AUDITORS' REPORT

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

Report on the Standalone Financial Statements

1. We have audited the accompanying Standalone Financial Statements of The Peerless General Finance & Investment Company Limited (the Company), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information annexed thereto in which are incorporated the returns of ten branches and Offices audited by us and in respect of remaining Branches and Offices not visited by us including those covered by internal audit, returns of such Branches are taken as certified by the management.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

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

- b) Note 28 of Standalone Financial Statements regarding non-transfer/ disclosure of unclaimed deposit to Investor Education and Protection Fund based on the legal opinion received by the Company; the matter being subjudice and legal, reliance has been placed by us on the said opinion.
- c) The Company has furnished the requisite statements, returns, information or particulars required to be furnished to RBI and has generally complied with the directions/ directives issued by RBI. The aggregate amount of total deposits outstanding as per accounting policies followed by the Company as at the last date of year ended i.e., 31st March 2018 as reflected in Note No. 4.1 includes liability for unclaimed/ unpaid deposits and adjustments thereagainst, as specified in Note No. 4.2, 4.3 and 4.4.
- d) The impact of the items in para 4 (a) to 4 (c) above and compliance /impact with/on legal and other requirements has not been ascertained and accordingly the comments on the adjustments, compliances with respect to these cannot be made.

Opinion

- 5. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph [para 4], the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as
at 31st March 2018;
 - ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 6 As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, and on the basis of such verification of the books and records as considered appropriate and available and according to the information and explanations given to us, we enclose in the Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the said order.
- 7 During the course of our examination of books of account, certain matters noticed by us are reported to RBI as at year end by a separate report dealing with matters which includes non-fulfillment of certain procedural aspects of normal business operations in branches. As informed, the above matters are being closely monitored by the management and steps are being taken for ensuring compliances.
- 8. As required by Section 143(3) of the Act, except for the points described in the Basis for Qualified Opinion Paragraph we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of written representations received from directors as on 31st March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us we report that:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements to the extent determinable/ascertainable – Refer Note 26, 28 and 30 to the Standalone financial statements.
 - ii) The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.
 - iii) Except to the extent mentioned in Basis of qualified opinion in para 4 (b) relating to a subjudice matter of non-transfer of amounts to Investor Education and Protection fund, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

S. M. Chitale
Partner

Membership No. 111383

Place : Kolkata
Dated : 22nd June, 2018.

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT –

Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2016

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

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets, except for certain particulars in respect of computer, furniture & fixture and other office appliances which were under process of being compiled.
- b) According to information and explanations given to us, fixed assets of the Company are being physically verified according to a phased programme of verification so as to verify all assets within a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, during the year discrepancies identified have been reconciled with the books of accounts and appropriately dealt with.
- c) According to the information and explanation given to us, the title deeds of immovable properties as disclosed in Note 9 to the Standalone financial statements are held in the name of the Company. Further in respect of immovable properties that have been taken on lease as disclosed in Note 9 to the Standalone financial statements, the lease agreements are in the name of the Company.
- ii) As informed, physical verification of inventories has been carried out as at the year end. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable. Discrepancies as and when reconciled and ascertained are adjusted in the accounts. As informed, no material discrepancies were noticed on such verifications.
- iii) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, Paragraph 3 (iii) of the Order is not applicable to the Company.
- iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. As explained to us since the Company is engaged in the business of Non Banking Financial Company (permitted to conduct RNBC business) whose principal business is acquisition of securities, thus provisions of Section 186 of the Act are not applicable to the Company.
- v) As informed, the Company being a Residuary Non Banking Company and accepting deposits in the form of subscriptions in earlier years and based on legal opinion received by the Company on which reliance has been placed by us, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under (erstwhile Section 58A, 58AA of the Companies Act, 1956 and the rules framed thereunder) are not applicable to the Company.
- vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under of sub-section (1) of Section 148 of the Act to the company.
- vii) a) According to the information and explanations given to us and subject to note 26 of Standalone Financial Statements (relating to Income tax etc.), note 28 of Standalone Financial Statements (relating to a subjudice matter of non-transfer of amounts to Investor Education and Protection fund), the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues applicable to it as per the available records as far as ascertained by us on our verification.
Subject to note 28 of Standalone Financial Statements and according to the information and explanations given to us, there were no undisputed amounts payable in respect of outstanding statutory dues as aforesaid as at 31st March 2018 for a period of more than six months from the date they became payable.
- b) Subject to note 26 of Standalone Financial Statements (relating to Income tax etc.), note 28 of Standalone Financial Statements (relating to a subjudice matter of non-transfer of amounts to Investor Education and Protection Fund) and according to the information and explanations given to us, dues in respect of Sales



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

Name of the Statute	Nature of Tax	Amount (Rs. in Million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs. 37.04	For the assessment year 2008-2009	CIT (Appeals)
Wealth Tax Act	Wealth Tax	Rs. 18.87	For assessment years 1984-85 to 1992-93 and 1998-99	Assessing Officer
Service Tax	Service Tax	Rs. 14.91	For financial year 2005-06 to 2009-10	CESTAT
Service Tax	Service Tax	Rs. 0.70	For financial year 2010-11 to 2012-13	Principal Commissioner of Service Tax

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

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

S. M. Chitale
Partner

Membership No. 111383

Place : Kolkata
Dated : 22nd June, 2018.

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

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

1. We have audited the internal financial controls over financial reporting of The Peerless General Finance and Investments Company Limited (“the Company”) as of 31 March 2018, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

- 6 In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Kolkata

Dated : 22nd June, 2018.

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

S. M. Chitale
Partner
Membership No. 111383

Form No. AOC - 1

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

Part "A": SUBSIDIARIES

Sl. No.	Name of Subsidiary	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital/ Partner's Capital/ Unit holder's Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of Share-holding (including holdings through subsidiaries)
1	Peerless Financial Products Distribution Ltd.	INR	515.69	(466.17)	116.85	67.33	3.45	161.79	(52.17)	—	(52.17)	—	100.00%
2	Peerless Hospitex Hospital & Research Center Ltd.	INR	415.70	382.07	1,227.97	430.20	35.00	1,947.41	222.84	70.68	152.16	—	93.64%
3	Peerless Securities Ltd.	INR	246.86	(44.62)	309.16	106.92	10.08	108.32	1.06	0.35	0.71	—	97.54%
4	Peerless Hotels Ltd.	INR	45.80	838.33	982.15	98.02	33.35	484.41	70.55	18.10	52.45	16.50	99.95%
5	Peerless Financial Services Ltd.	INR	372.58	142.87	517.79	2.35	325.03	44.20	28.18	7.85	20.33	—	94.11%
6	Peerless Commodities Ltd. - Fellow Subsidiary	INR	5.50	0.55	6.36	0.31	2.59	1.98	0.42	0.10	0.31	—	98.60%

Notes - Part A

- (1) Reporting period for all subsidiaries is the same as holding company.
- (2) Two subsidiaries of The Peerless General Finance & Investment Co. Ltd., namely Peerless Funds Management Co. Ltd. and Peerless Trust Management Co. Ltd. respectively, were disposed off during the Financial Year 2017-18.

PART "B": JOINT VENTURES

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

Sl. No.	Name of Joint Venture	1. Latest audited Balance Sheet date	2. Shares of Joint Venture held by the Company on the year end			3. Description of how there is significant influence	4. Reason why the joint venture has not been consolidated	5. Networth attributable to shareholding as per latest audited Balance Sheet (Rs. in Million)	6. Profit/(Loss) for the year (Rs. in Million)	
			No. of Shares	Amount of Investment in Joint Venture (Rs. in Million)	Extent of Holding %				i. Considered in consolidation	ii. Not Considered in consolidation
1	Bengal Peerless Housing Development Co. Ltd.	31.03.2018	662,850	6.63	36.70%	Since the Company holds more than 20% of voting power, significant influence is assumed.	N. A.	1,639.53	5.02	8.66

Place: Kolkata
Dated: 22nd June, 2018.

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

For and on behalf of the Board
Susim Mukul Datta *Chairman*
Sunil Kanti Roy *Managing Director*
Bhargab Lahiri *Dy. Managing Director*
Deepak Mukerjee *Director*

K. Balasubramanian
Company Secretary
Asoke Kumar Mukhuty
Chief Financial Officer

**Schedule to the Balance Sheet as at 31.03.2018 of
The Peerless General Finance & Investment Company Limited**

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

(Rs. in Lakh)

Particulars			
Liabilities side :			
(1)	Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
	(a) Debenture: Secured	—	—
	: Unsecured	—	—
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	—	—
	(c) Term Loans	—	—
	(d) Inter-corporate loans and borrowing	—	—
	(e) Commercial Paper	—	—
	(f) Public Deposits*	1,54,939	—
	(g) Other Loans (Specify nature)	—	—
	*Please see Note 1 below		

Asset side :

		Amount outstanding
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
	(a) Secured	519
	(b) Unsecured	862



(Rs. in Lakh)

	Asset side :	
		Amount outstanding
(3)	Break-up of Leased Assets and stock on hire and other Assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	—
	(b) Operating lease	—
	(ii) Stock on hire including the hire charges under sundry debtors:	
	(a) Assets on hire	—
	(b) Repossessed assets	—
	(iii) Other loans counting towards AFC activities:	
	(a) Loans where assets have been repossessed	—
	(b) Loans other than (a) above	—
(4)	Break-up of Investments	
	Current Investments	
	1. Quoted	
	(i) Shares :(a) Equity	3,580
	(b) Preference	700
	(ii) Debentures and Bonds	—
	(iii) Units of Mutual Funds	—
	(iv) Government Securities	—
	(v) Others (please specify)	—
	2. Unquoted	
	(i) Shares :(a) Equity	—
	(b) Preference	—
	(ii) Debentures and Bonds	—
	(iii) Units of Mutual Funds	56,388
	(iv) Government Securities	—
	(v) Others (please specify)	
	Fixed Deposit	2,044
	Right to Property	2,420
	Commercial Paper	—



THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

(Rs. in Lakh)

Asset side :	Amount outstanding
Long Term Investments	
1. Quoted :	
(i) Shares : (a) Equity	3,239
(b) Preference	—
(ii) Debentures and Bonds	—
(iii) Units of Mutual Funds	—
(iv) Government Securities	—
(v) Others (please specify)	—
2. Unquoted :	
(i) Shares : (a) Equity	16,651
(b) Preference	900
(ii) Debentures and Bonds	55,460
(iii) Units of Mutual Funds	2,300
(iv) Government Securities	178,108
(v) Others (please specify)	—
Fixed Deposit	—
Right to Property	1,019

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :
Please see note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Others related parties	—	—	—
2. Other than related parties	519	862	1381
Total	519	862	1381

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)
Please see note 3 below

Category	Market value/ Break up or fair value or NAV	Book value (Net of Provisions)
1. Related Parties**		
(a) Subsidiaries	24,613	18,487
(b) Companies in the same group	6,005	66
(c) Other related parties	—	—
2. Other than related parties	3,04,929	3,04,256
Total	3,35,547	3,22,809

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



(Rs. in Lakh)

(7)	Other information	
	Particulars	Amount
	i) Gross Non-Performing Assets	225
	a) Related parties	—
	b) Other than related parties	225
	ii) Net Non-Performing Assets	50
	a) Related parties	—
	b) Other than related parties	50
	iii) Assets acquired in satisfaction of debt	—

Notes :

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

**CONSOLIDATED
FINANCIAL STATEMENTS**

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CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2018

(Rs. in Million)

	Particulars	Note No.	Figures as at 31.03.2018	Figures as at 31.03.2017
I	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	2	331.56	331.56
	(b) Reserves and Surplus	3	18,522.31	17,671.90
(2)	Share Application Money Pending Allotment		—	—
(3)	Minority Interest		44.94	34.57
(4)	Non-Current Liabilities			
	(a) Deposit from Public	4	—	—
	(b) Long Term Borrowings	5	—	21.50
	(c) Deferred Tax Liabilities (Net)	39	46.29	44.36
	(d) Other Long Term Liabilities	6	7.83	7.41
	(e) Long Term Provisions	7	135.07	187.21
(5)	Current Liabilities			
	(a) Short Term Borrowings	8	—	0.50
	(b) Deposit from Public	4	15,493.88	15,518.06
	(c) Trade Payables	9	321.15	267.83
	(d) Other Current Liabilities	10	719.24	757.85
	(e) Short Term Provisions	11	347.94	348.62
	TOTAL		35,970.21	35,191.37
II	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets	12		
	(i) Tangible Assets		1,346.40	1,386.47
	(ii) Intangible Assets		4.44	12.43
	(iii) Capital Work in Progress		21.75	8.25
	(iv) Goodwill on Consolidation		20.01	20.01
	(b) Deferred Tax Assets (Net)	39	108.61	61.83
	(c) Non-Current Investments	13	23,747.22	22,517.03
	(d) Long Term Loans and Advances	14	784.00	715.09
	(e) Other Non-Current Assets	15	47.77	56.18
(2)	Current Assets			
	(a) Current Investments	13	7,128.75	7,621.35
	(b) Inventories	16	686.83	663.49
	(c) Trade Receivable	17	355.08	274.64
	(d) Cash and Cash Equivalents	18	814.08	723.43
	(e) Short-Term Loans and Advances	19	320.69	540.83
	(f) Other Current Assets	20	584.58	590.34
	TOTAL		35,970.21	35,191.37

The Notes to Account forms integral part of Financial Statements

1 to 46

As per our Report of even date

For MUKUND M CHITALE & CO.

Chartered Accountants

Firm Reg. No. 106655W

(S. M. Chitale)

Partner

M.No. 111383

Place : Kolkata

Dated : 13th August, 2018

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Susim Mukul Datta

Sunil Kanti Roy

Bhargab Lahiri

Deepak Mukerjee

Chairman

Managing Director

Dy. Managing Director

Director



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2018**

(Rs. in Million)

	Particulars	Note No.	For the year ended	
			31.03.2018	31.03.2017
I	Revenue from Operations	21	5,202.17	5,451.61
II	Other Income	22	330.38	347.11
III	Total Revenue (I+II)		5,532.55	5,798.72
IV	Expenses			
	Cost of Materials Consumed		355.15	593.75
	Purchase of Stock in Trade/Materials		242.66	218.79
	Changes in Inventories	23	(18.77)	(93.07)
	Employee Benefits Expense	24	1,282.97	1,338.18
	Finance Costs	25	6.27	21.47
	Provision for Doubtful Debts, Receivables and Investments	26	158.14	127.91
	Amortisation of Premium - Govt. Securities/Bonds/Debentures		13.66	11.18
	Depreciation and Amortisation	27	159.30	177.63
	Other Expenses	28	2,010.39	1,758.99
	Total Expenses		4,209.77	4,154.83
V	Profit before Prior Period Adjustments and tax (III-IV)		1,322.78	1,643.89
VI	Prior Period Adjustments		(1.22)	(1.93)
VII	Profit before Exceptional Item and tax (V+VI)		1,321.56	1,641.96
VIII	Exceptional Item	29	37.66	—
IX	Profit Before Tax		1,283.90	1,641.96
X	Tax Expenses			
	(I) Current Tax		286.10	494.01
	(II) Tax of Earlier Years		—	(1.04)
	(III) MAT Credit		—	(32.66)
	(IV) Deferred Tax	39	(44.85)	(7.48)
			241.25	452.83
XI	Profit for the year (before adjustment for Minority Interest) (IX - X)		1,042.65	1,189.13
XII	Add/Less: Share of Loss/(Profit) transferred to Minority Interest		(10.37)	4.45
XIII	Profit for the year (after adjustment for Minority Interest) carried forward to Balance Sheet (XI + XII)		1,032.28	1,193.58

Basic & Diluted Earnings per Equity Share in Rs. (Face Value of Rs. 100/- per Equity Share) 311.34 359.99

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

As per our Report of even date

For MUKUND M CHITALE & CO.

Chartered Accountants

Firm Reg. No. 106655W

(S. M. Chitale)

Partner

M.No. 111383

Place : Kolkata

Dated :13th August, 2018

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Susim Mukul Datta

Sunil Kanti Roy

Bhargab Lahiri

Deepak Mukerjee

Chairman

Managing Director

Dy. Managing Director

Director



**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2018**

(Rs. in Million)

PARTICULARS	For the year ended 31.03.2018	For the year ended 31.03.2017
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxation	1,283.90	1,641.96
Adjustments for :		
Depreciation & Amortisation	159.30	177.63
Finance Cost	6.27	11.67
Provision for diminution in Investment	150.01	—
Provision for doubtful debts and receivables	7.94	127.91
Provision for Standard Assets	0.19	—
Amortisation of Premium - Government Securities/Bonds/Debentures	13.66	11.18
Prior Period Adjustments	1.22	1.93
Profit on sale of Fixed Assets	(0.07)	(31.09)
(Profit)/Loss on Sale of Investments	(819.22)	(235.50)
Interest	(1,915.12)	(2,095.11)
Dividend	(33.54)	(81.78)
Other Non Operating Income	(0.43)	(0.05)
Advance/Branch and Other Office Adjustments W/off	162.00	128.11
Provisions/Liability no longer required written back	(207.98)	(189.32)
	<u>(2,475.77)</u>	<u>(189.32)</u>
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(1,191.87)	(532.46)
Adjustments for :		
Increase/(Decrease) in Deposits from Public	(25.40)	(68.41)
(Increase)/Decrease in Current & Non-Current Assets	247.76	524.18
Increase/(Decrease) in Inventories	(20.05)	(54.35)
Increase/(Decrease) in Current & Non-Current Liabilities & Provisions	(226.34)	(244.95)
	<u>(24.03)</u>	<u>156.47</u>
CASH (UTILISED IN)/GENERATED FROM OPERATIONS	(1,215.90)	(375.99)
Direct Tax Refund/(Paid)	(295.57)	(525.64)
Interest received	1,902.87	2,063.70
Dividend received	32.20	117.28
	<u>1,639.50</u>	<u>1,655.34</u>
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES (A)	423.60	1,279.35
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	0.78	2.00
Purchase of Fixed Assets	(116.21)	(108.88)
Dividend Income	1.34	2.58
Interest Income	12.25	72.51
Investments (Net):		
Long Term	622.21	(2,671.10)
Current	(705.75)	1,414.84
	<u>(705.75)</u>	<u>1,414.84</u>
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES (B)	(185.38)	(1,288.05)



CONSOLIDATED CASH FLOW STATEMENT (Contd.)

(Rs. in Million)

PARTICULARS	For the year ended 31.03.2018	For the year ended 31.03.2017
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid including Tax on Dividend	(204.32)	(223.81)
Repayment of Borrowings	(54.80)	(81.26)
Finance Cost	(6.27)	(19.49)
Government Grant Received	0.74	—
Interest Received on Government Grant	0.01	0.04
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES (C)	(264.64)	(324.52)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(26.42)	(333.22)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	551.53	884.75
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)-NOTE 1	<u>525.11</u>	<u>551.53</u>

NOTE 1 : CASH AND CASH EQUIVALENTS COMPRISE :

Cash in hand	24.41	24.75
Cheques in hand	1.73	2.14
Stamps in Hand	0.06	0.12
Bank Balance with Scheduled bank in Current Accounts & Unpaid Dividend Accounts & Fixed Deposits having maturity of less than three months	498.91	524.52
CLOSING CASH AND CASH EQUIVALENTS	<u>525.11</u>	<u>551.53</u>

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

As per our Report of even date

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

(S. M. Chitale)
Partner

M.No. 111383

Place : Kolkata

Dated : 13th August, 2018

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Susim Mukul Datta
Sunil Kanti Roy
Bhargab Lahiri
Deepak Mukerjee

Chairman
Managing Director
Dy. Managing Director
Director



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE – 1: SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of Consolidated Financial Statements:

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

1.2 Principles of Consolidation:

- 1.2.1 The Consolidated Financial Statements of the group have been prepared in accordance with the Accounting Standard 21 'Consolidated Financial Statements' and Accounting Standard 27 'Financial Reporting of Interest in Joint Venture' notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.
- 1.2.2 The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- 1.2.3 The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating all intra group transactions, balances and unrealised profits and losses on transactions.
- 1.2.4 The excess of cost to the Company of its investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognised as 'Goodwill' being an asset in the Consolidated Financial Statements. However, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus' in the Consolidated Financial Statements.
- 1.2.5 Goodwill arising out of acquisition of subsidiary companies is subjected to impairment testing as at each balance sheet date & book value in excess of recoverable value is charged to Statement of Profit & Loss.
- 1.2.6 Minority interest in the net assets of the subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the profit attributable to shareholders of the Company.
- 1.2.7 Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 – "Financial Reporting of Interest in Joint Ventures."
- 1.2.8 All assets and liabilities have been classified as Current and Non current as per the Group's normal operating cycle and other criterion set out in the Schedule III to the Companies Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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

Sl. No.	Name of the Company	Proportion of ownership interest either directly or indirectly*	Proportion of ownership interest either directly or indirectly*
		As at 31.03.2018	As at 31.03.2017
1	Peerless Financial Services Limited [including 1.54% through subsidiary]	94.11%	94.11%
2	Peerless Securities Limited	97.54%	97.54%
3	Peerless Financial Products Distribution Limited	100.00%	100.00%
4	Peerless Hotels Limited	99.95%	99.95%
5	Peerless Hospitals Hospitex & Research Centre Limited [including 0.30% through subsidiary]	93.64%	93.64%
6	Peerless Funds Management Limited	Nil	99.99%
7	Peerless Trust Management Limited	Nil	99.97%
8	Bengal Peerless Housing Development Co. Limited	36.70%	36.70%
9	Peerless Commodities Limited -Subsidiary of Peerless Securities Limited	98.60%	98.60%

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

1.3 Use of Estimates:

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

1.4 Revenue Recognition:

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

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

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

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

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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

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

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

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

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

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

1.5 Scheme Expenses:

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

1.6 Deposits from public:

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

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

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

1.7 Investments:

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

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

1.8 Loans and Advances:

Classification of loans and advances are made as per the guidelines prescribed by RBI (for Companies registered

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

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

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

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

1.10 Inventories:

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

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

1.11 Fixed Assets:

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

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

All Other Fixed Assets – WDV Basis.

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

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

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

1.12 Foreign Currency Transactions:

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

1.13 Borrowing Costs:

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

1.14 Government Grants:

Capital:

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Revenue:

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

1.15 Earnings Per Share:

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

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

1.16 Leases:

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

1.17 Provision for Tax:

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

1.18 Employee Benefits:

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

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

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

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

1.19 Provisions, Contingent Liabilities and Contingent Assets:

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

1.20 Impairment of Assets:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(Rs. in Million)

	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 2 : SHARE CAPITAL		
Authorised Capital		
35,00,000 Equity Shares of Rs. 100/- each	350.00	350.00
	<u>350.00</u>	<u>350.00</u>
Issued, Subscribed & Called up Capital		
33,15,584 Equity Shares of Rs. 100/- each fully paid up	331.56	331.56
TOTAL	<u>331.56</u>	<u>331.56</u>

	<u>As at 31.03.2018</u>		<u>As at 31.03.2017</u>	
	No. of Shares	Rs. in Million	No. of Shares	Rs. in Million
a) Movement of Share Capital:				
No. of Shares Outstanding as at 01.04.2017/01.04.2016	33,15,584	331.56	33,15,584	331.56
New Shares issued during the year	—	—	—	—
No. of Shares Outstanding as at 31.03.2018/31.03.2017	<u>33,15,584</u>	<u>331.56</u>	<u>33,15,584</u>	<u>331.56</u>

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

Sl. No.	Name of the Shareholder	<u>As at 31.03.2018</u>		<u>As at 31.03.2017</u>	
		No. of Shares Held	% of Shareholding	No. of Shares Held	% of Shareholding
1	Mr. Sunil Kanti Roy & Mrs. Shikha Roy	668,448	20.16%	668,448	20.16%
2	Mr. Jayanta Roy	324,640	9.79%	324,640	9.79%
3	Shikha Holdings Private Limited	630,192	19.01%	630,192	19.01%
4	Bichitra Holdings Private Limited	327,669	9.88%	327,669	9.88%
5	Poddar Projects Limited	218,240	6.58%	218,240	6.58%
6	Mr. R. L. Gaggar	179,200	5.40%	179,200	5.40%
7	Mr. Tuhin Kanti Ghosh	225,920	6.81%	225,920	6.81%
	TOTAL	<u>2,574,309</u>	<u>77.63%</u>	<u>2,574,309</u>	<u>77.63%</u>

c) Rights, Preferences & Restrictions attached to Shares:

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 3 : RESERVES & SURPLUS		
(A) Capital Reserve (Including Reserves arising out of Consolidation)	9.41	9.41
	<u>9.41</u>	<u>9.41</u>
(B) Revaluation Reserve as at 01.04.17/01.04.16	10.77	11.33
Less : Transfer to General Reserves - [Note 12]	0.54	0.56
	<u>10.23</u>	<u>10.77</u>
(C) Capital Redemption Reserve	<u>0.03</u>	<u>0.03</u>
(D) Debentures Redemption Reserves	—	—
Add: Transfer from Profit and Loss Account	25.00	—
	<u>25.00</u>	<u>—</u>
(E) Special Reserve**		
Opening Balance as at 01.04.17/01.04.16	5,071.75	4,961.75
Add: Transfer from Surplus in Statement of Profit & Loss	174.11	110.00
	<u>5,245.86</u>	<u>5,071.75</u>
(F) General Reserve		
Opening Balance as at 01.04.17/01.04.16	7,255.24	7,146.68
Add: Transfer from Surplus in Statement of Profit & Loss	250.10	108.00
Add: Transfer from Revaluation Reserve	0.54	0.56
	<u>7,505.88</u>	<u>7,255.24</u>
(G) Surplus in Statement of Profit & Loss		
Opening Balance as at 01.04.17/01.04.16	5,324.69	4,492.83
Add: Profit After Tax for the Year	1,032.28	1,193.58
	<u>6,356.97</u>	<u>5,686.41</u>
Less :		
Transfer to Special Reserve	174.11	110.00
Transfer to General Reserve	250.10	108.00
Transfer to Debentures Redemption Reserve	25.00	—
Final Dividend [Rs. 45 per share (Prev. Year Rs. 35 per share)]	149.20	116.05
Dividend Distribution Tax on Final Dividend	32.99	27.67
	<u>5,725.57</u>	<u>5,324.69</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	31.03.2018	31.03.2017
(H) Other Reserves:		
Government Grant		
Opening Balance as at 01.04.17/01.04.16	0.01	1.06
Add: Received during the year	0.74	—
Add: Interest Received	0.01	0.06
Less: Transfer to Other Income	0.43	1.11
	<u>0.33</u>	<u>0.01</u>
TOTAL OF (A) TO (H)	<u>18,522.31</u>	<u>17,671.90</u>

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

The Board of Directors of the Holding Company at the meeting held on 22nd June 2018, recommended a final dividend of Rs. 100 per share [Rs. 331.56 million], for the financial year ended 31st March 2018. In terms of the revised Accounting Standard (AS)- 4 'Contingencies and Events occurring after Balance Sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, dated 30th March 2016, the Company has not accounted for proposed dividend and dividend distribution tax thereon as liability as at 31st March 2018.

	(Rs. in Million)	
	31.03.2018	31.03.2017
NOTE - 4 : DEPOSIT FROM PUBLIC		
4.1 Deposit From Public		
Closing Liability as at year ended 31.03.2018/31.03.2017*	15,493.88	15,518.06
	<u>15,493.88</u>	<u>15,518.06</u>
* Consists of liability on account of Unpaid/Unclaimed certificates [also including liability for Returned Money Orders, Stale Cheques and Unidentified Subscription Deposit] Rs.15,493.87 million (Prev. Year Rs. 15,518.04 million)		
BREAKUP OF DEPOSIT LIABILITY		
NON-CURRENT PORTION	—	—
CURRENT PORTION	15,493.88	15,518.06
TOTAL	<u>15,493.88</u>	<u>15,518.06</u>

4.2 The Closing Deposit Liability of Rs.15,493.88 million (Prev. Year 15,518.06 million) , includes liability in respect of Unclaimed/Unpaid Certificates of Rs. 489.27 million (Prev. Year 489.54 million) which has been ascertained on the basis of details received from branches or as certified by Independent Firm of Chartered Accountants. The said amount is after considering reinvestment /payments and which has been provided by management.

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

4.3 Based on exercise of reconciliation of unclaimed/unpaid certificates, carried out by the management during the year ended 31.03.2018, Rs. 1.22 million [debit] (Prev. Year Rs.1.93 million [debit]) were ascertained and accordingly has been debited in the Statement of Profit and Loss as Prior Period Adjustments.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

4.4 In accordance with directives received from Reserve Bank of India vide letter dated 31st October 2014, read with letter dated 03rd February 2015, the Company was required to open an Escrow Account and investments to the extent of Liability towards Depositors as at 31st December 2014 needed to be linked to such escrow account so that any proceeds thereof including coupon payment received are credited only to Escrow Account. The Company has complied with the directive of Reserve Bank of India. The book value & accrued interest of Investments Linked with Escrow Account (including Escrow Bank Account) amounts to Rs. 15,856.12 million as at 31st March 2018 (Prev. Year Rs. 15,868.08 millions) against outstanding Liability towards Depositors of Rs. 15,493.88 million as at 31st March 2018 (Prev. Year Rs. 15,518.06 million).

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 5 : LONG TERM BORROWINGS		
Term Loan from Bank	—	52.50
SUB - TOTAL	<u>—</u>	<u>52.50</u>
Less: Current Portion of Long Term Borrowing [Note 10]	—	31.00
TOTAL	<u>—</u>	<u>21.50</u>

Security

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

Terms & Conditions

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

Terms of Repayment:

2017-2018	—	—
2018-2019	—	21.50
	<u>—</u>	<u>21.50</u>

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 6 : OTHER LONG TERM LIABILITIES		
Security Deposit	6.89	6.37
Other Liabilities	0.94	1.04
TOTAL	<u>7.83</u>	<u>7.41</u>

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 7 : LONG TERM PROVISIONS		
Provision for Standard Assets	0.66	0.66
Provision for Employee Benefits – Gratuity & Leave Encashment	106.88	159.02
Provision for Project Contingencies	27.53	27.53
TOTAL	<u>135.07</u>	<u>187.21</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	31.03.2018	31.03.2017
NOTE - 8 : SHORT TERM BORROWINGS		
Loan Repayable on Demand	—	0.50
TOTAL	—	0.50

Security

Secured by way of hypothecation of inventories, book debts, outstanding monies, receivables, claims, bills, contracts engagement and securities etc. of the Subsidiary Company.

	(Rs. in Million)	
	31.03.2018	31.03.2017
NOTE - 9 : TRADE PAYABLES		
Payables for Goods & Services @		
Due to 'Micro, Small & Medium Enterprises	0.17	0.37
Others	249.34	225.40
Payable to Clients	71.64	42.06
TOTAL	321.15	267.83

@ Includes Rs. 12.14 million (Prev Year Rs. 3.82 million) towards doctors expenses of Subsidiary Company provided on estimated basis pending confirmations of amount payable in terms of understanding with the doctors.

	(Rs. in Million)	
	31.03.2018	31.03.2017
NOTE - 10 : OTHER CURRENT LIABILITIES		
Advance towards Sale of Right to Property - Investment	145.38	167.03
Advance against sale of Flat - Construction project	3.66	2.04
Income Received in Advance/Advance from Customers	209.34	108.43
Unclaimed/Unpaid Dividends @	33.50	55.63
Security/Other Deposit	22.34	28.16
Statutory Liabilities	46.14	35.59
Liability for Expenses		
Due to 'Micro, Small & Medium Enterprises	—	0.01
Others #	131.69	132.33
Branch and Other Office Adjustments (Net)	—	0.02
Amount Payable to Insurance Companies	16.85	20.67
Payable on account of Purchase of Fixed Assets	5.18	3.74
Margin Money Clients	11.98	20.43
Current maturities of Long Term Debt [Note 5]	—	31.00
Interest Accrued but not due	—	1.34
Other Liabilities	93.18	151.43
TOTAL	719.24	757.85

Also includes amount of Rs. 51.95 million (Prev Year Rs. 29.57 million) due to related parties.

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 11 : SHORT TERM PROVISIONS		
Provision for Employee Benefits - Gratuity & Leave Encashment	45.89	54.68
Provision for Standard Assets	0.53	0.50
Provision for Income Tax	274.59	267.58
Provision for Project Contingencies	18.35	18.35
Provision for Expenses*	8.58	7.51
TOTAL	<u>347.94</u>	<u>348.62</u>

- * Provision for Expenses represents claims by certain employees not acknowledged by the company pending resolution on the matter by the labour court and determination of the amount thereof. Carrying amount in this respect at the end of the year is Rs. 8.58 million (Prev Year Rs.7.51 millions). Rs. 2.67 million (Prev Year Rs. 1.45 million) has been created during the year and Rs.1.60 million (Prev Year Rs. 1.92 million) has been paid during the year. [Note 43]

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 12: FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01.04.2017	Additions	Transfer/ Adjustment	As at 31.03.2018	As at 01.04.2017	Additions	Transfer/ Adjustment	As at 31.03.2018	As at 31.03.2017
	(Rs. in Million)								
TANGIBLE ASSETS									
LAND (Note 1)	563.07	2.80	—	565.87	—	—	—	565.87	563.07
LEASEHOLD LAND	43.55	—	—	43.55	—	—	—	43.55	43.55
BUILDING INCLUDING OWNERSHIP FLATS (Note 1/2/3/4)	1,149.12	20.01	—	1,169.13	655.61	45.71	—	467.81	493.51
LEASEHOLD BUILDING	254.98	—	—	254.98	194.30	3.03	—	57.65	60.68
LEASEHOLD IMPROVEMENT	24.76	—	16.06	8.70	24.21	0.11	15.96	0.34	0.55
LIFT	9.66	—	—	9.66	9.66	—	—	—	—
FURNITURE & FIXTURES	360.26	8.87	3.28	365.85	278.87	18.96	2.32	70.34	81.39
COMPUTER HARDWARE/DATA PROCESSING EQUIPMENTS	461.48	6.32	11.52	456.28	457.27	3.15	10.94	6.80	4.21
OFFICE APPLIANCES	72.36	5.35	4.97	72.74	62.70	4.56	4.57	10.05	9.66
ELECTRICAL INSTALLATION & EQUIPMENT/ELECTRICAL MACHINERY	184.69	3.27	0.07	187.89	170.62	5.48	0.07	11.86	14.07
PLANT & EQUIPMENT/ MACHINERY/MEDICAL EQUIPMENT	755.91	47.18	1.71	801.38	648.31	54.37	2.18	100.88	107.60
ROAD	3.68	—	—	3.68	3.68	—	—	—	—
VEHICLES	65.57	11.38	9.00	67.95	57.39	8.41	9.10	11.25	8.18
SUB-TOTAL	3,949.09	105.18	46.61	4,007.66	2,562.62	143.78	45.14	1,346.40	1,386.47
PREVIOUS YEAR	3,898.98	102.75	52.64	3,949.09	2,448.58	166.08	52.04	1,386.47	
INTANGIBLE ASSETS									
COMPUTER SOFTWARE	112.32	3.66	5.81	110.17	99.89	10.16	4.32	4.44	12.43
SUB-TOTAL	112.32	3.66	5.81	110.17	99.89	10.16	4.32	4.44	12.43
PREVIOUS YEAR	109.18	3.15	0.01	112.32	88.35	11.55	0.01	12.43	
TOTAL	4,061.41	108.84	52.42	4,117.83	2,662.51	153.94	49.46	1,350.84	1,398.90
PREVIOUS YEAR	4,008.16	105.90	52.65	4,061.41	2,536.93	177.63	52.05	1,398.90	
CAPITAL WORK IN PROGRESS								21.75	8.25



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Notes:

1. Certain Land & Buildings including ownership flats were revalued by an approved valuer as on 31st March, 1994 on the basis of the market value and a sum of Rs.403.41 Million (net of amount capitalised by issue of bonus shares), being an increase in the value of these assets due to revaluation, was credited to Revaluation Reserve.
2. In accordance with the provisions of Guidance Note on Depreciation in Companies in the context of Schedule II to the Companies Act, 2013 issued by ICAI, depreciation for the year has been charged on Revalued Fixed Assets and the entire depreciation has been charged to Statement of Profit and Loss. Proportionate amount of Revaluation Reserve relating to it of Rs. 0.54 Million (P.Y. Rs. 0.56 Million) has been transferred to General Reserve.
3. Further during the previous year one of the flats has gone under redevelopment and accordingly the Written Down Value of same of Rs. 0.11 million has been transferred to Capital Work in Progress.
4. Disclosure of Assets given on Operating Leases has been provided in Note 42 of Financial Statements.
5. Pursuant to an agreement dated 16th October, 2015 entered by Susidiary Company; Land, Building and other fixed assets of a hotel comprising of 65 rooms have been acquired with effect from said date at a lumpsum consideration of Rs. 277.05 million. The consideration so paid along with Stamp Duty and other cost incurred on acquisition has been segregated as per the independent technical estimate and capitalise as cost to the respective assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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

	As at 31 March, 18 (Rs. in Million)	As at 31 March, 17 (Rs. in Million)
(A) INVESTMENTS – CURRENT* :		
I] Investment in Fixed Deposits	204.35	1,975.68
II] Investment in Mutual Funds	6,200.18	3,630.64
III] Investment in Commercial Paper	—	159.05
IV] Investment in Shares - Other than Subsidiaries	533.89	419.68
V] Investment in Debentures - Other than Subsidiaries	200.34	649.65
VI] Investment in Bonds	284.65	384.65
VII] Investment in Government Securities	4.81	492.25
VIII] Investment in Right to Property	242.00	301.22
	<u>7,670.22</u>	<u>8,012.82</u>
Less: Provision for Diminution in Value of Investments	541.47	391.47
TOTAL	<u>7,128.75</u>	<u>7,621.35</u>
(B) INVESTMENTS – NON-CURRENT*		
I] Investment in Fixed Deposits	—	3.55
II] Investment in Mutual Funds	265.00	461.02
III] Investment in Shares - Other than Subsidiaries	326.79	379.42
IV] Investment in Debentures - Other than Subsidiaries	—	200.90
V] Investment in Bonds	5,245.63	5,247.85
VI] Investment in Government Securities	17,810.87	16,123.84
VII] Investment Property	101.87	107.23
	<u>23,750.16</u>	<u>22,523.81</u>
Less: Provision for Diminution in Value of Investments	2.94	6.78
TOTAL	<u>23,747.22</u>	<u>22,517.03</u>
GRAND TOTAL	<u>30,875.98</u>	<u>30,138.38</u>

* Classification as per Schedule III requirements.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

(I) (A) INVESTMENT IN FIXED DEPOSITS

- CURRENT
- INVESTMENTS - TRADE

Description	Face Value	Book Value	Face Value	Book Value
	31.03.2018	31.03.2018	31.03.2017	31.03.2017
	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)
Fixed Deposits with Scheduled Banks * # \$		204.35		201.52
Fixed Deposits with NBFC's - HDFC Ltd		—		1,520.73
Fixed Deposits with NBFC's — Mahindra & Mahindra Financial Services Ltd		—		253.43
TOTAL (I) (A)		204.35		1,975.68

(I) (B) INVESTMENT IN FIXED DEPOSITS

- NON-CURRENT
- INVESTMENTS - TRADE

Description	Face Value	Book Value	Face Value	Book Value
	31.03.2018	31.03.2018	31.03.2017	31.03.2017
	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)
Fixed Deposits with Scheduled Banks * # \$		—		3.55
TOTAL (I) (B)		—		3.55

\$ Includes Rs. 203.55 millions (Prev. Year Rs. 203.35 million) earmarked under an escrow account as security amount towards repayment of Liability towards depositors. [Note 4.4]. (*This amount includes amount Rs.3.55 millions (Prev. Year. Rs. 3.55 millions) invested as per the order of Hon'ble High Court of Calcutta. [Refer Note No. 33].)

Also includes fixed deposits amounting to Rs. 0.80 millions (Prev. Year Rs. 1.52 million) which have been kept as margin money for Bank Guarantee availed from Bank.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

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

— CURRENT

— INVESTMENTS - TRADE

Description	No. of Units	Book Value	No. of Units	Book Value
	31.03.2018	31.03.2018	31.03.2017	31.03.2017
		(Rs.in Million)		(Rs.in Million)
Aditya Birla Sun Life Balanced '95 Fund - Direct Plan - Growth Option	315,190.51	250.00	—	—
Aditya Birla Sun Life Floating Rate Fund	139,929.48	30.03	—	—
Aditya Birla Sun Life Frontline Equity Fund - Growth	302,479.60	70.00	—	—
Aditya Birla Sun Life Income Plus Growth Regular Plan	—	—	4,092,226.23	300.00
Baroda Pioneer Treasury Advantage Fund - Plan -B - Growth	241,261.37	50.00	36,530.21	70.00
BNP Paribas Equity Fund - Growth	662,087.38	60.00	—	—
BNP Paribas Overnight Fund - Growth	37,517.93	100.00	—	—
BOI AXA Mid Cap Equity and Debt Fund - Growth	3,021,776.18	45.00	—	—
BOI -AXA Treasury Advantage Fund - Direct Plan- Growth	—	—	35,565.67	70.00
Canara Robeco Dynamic Bond Fund - Growth	—	—	10,849,461.00	200.00
Canara Robeco Emerging Equities Fund - Growth	640,999.58	65.00	—	—
DHFL Pramerica Banking & PSU Debt Fund - Growth	6,523,157.21	100.00	—	—
DHFL Pramerica Insta Cash Plus Fund (Growth)	11,709.70	2.59	—	—
DHFL Pramerica Ultra Short Term Fund	2,350,994.00	50.00	—	—
DHFL Pramerica Low Duration Fund - Direct Growth	—	—	2,207,154.71	50.00
DSP BlackRock Balanced Fund - Growth	765,331.05	120.00	—	—
DSP BR Small and Mid cap Fund - Growth	1,514,665.94	90.00	—	—
DSP BR Strategic Bond Fund - Instt. Growth	—	—	101,560.63	200.00
DSP BR Strategic Bond Fund - Instt. Monthly Dividend	104,025.33	108.05	103,083.67	107.08
Essel 3 in 1 Fund - Growth	2,531,061.75	45.00	—	—
Essel Large & Midcap Fund - Growth	1,361,521.81	20.00	—	—
Essel Liquid Fund - Direct Plan - Growth	287,667.07	550.00	—	—
Essel Short Term Fund - Monthly Dividend Plan	7,204,296.42	79.83	—	—
Essel Ultra Short Term Fund - Regular Growth	51,559.37	100.00	—	—
Essel Short Term Fund - Quarterly Dividend - Reinvestment	2,066,550.35	23.44	—	—
Franklin India Treasury Management Account - Growth	38,533.25	100.00	20,601.02	50.00
Franklin India Ultra Short Bond Fund - Direct Plan - Growth	4,987,241.02	120.00	2,245,455.19	50.00
HDFC Banking & PSU Debt Fund - Growth	—	—	3,827,663.29	50.00
HDFC Cash Management Fund - Savings Plan - Growth	27,629.64	100.00	—	—
HDFC Cash Management Fund_ Daily Dividend	—	—	47,072.91	50.07
HDFC Prudence Fund - Direct Plan - Growth Option	427,378.54	230.00	—	—
HDFC Top 200 Fund - Growth	—	—	13,618.52	5.00
HSBC Low Duration Fund - Growth	9,486,825.96	150.00	—	—
HSBC Small Cap Equity Fund - Growth	1,482,292.84	100.00	—	—
ICICI Pru Focused Bluechip Equity Fund - Growth	703,647.56	30.00	—	—
ICICI Prudential Balanced Fund - Direct Plan - Growth Option	1,765,193.16	240.00	—	—
ICICI Prudential Income Plan - Regular Growth	—	—	4,134,210.53	216.88
ICICI Prudential Long Term Plan - Qtlly Dividend	9,774,689.33	110.22	9,506,434.72	107.27
ICICI Prudential Regular Income Fund - Direct Growth	2,024,336.16	36.70	—	—
ICICI Prudential Money Market Plan-Direct Growth	60,555.21	13.76	222,262.63	18.36
ICICI Prudential Flexible Income Plan-Direct Growth	—	—	8,067.07	0.92
ICICI Prudential Ultra Short Term Plan-Direct Growth	—	—	207,699.63	1.28
IDBI Liquid Fund - Regular - Growth	53,811.36	100.00	—	—
IDFC Balanced Fund - Direct Plan - Growth Option	21,307,579.16	250.00	—	—
IDFC Cash Fund - Growth	47,466.82	100.00	—	—



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

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

— CURRENT

— INVESTMENTS - TRADE

Description	No. of Units 31.03.2018	Book Value 31.03.2018 (Rs.in Million)	No. of Units 31.03.2017	Book Value 31.03.2017 (Rs.in Million)
IDFC Corporate Bond Fund - Growth	—	—	13,793,092.25	150.00
India Bulls Liquid Fund - Direct Growth	—	—	31,535.03	50.00
Invesco India Growth Fund - Growth	1,264,158.82	45.00	—	—
JM High Liquidity Fund - Growth	2,105,329.64	100.00	—	—
Kotak Classic Equity Scheme - Growth	957,997.97	50.00	—	—
Kotak Income Opportunities Fund - Direct Growth	—	—	2,882,842.90	52.67
Kotak Liquid Fund - Direct Plan - Growth	28,442.49	100.00	—	—
L&T Income Opportunities Fund - Dividend	10,194,523.49	110.13	9,691,880.55	104.62
L&T India Prudence Fund - Growth	4,966,315.93	140.00	—	—
L & T Floating Rate Fund	4,300,982.49	75.00	—	—
LIC MF Savings Plus Fund - Growth	5,442,611.29	150.00	4,107,467.79	100.00
Mahindra Liquid Fund - Direct - Growth	89,001.61	100.00	—	—
Mirae Asset India Opportunities Fund - Growth	989,129.84	50.00	—	—
Peerless 3 in 1 Fund - Direct Growth	—	—	2,464,592.91	41.70
Peerless Flexible Income Fund - Direct Plan - Growth	—	—	7,288,231.20	105.58
Peerless Liquid Fund - Direct Plan - Growth	—	—	325,894.47	583.20
Peerless Short Term Fund - Monthly Dividend	—	—	7,204,296.42	79.83
Peerless Ultra Short Term Fund - Direct Plan - Growth	—	—	102,972.27	187.15
Peerless Equity Fund	—	—	1,158,299.25	24.57
Peerless Liquid Fund - Direct Plan Daily Div.	—	—	54,431.28	97.44
Peerless Long Term Advantage Fund	—	—	250,000.00	2.50
Peerless Midcap Fund	—	—	1,595,772.00	21.96
Peerless Short Term Fund-Quarterly Dividend-Reinvestment	—	—	1,984,271.26	22.56
Principal Balanced Fund - Growth	1,599,676.17	130.00	—	—
Principal Emerging Bluechip Fund - Growth	298,660.51	35.00	—	—
Reliance Growth Fund - Growth Plan - Growth Plan	56,349.69	70.00	67,662.34	60.00
Reliance Income Fund - Growth Plan - Growth Option	—	—	3,777,805.11	200.00
Reliance Regular Savings Fund - Balanced Plan - Direct Plan Growth Option	3,967,749.59	230.00	—	—
Reliance Top 200 Fund - Growth	2,900,721.65	100.00	—	—
Reliance Vision Fund - Growth Plan - Growth Option	204,975.48	125.00	85,860.10	40.00
SBI Savings Fund - Regular Growth	—	—	1,977,808.98	50.00
SBI Savings Fund - Regular Plan - Daily Dividend- Reinvestment	1,034,799.60	10.43	992,984.67	10.01
SBI Magnum Balanced Fund - Direct Plan - Growth Option	1,893,915.76	250.00	—	—
SBI Bluechip Fund - Growth	1,750,860.80	70.00	—	—
Sundaram Money Fund - Direct Plan - Growth	2,733,823.96	100.00	—	—
Tata Balanced Fund - Direct Plan - Growth Option	786,741.96	170.00	—	—
UTI Balanced Fund - Direct Plan - Growth Option	1,418,246.15	250.00	—	—
UTI Liquid Cash Plan - Instt- Growth	35,210.61	100.00	—	—
UTI Short Term Income Fund - Instt. Direct Growth	—	—	5,194,544.53	100.00
TOTAL (II) (A)		6,200.18		3,630.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

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

- NON-CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2018	Book Value 31.03.2018 (Rs.in Million)	No. of Units 31.03.2017	Book Value 31.03.2017 (Rs.in Million)
Indiabulls Liquid Direct Plan Growth (LFG1)	3,201.77	5.00	3201.77	5.00
Essel Large Cap Equity Fund - Growth	8,228,025.90	200.00	—	—
Essel Long Term Advantage Fund - Growth	2,502,667.09	30.00	—	—
Essel Liquid Direct Plan Growth	5,682.57	10.00	—	—
JM High Liquidity (Direct)-Growth Option	228,548.44	10.00	228,548.44	10.00
L&T Equity Fund - Growth	—	—	460,649.01	30.00
Peerless Equity Fund Growth	—	—	7,718,658.13	153.06
Peerless Midcap Fund - Growth	—	—	9,758,350.27	124.04
Peerless Long Term Advantage Fund - Growth	—	—	1,750,000.00	17.50
Kotak Opportunities Fund - Growth - Regular Plan	—	—	867,971.94	80.00
Taurus Liquid Direct Plan- Super Institutional Growth	5,765.49	10.00	5,765.49	10.00
Peerless Liquid Direct Plan Growth	—	—	5,682.57	10.00
Peerless Flexible Income Fund	—	—	9,699.81	0.12
Peerless Income Plus Fund	—	—	329,663.08	5.00
Peerless Liquid Fund	—	—	3,260.11	5.00
Peerless Short Term Fund	—	—	316,842.73	5.00
Peerless Ultra Short Term Fund	—	—	3,231.48	5.00
Peerless 3 in 1 Fund	—	—	90,581.35	1.30
TOTAL (II) (B)		265.00		461.02
TOTAL OF INVESTMENTS IN MUTUAL FUNDS – (II) (A)+(II) (B)		6,465.18		4,091.66

(III)(A) INVESTMENT IN COMMERCIAL PAPER

- CURRENT
- INVESTMENTS - TRADE

Description	No. of Units 31.03.2018	Book Value 31.03.2018 (Rs.in Million)	No. of Units 31.03.2017	Book Value 31.03.2017 (Rs.in Million)
10.25% Commercial Paper of Religare Securities Ltd.	—	—	170.00	159.05
TOTAL (III) (A)		—		159.05



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

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

— CURRENT

— INVESTMENTS - TRADE

Equity & Preference Shares (Quoted) - Fully Paid

Name of the Company	No. of Equity Shares	Face Value per Share	Book Value	No. of Equity Shares	Book Value
	31.03.18	Rs.	31.03.18 (Rs.in Million)	31.03.17	31.03.17 (Rs.in Million)
ACC Limited	9,000	10	13.82	9,175	13.69
Ambuja Cements Limited	-	2	—	2,000	0.40
Asian Paints Limited	3,800	1	3.80	4,700	4.59
Aurobindo Pharma Ltd.	-	1	—	5,000	3.86
Axis Bank Limited	13,650	2	6.92	12,000	6.11
Bank of Rajasthan Ltd.	50	10	0.03	50	0.03
Bajaj Finance Ltd.	2,900	10	4.62	—	—
Bajaj Finance Service Ltd.	3,875	10	18.83	—	—
Castrol India Limited	10,500	5	2.04	3,550	1.39
Cochin Shipyard Ltd.	11,250	5	6.08	—	—
Emami Limited	7,850	1	8.32	13,275	14.66
Essar Shipping Ltd. *	50	10	0.00	50	0.00
FAL Industries Ltd.	9,006	10	0.28	9,006	0.28
Gujarat Ambuja Cements Ltd.	75,750	2	2.15	75,750	2.15
Grasim Industries Ltd.	10,650	2	11.96	—	—
HDFC Bank	13,000	2	20.09	12,500	14.11
HDFC Ltd	11,300	2	16.94	12,000	14.48
Hdfc Standard Life Insurance Ltd.	15,000	2	4.35	—	—
Hero Motor Corp. Ltd.	4,225	5	14.39	7,200	23.85
Hindustan Unilever Ltd.	3,250	5	4.11	—	—
Hindustan Motors Ltd.	3,100	5	0.17	3,100	0.17
ICICI Bank Ltd.	10,525	2	2.68	14,350	4.01
ICICI Prudential Life Insurance Company Ltd	3,000	2	1.11	3,550	1.14
IFCI Ltd.	900	10	0.04	900	0.04
India Cements Ltd. *	150	10	0.00	150	0.00
India Glycols Ltd.	100	10	0.01	16,600	1.53
Infosys Limited	9,000	5	9.21	9,500	9.72
ING Vysya Bank Ltd.	4,769	10	0.77	4,769	0.77
ITC Limited	43,000	1	11.91	7,825	1.63
Jaiprakash Associates Ltd.	450	2	0.01	1,825	0.04
JSW Energy Ltd.	1,000	2	0.08	—	—
Kansai Nerolac Paints Ltd.	6,100	2	2.93	—	—
Kotak Mahindra Bank Ltd	8,200	5	6.07	9,000	6.27
Lakshmi Vilas Bank Ltd.	1,550	10	0.27	1,550	0.27
Larsen & Toubro Ltd.	1,170	2	0.34	1,170	0.34
LUPIN Ltd	20,000	2	30.33	15,000	25.85
Mahanagar Gas Ltd.	12,000	2	12.03	-	-
Maharashtra Seamless Ltd.	2,900	5	0.18	2,900	0.18
Mahindra & Mahindra Limited	21,000	5	14.34	10,000	13.72
Marico Ltd.	6,000	1	1.68	9,500	2.66
Maruti Suzuki Limited	4,350	5	35.27	2,375	12.11
Nagarjuna Fertilisers & Chemicals Ltd. *	300	1	0.00	300	0.00
Pidilite Industries Limited	3,967	1	2.78	10,000	7.00
Reliance Industries Ltd.	2,018	10	0.47	2,018	0.47
Sanghi Industries Ltd.	200	10	0.02	200	0.02
Soma Textile & Industries Ltd.	200	10	0.01	200	0.01
Spentex Industries Ltd.	3,500	10	0.09	3,500	0.09
State Bank of India	78,000	1	2.18	78,000	2.18
SBI Life Insurance Company Ltd	16,750	1	11.47	—	—
Sun Pharmaceutical Industries Limited	18,000	1	13.52	15,300	12.91
Supreme Petrochem Ltd. *	100	10	0.00	100	0.00
Shristi Infrastructure Development Corporation Limited	40	10	0.00	—	—
TATA CAPITAL LTD (8.33% CRPS)	70,000	1,000	70.02	70,000	70.02
Tata Consultancy Limited	5,375	1	13.41	7,825	18.51
Tata Steel Ltd.	225	10	0.03	225	0.03
Tata Motors Ltd.	9,500	2	3.90	—	—
Tech Mahindra Limited	9,250	5	5.06	10,750	6.07
Titan Industries Ltd.	20,750	5	17.75	—	—
The Calcutta Stock Exchange Ltd. *	250	5	0.00	—	—
Ultratech Cement Ltd.	4,936	10	15.37	5,136	15.30
YES Bank Ltd.	39,900	10	11.22	7,000	8.62
SUB TOTAL			435.48		321.27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

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

— CURRENT

— INVESTMENTS - TRADE

Others (Unquoted) - Fully Paid

Name of the Company	No. of Equity Shares 31.03.18	Face Value per Share Rs.	Book Value 31.03.18 (Rs.in Million)	No. of Equity Shares 31.03.17	Book Value 31.03.17 (Rs.in Million)
Allahabad Bank	262	10.00	0.01	262	0.01
Continental Commercial Company Ltd.	15,145	100.00	1.52	15,145	1.52
Ohmtron India Ltd.	500	100.00	0.05	500	0.05
Rajban Sea Food Ltd. *	10	10.00	0.00	10	0.00
Saraswati Engineering Ltd.	600,000	10.00	9.90	600,000	9.90
Travancore Titanium Products Ltd.	192,228	10.00	86.93	192,228	86.93
			98.41		98.41
			533.89		419.68

* The figures represent amounts rounded off to millions

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

— NON-CURRENT

— INVESTMENTS - TRADE

Equity & Preference Shares (Quoted) - Fully Paid

Name of the Company	No. of Shares 31.03.18	Face Value per Share Rs.	Book Value 31.03.18 (Rs.in Million)	No. of Shares 31.03.17	Book Value 31.03.17 (Rs.in Million)
Bank of Baroda	57,250	2	11.09	57,250	11.09
Bharat Heavy Electricals Ltd.	—	2	—	—	—
Coal India Ltd.	15,250	10	5.90	25,775	9.97
Larsen & Toubro Finance Ltd.	7,000	10	0.36	12,475	0.65
Larsen & Toubro Finance Ltd. - Preference Shares - 8.40%	—	10	—	500,000	50.00
Larsen & Toubro Ltd.	51,950	2	57.51	39,750	51.54
LIC Housing Finance Ltd.	38,250	2	20.44	30,625	12.63
Oil & Natural Gas Corporation Ltd.	215,287	5	48.74	215,287	48.74
Punjab National Bank	—	2	—	—	—
Reliance Industries Ltd.	153,500	10	101.71	95,275	100.02
Shristi Infrastructure Development Corporation Ltd.	40	10	0.00	—	—
IRB Infrastructure Developers Ltd.	—	10	—	5,000	1.39
JSW Energy Ltd.	—	10	—	15,987	1.56
State Bank of India	—	1	—	1,000	0.26
MF Utilities India Private Limited - Unquoted	—	10	—	500,000	0.50
Rattaninda Infrastructure Limited	—	2	—	14,750	-
State Bank of India	320,250	1	81.04	359,800	91.07
			326.79		379.42
			860.68		799.10



THE PEERLESS GENERAL FINANCE & INVESTMENT COMPANY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

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

— NON-CURRENT

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value	Book Value	Nominal Value	Book Value
		31.03.2018	31.03.2018	31.03.2017	31.03.2017
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
Hudco Ltd. (Tax Free)	8.51%	300.00	300.00	300.00	300.00
Hudco Ltd. (Tax Free)	7.34%	100.00	100.79	100.00	100.96
Hudco Ltd. (Tax Free)	8.10%	50.00	51.14	50.00	51.43
India Infrastructure Finance Company Limited (Tax Free)	8.16%	250.00	250.00	250.00	250.00
India Infrastructure Finance Company Limited (Tax Free)	7.19%	500.00	489.15	500.00	489.30
Indian Railway Finance Corporation Limited (Tax Free)	8.00%	141.88	140.61	141.88	140.62
Indian Railway Finance Corporation Limited (Tax Free)	7.18%	500.00	483.55	500.00	483.60
Indian Railway Finance Corporation Limited (Tax Free)	8.35%	100.00	100.00	100.00	100.00
Indian Railway Finance Corporation Limited (Tax Free)	8.23%	500.00	500.00	500.00	500.00
National Highways Authority Of India (Tax Free)	8.20%	207.55	208.08	207.56	208.34
National Highways Authority Of India (Tax Free)	8.27%	200.00	200.00	200.00	200.00
National Housing Bank (Tax Free)	8.26%	72.20	72.20	72.19	72.20
National Housing Bank (Tax Free)	6.87%	500.00	460.45	500.00	460.45
Power Finance Corporation (Tax Free)	7.21%	500.00	502.80	500.00	503.40
Power Finance Corporation (Tax Free)	8.20%	250.00	251.10	250.00	251.46
Rural Electrification Corporation Ltd. (Tax Free)	8.18%	500.00	500.17	500.00	500.17
Rural Electrification Corporation Ltd. (Tax Free)	7.21%	350.00	351.54	350.00	351.86
Indian Renewable Energy Development Agency Limited (Tax Free)	7.17%	250.00	249.98	250.00	249.98
Indian Renewable Energy Development Agency Limited (Tax Free)	7.28%	34.06	34.06	34.06	34.08
TOTAL (V) (B)		5,305.69	5,245.63	5,305.69	5,247.85
TOTAL OF INVESTMENT IN BONDS - (VI)(A) + (V)(B)			5,530.28	5,632.50	

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

— CURRENT*

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value	Book Value	Nominal Value	Book Value
		31.03.2018	31.03.2018	31.03.2017	31.03.2017
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
Government Of India Bond 2017	7.49%	—	—	500.00	492.25
Government of India Bond 2033	6.57%	5.00	4.81		
TOTAL (VII)(A)		5.00	4.81	500.00	492.25

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

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

— NON-CURRENT

— INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value	Book Value	Nominal Value	Book Value
		31.03.2018	31.03.2018	31.03.2017	31.03.2017
		(Rs.in Million)	(Rs.in Million)	(Rs.in Million)	(Rs.in Million)
Government Of India Bond 2024	8.40%	450.00	462.12	450.00	464.03
State Development Loans 2024	8.25%	500.00	502.74	500.00	503.15
State Development Loans 2025	7.97%	120.00	122.36	120.00	122.67
State Development Loans 2025	7.99%	350.00	358.90	350.00	360.07
State Development Loans 2025	8.00%	350.00	346.61	350.00	346.61
State Development Loans 2025	8.06%	100.00	99.98	100.00	99.98
State Development Loans 2025	8.07%	100.00	100.08	100.00	100.09
State Development Loans 2025	8.08%	403.84	402.08	403.84	402.08
State Development Loans 2025	8.09%	250.00	250.45	250.00	250.51
State Development Loans 2025	8.10%	150.00	150.13	150.00	150.14
State Development Loans 2025	8.12%	450.00	450.64	450.00	450.72
State Development Loans 2025	8.14%	900.00	901.04	900.00	901.19
State Development Loans 2025	8.15%	450.00	450.53	450.00	450.60
State Development Loans 2025	8.16%	750.00	751.78	750.00	752.02
State Development Loans 2025	8.17%	100.00	100.12	100.00	100.14
State Development Loans 2025	8.18%	50.00	50.13	50.00	50.15
State Development Loans 2025	8.23%	950.00	951.78	950.00	952.02
State Development Loans 2025	8.25%	450.00	450.70	450.00	450.80
State Development Loans 2025	8.27%	1,144.57	1,149.93	1,144.57	1,150.66
State Development Loans 2025	8.28%	650.00	650.57	650.00	650.65
State Development Loans 2025	8.30%	500.00	502.93	500.00	503.32
State Development Loans 2025	8.31%	1,700.00	1,709.77	1,700.00	1,711.10
State Development Loans 2026	7.07%	250.00	250.33	250.00	250.36
State Development Loans 2026	7.08%	350.00	350.17	350.00	350.19
State Development Loans 2026	7.10%	250.00	250.02	250.00	250.02
State Development Loans 2026	7.14%	50.00	50.07	50.00	50.07
State Development Loans 2026	7.18%	50.00	50.60	50.00	50.67
State Development Loans 2026	7.22%	350.00	352.17	350.00	352.42
State Development Loans 2026	7.24%	50.00	50.05	50.00	50.06
State Development Loans 2026	7.25%	250.00	250.21	250.00	250.24
State Development Loans 2026	7.27%	500.00	504.31	500.00	504.81
State Development Loans 2026	7.37%	250.00	253.00	250.00	253.34
State Development Loans 2026	7.61%	50.00	52.32	50.00	52.60
State Development Loans 2026	7.86%	500.00	509.57	500.00	510.73
State Development Loans 2026	8.30%	520.78	521.54	520.78	521.62
State Development Loans 2026	8.38%	180.00	180.06	180.00	180.06
State Development Loans 2026	8.53%	320.00	320.11	320.00	320.12
State Development Loans 2026	8.88%	50.00	50.35	50.00	50.38
State Development Loans 2027	7.14%	1,000.00	1,002.37	1,000.00	1,002.63
State Development Loans 2027	7.16%	50.00	50.11	50.00	50.12
State Development Loans 2027	7.20%	50.00	47.17	—	—
State Development Loans 2027	7.23%	50.00	50.10	—	—
State Development Loans 2027	7.24%	50.00	50.04	—	—
State Development Loans 2027	7.26%	50.00	50.19	—	—
State Development Loans 2027	7.27%	150.00	150.43	—	—
State Development Loans 2027	7.30%	50.00	50.11	—	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

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

- NON-CURRENT
- INVESTMENTS - TRADE

Name of the Company	Description	Nominal Value	Book Value	Nominal Value	Book Value
		31.03.2018 (Rs.in Million)	31.03.2018 (Rs.in Million)	31.03.2017 (Rs.in Million)	31.03.2017 (Rs.in Million)
State Development Loans 2027	7.35%	100.00	100.20	—	—
State Development Loans 2027	7.59%	50.00	50.15	50.00	50.17
State Development Loans 2027	7.61%	100.00	100.30	—	—
State Development Loans 2027	7.62%	250.00	251.08	—	—
State Development Loans 2027	7.64%	350.00	351.04	—	—
State Development Loans 2027	7.65%	150.00	147.24	—	—
State Development Loans 2027	7.68%	50.00	50.18	—	—
State Development Loans 2027	7.70%	50.00	49.45	—	—
State Development Loans 2027	7.73%	50.00	50.22	—	—
State Development Loans 2027	7.76%	50.00	50.19	—	—
State Development Loans 2027	7.82%	50.00	49.97	—	—
State Development Loans 2027	7.92%	100.00	100.44	100.00	100.50
State Development Loans 2028	8.20%	100.00	99.65	—	—
TOTAL (VI) (B)		17,739.19	17,810.87	16,039.19	16,123.84
TOTAL OF INVESTMENT IN GOVT. SECURITIES – (VII)(A)+ (VI) (B) \$			17,815.67		16,616.09

\$ Out of said amount Rs.15,333.83 million (P.Y. Rs.15,339.76 millions) represents Investments earmarked under an escrow account as security amount towards repayment of Liability towards depositors. [Note 4.4]

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

(VIII) (A) INVESTMENT IN RIGHT TO PROPERTY

- CURRENT
- TRADE

Description	Book Value	Book Value
	31.03.2018 (Rs. in Million)	31.03.2017 (Rs. in Million)
Right to Property	242.00	301.22
TOTAL (VIII) (A)	242.00	301.22
TOTAL OF INVESTMENT IN RIGHT TO PROPERTY	242.00	301.22



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

NOTE - 13 (Contd.)

(VII) (B) INVESTMENT PROPERTY

— NON-CURRENT

— INVESTMENT – OTHER THAN TRADE

(Unquoted)

Description	Book Value 31.03.2018 (Rs. in Million)	Book Value 31.03.2017 (Rs. in Million)
Land & Building at Konnagar	107.23	107.23
Less: Accumulated Depreciation	(5.36)	—
TOTAL (VII) (B)	101.87	107.23

During the previous year, the Company had decided to use part of self constructed building at Konnagar for the purpose of earning rental income rather than holding it as part of Inventory of Flats. Accordingly the proportionate cost of construction of building of Rs. 95.95 million and proportionate cost of land of Rs. 11.28 million had been transferred to Investment Property from Inventories - Project Work in Progress.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)			
	<u>31.03.2018</u>		<u>31.03.2017</u>	
NOTE - 14: LONG-TERM LOANS AND ADVANCES				
(Unsecured, unless otherwise stated)				
(Considered good by Management except to the extent provided for)				
Loan secured against mortgage/hypothecation of Properties/ Shares/Vehicles#	8.11		33.67	
Less : Provided for	<u>4.10</u>	4.01	<u>4.10</u>	29.57
House Building Loan [Secured against mortgage of properties]		6.82		10.88
Consumer Durable Loan [Secured against hypothecation of consumer durable items]		0.95		1.89
Personal Loan to Employees		2.25		0.15
Security and Other Sundry Deposits		123.62		100.15
Capital Advance		15.93		6.35
Unsecured loan		22.00		—
Advance Recoverable in cash or in kind or for value to be received				
Advance @\$	37.86		5.27	
Less : Provided for	<u>1.45</u>	36.41	<u>1.65</u>	3.62
Advance Taxes (including Interest Tax, Wealth Tax and Income Tax Deducted at Source) - net of provisions		530.45		518.32
MAT Credit		39.26		39.26
Service Tax Credit		0.02		0.59
Prepaid Expenses		<u>2.28</u>		<u>4.31</u>
TOTAL		<u>784.00</u>		<u>715.09</u>

@ Advance to Related Party of Rs.0.71 million (Prev Year Rs. 0.91 million) which is fully provided for

\$ Includes Rs. 32.76 million (Prev. Year Rs. Nil) receivable from related parties [considered good].

In respect of Loan of Rs. 150.00 million (previous year Rs. 150.00 million) even though written off in previous year considering the prudential norms prescribed by the Reserve Bank of India (RBI), the Company's claim against the same is being vigorously pursued at all forums. Consequential adjustments in this respect will be given effect to on recovery there against.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 15 : OTHER NON-CURRENT ASSETS		
(Unsecured, unless otherwise stated)		
(Considered good by Management except to the extent provided for)		
Receivable from LIC - Gratuity	0.60	—
Accrued Interest on Loan to Employees*	24.53	33.28
Amount Receivable	19.18	19.18
Long Term Trade Receivables	2.43	5.87
Less: Provision	<u>2.43</u>	<u>5.87</u>
Fixed Deposit with Banks @	3.06	3.25
Interest Accrued on Fixed Deposits with Banks	0.01	—
Others	0.39	0.47
TOTAL	<u>47.77</u>	<u>56.18</u>

* Out of above Rs. 24.29 million (Prev. Year Rs. 33.23 million) is also secured against mortgage of properties and hypothecation of consumer durable items.

@ Against Margin money Rs. 1.26 million (Prev Year Rs. 0.75 million)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 16 : INVENTORIES (as valued and certified by management)		
(valued at lower of Cost or Net realisable value)		
Stock-in-Trade of Medicines	16.10	15.42
Stores, Spares and Consumables	<u>22.16</u>	<u>19.27</u>
Inventories - Quoted Shares	1.16	—
Work In Progress	419.92	375.70
Stock of Flats & Commercial Units	<u>201.82</u>	<u>227.95</u>
Project Work in Progress	25.67	25.15
TOTAL	<u>686.83</u>	<u>663.49</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

		(Rs. in Million)		
		<u>31.03.2018</u>		<u>31.03.2017</u>
NOTE - 17 : TRADE RECEIVABLES				
(Unsecured, unless otherwise stated)				
(Considered good by Management except to the extent provided for)				
Considered Good				
Outstanding for Less than Six months @	339.77		258.31	
Outstanding for More than Six months	<u>15.31</u>	355.08	<u>16.33</u>	274.64
Considered Doubtful				
Outstanding for Less than Six months	—		—	
Outstanding for More than Six months	<u>2.07</u>		<u>4.90</u>	
	2.07		4.90	
Less: Provision for Doubtful Debts	<u>2.07</u>		<u>4.90</u>	
		—		—
TOTAL		<u>355.08</u>		<u>274.64</u>

@ Receivable from Related party of Rs. Nil million (Prev. Year Rs. 1.18 million) which is fully provided for

		(Rs. in Million)		
		<u>31.03.2018</u>		<u>31.03.2017</u>
NOTE - 18: CASH AND CASH EQUIVALENTS				
- Cash in hand	24.41		24.75	
- Cheques/Demand Drafts in hand	<u>1.73</u>	26.14	<u>2.14</u>	26.89
Stamps in hand		0.06		0.12
Bank Balance with Scheduled Banks in Current Account [Refer Notes (i) to (iii) below]		336.91		291.12
Bank Balance for Unpaid Dividend		33.50		55.63
Fixed Deposit with Banks [Refer Note (iv) below]		417.47		349.67
TOTAL		<u>814.08</u>		<u>723.43</u>

- (i) Includes Rs. 40.41 million (Prev. Year Rs.29.04 million) kept in an Escrow Bank Account, on account of security towards Aggregate Liability to Depositors (ALD). [Note 4.4]
- (ii) Also Includes Rs. 0.16 million (Prev Year Rs. 0.16 million) received against right issue pending utilisation.
- (iii) Also Includes Rs. 0.44 million (Prev Year Rs. 0.12 million) being money received in respect of DBT Network Project on Brucellosis lying unspent at the year end (Net of advances of Rs. Nil (Prev Year Rs. Nil).
- (iv) Includes Rs. 43.70 million (Prev Year Rs. 44 .70 million) earmarked as lien.

Fixed Deposit with Banks				
Having maturity of less than 3 months		128.50		177.77
Having Maturity of more than 3 months but less than 12 months		<u>288.97</u>		<u>171.90</u>
		<u>417.47</u>		<u>349.67</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

		(Rs. in Million)		
		<u>31.03.2018</u>		<u>31.03.2017</u>
NOTE - 19: SHORT TERM LOANS AND ADVANCES				
LOANS & ADVANCES:				
(Unsecured, unless otherwise stated)				
(Considered good by Management except to the extent provided for)				
Loan secured against mortgage/hypothecation of Properties/Shares/Vehicles	21.95		49.26	
Less : Provided for	<u>6.30</u>	15.65	<u>5.32</u>	43.94
House Building Loan [Secured against mortgage of properties]	4.48		6.61	
Less : Provided for	<u>1.09</u>	3.39	<u>1.15</u>	5.46
Consumer Durable Loan [Secured against hypothecation of consumer durable items]	1.30		1.79	
Less : Provided for	<u>0.20</u>	1.10	<u>0.20</u>	1.59
Personal Loan to Employees	1.08		0.36	
Less : Provided for	<u>—</u>	1.08	<u>—</u>	0.36
Security Deposits		0.20		0.22
Advance Taxes (including Interest Tax, Wealth Tax and Income Tax Deducted at Source) - net of provisions		4.28		25.88
Balance with Government Authority		17.56		301.26
Unsecured loan		50.00		—
Advance Recoverable in cash or in kind or for value to be received				
Advance @	187.52		120.54	
Less : Provided for	<u>0.32</u>	187.20	<u>0.32</u>	120.22
Prepaid Expenses		40.23		41.90
TOTAL		<u>320.69</u>		<u>540.83</u>

@ Includes Rs. 7.61 million (Prev Year Rs. 4.74 million) receivable from related parties, out of which Rs. 0.20 million (Prev Year Rs. 0.20 million) is provided for.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 20: OTHER CURRENT ASSETS		
(Unsecured, unless otherwise stated)		
(Considered good by Management except to the extent provided for)		
Stock of printed matters (at cost-as taken, valued and certified by the Management)	0.09	0.09
Branch and Other Office Adjustments (Net)	0.43	—
Receivable from LIC - Gratuity	13.32	—
Accrued Interest on Investments \$	486.50	518.26
Accrued Interest on Loan to Employees*	3.34	4.40
Amount Receivable	76.40	215.87
Less : Provided for	5.99	154.19
Interest Accrued but not Due	10.49	5.91
TOTAL	<u>584.58</u>	<u>590.34</u>

\$ Out of above, Rs. 278.33 Millions (Prev. Year Rs. 295.73 millions) is on account of interest accrued on Investments earmarked in an Escrow Account on account of security towards Aggregate Liability to Depositors (ALD). - Note [4.4]

* Out of above, Rs. 3.30 million (Prev. Year Rs. 4.29 million) is also secured against mortgage of properties and hypothecation of consumer durable items.

	(Rs. in Million)	
	For the year ended	
	<u>31.03.2018</u>	<u>31.03.2017</u>
NOTE - 21 : REVENUE FROM OPERATIONS		
Interest	1,884.16	2,069.30
Dividend	32.20	79.24
Profit on Sale of Investments	561.16	191.19
Construction Project Income	14.26	48.98
Commission on Insurance Products & Other Financial Products	156.84	198.91
Revenue from Hospital Services & Related Activities	1,873.05	1,668.05
Sale of Services - Hotel Services	468.86	429.56
Brokerage and Securities related Revenue	81.32	97.64
Management Fees and Trusteeship Fees	39.43	72.10
Sale Value of Flats and Commercial Units	27.51	530.45
Other Operating Income	63.38	66.19
TOTAL	<u>5,202.17</u>	<u>5,451.61</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(Rs. in Million)

For the year ended

31.03.2018 **31.03.2017**

NOTE - 22 : OTHER INCOME

Interest - Others	30.96	25.81
Dividend Income	1.34	2.54
Rent	27.88	22.65
Profit on Sale of Fixed Assets	0.48	31.09
Profit on Sale of Investments	18.23	44.31
Service Fees	15.60	6.56
Provisions/Liabilities no longer required written back	207.98	189.32
Government Grants	0.43	1.07
Miscellaneous Income	27.48	23.76
TOTAL	330.38	347.11
a) Interest - Others		
Income Tax Refund	6.05	9.08
Employee Loans	1.40	2.46
Fixed Deposit with Banks	20.63	11.41
On Current Investments	0.29	0.19
Others	2.59	2.67
TOTAL	30.96	25.81
b) Dividend		
Current Investments	1.34	2.54
Long Term Investments	—	—
TOTAL	1.34	2.54
c) Profit on Sale of Investments		
Current Investments	18.55	42.15
Long Term Investments	(0.32)	2.16
TOTAL	18.23	44.31
d) Provisions/Liabilities no longer required written back consists of:		
Diminution in Investments	3.86	127.35
Loans and Advances	157.11	6.54
Liability for Expenses	46.25	55.26
Others	0.76	0.17
TOTAL	207.98	189.32



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	For the year ended	
	31.03.2018	31.03.2017
NOTE - 23 : CHANGES IN INVENTORIES		
Closing Inventories -		
Stock in Trade	16.10	15.42
Stock of Flats and Commercial Units	201.82	227.95
Work-in-Progress	419.92	375.94
Less: Impairment Loss	—	(0.24)
Opening Inventories -		
Stock in Trade	15.42	13.25
Stock of Flats and Commercial Units	227.95	204.88
Work-in-Progress	375.70	308.45
Less: Stock converted into Buildings	—	(0.58)
TOTAL	(18.77)	(93.07)

	(Rs. in Million)	
	For the year ended	
	31.03.2018	31.03.2017
NOTE - 24: EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus and Gratuity etc	1,128.72	1,167.57
Contribution to Provident & Other Funds	88.05	105.33
Staff Amenities & Welfare	66.20	65.28
TOTAL	1,282.97	1,338.18

	(Rs. in Million)	
	For the year ended	
	31.03.2018	31.03.2017
NOTE - 25: FINANCE COSTS		
Interest on Bankoverdraft and borrowings	4.35	11.67
Interest on Service Tax/Others	0.99	1.97
Bank & Finance Charges	0.93	7.83
TOTAL	6.27	21.47

	(Rs. in Million)	
	For the year ended	
	31.03.2018	31.03.2017
NOTE - 26: PROVISION FOR DOUBTFUL DEBTS, RECEIVABLES AND INVESTMENTS		
Provision for Doubtful Debts / Receivables / Claims & Contingencies	7.94	127.91
Provision for Diminution in Value of Investments	150.01	—
Provision for Standard Assets	0.19	—
TOTAL	158.14	127.91

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(Rs. in Million)

For the year ended

	31.03.2018	31.03.2017
NOTE - 27: DEPRECIATION AND AMORTISATION		
Depreciation on Tangible Assets	143.78	166.08
Amortisation on Intangible Assets	10.16	11.55
Depreciation on Investment Property	5.36	—
TOTAL	159.30	177.63

(Rs. in Million)

For the year ended

	31.03.2018	31.03.2017
NOTE - 28: OTHER EXPENSES		
Commission and Incentive	10.11	6.43
Crockeries, Cutleries and Others	2.02	1.77
Linen and Laundry Expenses	4.71	4.45
Expenses on Apartment and Board	21.28	19.56
Commission to Other Directors	6.30	4.38
Directors' Fees	4.76	6.39
Postage and Telephone Charges	20.41	25.99
Charities and Donation	22.79	13.98
Rent	40.80	50.39
Rates & Taxes	35.38	61.68
Insurance	12.38	13.31
Electricity charges	126.33	114.87
Advertisement & Publicity	271.22	131.47
Printing & Stationery Charges	9.82	11.13
Travelling & Transport	32.65	38.53
Data Processing & Machine Accounting Charges	10.33	11.01
Motor Car Upkeep	21.31	22.41
Legal & Professional Charges	259.96	234.92
Software License Charges	—	7.04
Repairs -		
Building	32.78	22.40
Machinery	5.48	3.79
Others	73.06	70.25
Security & Manpower / Contract / Other Cost	91.03	59.44
Corporate Social Responsibility (Note 44)	30.15	36.10
Advances/Branch & Other Adjustments Written Off	162.00	128.11
Marketing Charges and Expenses	2.25	5.87
Service Tax Reimbursement	—	4.94
Payments to Consultants and Doctors	430.34	373.41
Brokerage & Distribution Support	22.76	61.84
Scheme Expenses	6.00	14.41
Loss on Sale of Fixed Assets	0.41	—
Other Expenditure	241.57	198.72
TOTAL	2,010.39	1,758.99



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(Rs. in Million)

	For the year ended	
	31.03.2018	31.03.2017
NOTE - 29: EXCEPTIONAL ITEMS - EXPENSE/(INCOME)		
Profit on Sale of Investment in subsidiaries	(239.83)	—
Employee Separation Expense - Voluntary Retirement Scheme	277.49	—
TOTAL	37.66	—

- i) During the year ended 31.03.2018, the Holding Company has sold off its investment in subsidiaries “Peerless Funds Management Company Limited and Peerless Trust Management Company Limited”. Profit on sale of said investments of Rs. 239.83 million, being the difference between the sale proceeds and the carrying amount of assets less liabilities of the subsidiaries has been credited to Statement of Profit and Loss and the same has been disclosed under exceptional items.
- ii) During the year ended 31.03.2018, the Holding Company has incurred an expense of Rs. 277.49 million (Prev. Year Rs. Nil) in respect of voluntary retirement scheme floated by the Holding Company. The same has been disclosed under exceptional items.

30. In accordance with the Directions issued by the Reserve Bank of India to discontinue its Residuary Non- Banking (RNBC) business in a phased manner, the Company has not accepted any fresh/ new deposits from 1st April 2010 and also stopped accepting any renewals/installments of existing deposits with effect from 1st April 2011. The Company has assets/investments which are sufficient to discharge liabilities towards deposit holders as per the guidelines issued by RBI.

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

31.1 Income Tax – Holding Company

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

In respect of A.Y’s 1987-88 to 2015-16, for certain years, the Company / Department have gone into appeal and the assessments are pending for adjudication at various stages [Gross Demand Rs. 6,700.83 million and Net demand Rs. (425.45) million after adjusting TDS, Advance Tax and refund sanctioned]. Amount of demands presently not determinable have not been included herein.

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

Advance Tax (including Interest Tax & Wealth Tax/Tax deducted at source, net of provisions) amounting to Rs. 530.45 million as shown under Note 14 [Long Term Loans and Advances] of financial statements includes Rs. 177.98 million as Income Tax deducted at source (pertaining to Holding Company) for which credit is yet to be accepted by the Income Tax Department pending verification.

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

31.2 Income Tax – Subsidiary

In respect of various assessment years, the Companies / Department have gone into appeal and the assessments are pending for adjudication at various stages – Amount involved Rs. 27.15 million (PY. Rs. 19.47 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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

Defined Contribution Scheme

Description

Employer’s Contribution to Provident Fund/Pension Fund and Superannuation Fund *	73.04	76.97
--	-------	-------

*excludes employers contribution of 2017-18 Rs. 15.01 million (2016-17 Rs. 28.36 million) on account of insurance scheme for employees.

Defined Benefit Scheme

Obligation in respect of employee’s gratuity fund scheme managed by Life Insurance Corporation of India is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation:

Particulars	(Rs. in Million)	
	2017-18	2016-17
Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:		
Liability at the beginning of the year	433.56	394.83
Interest Cost	28.37	20.10
Current Service Cost	20.52	29.02
Past Service Cost	0.40	-
Actuarial (gain) / loss on obligations	(32.12)	27.24
Benefits paid	(86.37)	(37.63)
Liability at the end of the year	364.36	433.56
Changes in the Fair Value of Plan Asset representing reconciliation of opening and closing balances thereof are as follows:		
Fair value of Plan Assets at the beginning of the year	380.74	346.72
Expected Return on Plan Assets	24.48	24.23
Contributions by the Company	41.38	41.10
Benefits paid	(86.37)	(37.63)
Actuarial gain / (loss) on Plan Assets	(1.26)	6.32
Fair value of Plan Assets at the end of the year	358.97	380.74
Total actuarial gain / (loss) to be Recognized	30.86	(20.92)
Actual return on Plan Assets		
Expected return on Plan assets	24.48	24.23
Actuarial gain / (loss) on Plan Assets	(1.26)	6.32
Actual return on Plan Assets	23.22	30.55
Amount Recognized in Balance Sheet		
Liability at the end of the year	364.36	433.56
Fair value of Plan Assets at the end of the year	358.97	380.74
Amount not Recognized as an asset (Para 59(b) of AS-15)	(0.79)	—
Amount Recognized in the Balance Sheet	6.18	52.82



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	(Rs. in Million)	
	2017-18	2016-17
Expenses Recognized in the Income Statement		
Current Service Cost	20.52	29.02
Interest Cost	28.37	20.10
Expected Return on Plan Assets	(24.48)	(24.23)
Net Actuarial (gain) / loss to be Recognized	(30.86)	20.92
Past Service Cost	0.40	—
Amount not Recognized as an asset (Para 59(b) of AS-15)	(0.79)	—
Expenses Recognized in Profit & Loss Account	(5.26)	45.81
Investment Details of Plan Assets		
- Insurer Managed Fund (100%)	359.35	380.74
Balance Sheet Reconciliation		
Opening Net Liability	52.82	48.11
Expenses as above	(5.26)	45.81
Employers Contribution	(41.38)	(41.10)
Amount Recognized in Balance Sheet	6.18	52.82

	(Rs. in Million)	
	2017-18	2016-17
Experience adjustments on plan liabilities Loss/ (Gain)	9.46	9.46
Experience adjustments on plan Assets (Loss)/Gain	6.34	6.34

Compensated Absences

The obligation for compensated absences is determined based on actuarial valuation using the Projected Unit Credit Method. The actuarial liability of Compensated Absences (unfunded) of the employees of the company as at year end is Rs.132.67 million (Prev Year Rs. 160.88 million)

Principle Actuarial Assumptions as at Balance Sheet date

	As at 31st March 2018	As at 31st March 2017
Discount Rate	6% - 8%	6.75% - 8.25%
Rate of Return on Plan Assets	7% - 8.5%	7.5% - 9%
Salary Escalation Rate	5% - 8%	5% - 8%
Retirement Age	58 years	58 years

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

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

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

34. Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006"

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(the Act). There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance sheet date. Relevant disclosures as required under the Act are as follows:

(Rs. in Million)

Particulars	As at	As at
	31.03.2018	31.03.2017
a) i. Principal amount remaining unpaid to supplier under the MSMED Act 2006	0.17	0.38
ii. Interest on a) (i) above	Nil	Nil
b) i. Amount of Principal paid beyond the appointed date	Nil	Nil
ii. Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	Nil	Nil
c) Amount of Interest due and payable for the period of delay in making payment, but without adding the interest specified under section 16 of the said Act	Nil	Nil
d) Amount of Interest accrued and due	Nil	Nil
e) Amount of further interest remaining due and payable even in succeeding years	Nil	Nil

35. Contingent Liability :

(Rs. in Million)

	As at	As at
	31.03.2018	31.03.2017
i. Claims against the Company [Group] not acknowledged as debts (to the extent ascertained from the available records)		
• ESI Matters (subjudice)	246.22	246.22
• Other Matters (including those pending before consumer forums)	114.96	92.26
ii. Service Tax matters (under dispute)	68.55	59.50
iii. Custom Duty matters (under dispute)	115.40	115.40
iv. Direct Tax matters (refer note 31 above)		
Holding Company - Amount not determinable	—	—
Subsidiary Companies -	27.15	19.47

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

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

(Rs. in Million)

Particulars	As at	As at
	31.03.2018	31.03.2017
Capital Commitment	199.75	2.75

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

(Rs. in Million)

Particulars	For the	For the
	year ended	year ended
	31.03.2018	31.03.2017
Statutory Audit	5.52	5.33
Certification, Out of pocket Expenses, etc.	5.13	5.26



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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

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

Associate/Group Enterprises

Kaizen Hotels & Resorts Ltd. (earlier known as Hotel Durgapur International)
Kaizen Leisure & Holidays Ltd. (earlier known as Kaizen Leisure & Holidays Pvt. Ltd)
Bichitra Holdings Private Ltd.
Shikha Holdings Private Ltd.
Peerless Mutual Fund (managed by Peerless Funds Management Company Ltd – upto September 21, 2017)
Bengal Peerless Housing Development Co. Ltd
B.K. Roy Foundation

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

KMP of Holding Company

Mr. S K Roy - Managing Director
Mr. B. Lahiri - Deputy Managing Director
Mr. A. K. Mukhuty – Chief Financial Officer
Mr. K. Balasubramanian – Company Secretary
Mr. T.K Roy - Relative of Managing Director
Mrs. Shikha Roy - Relative of Managing Director
Mrs. Debasree Roy – Relative of Managing Director
Mr. Jayanta Roy – Relative of Managing Director

KMP of Subsidiary Companies/Joint Venture

Mr. Kunal Sen - Executive Director
Mr. Dilip Samadar - Managing Director
Dr. Sujit Kar Purkayastha - Managing Director
Mr. Jitendra Panda - Managing Director & Chief Executive Officer
Mr. Rajiv Shastri – Managing Director & Chief Executive Officer (upto September 21, 2017)
Mr. Atul Kumar Bajpai - Wholetime Director
Mr. Ram Gopal Agarwal Chief Financial Officer (w.e.f 07.04.2017)
Mr. Sudama Ram-Managing Director and Chief Executive Officer.(upto 4th July 2016)
Mr. Abhishek Tantia - Managing Director and Chief Executive Officer (w.e.f 02nd January 2017)
Mr. Biswajit Das – Company Secretary & Chief Compliance Officer
Mr. S. Swaminathan – Chief Financial Officer (upto September 21, 2017)
Mr. Subhabrata Talukdar - Company Secretary cum Legal & Compliance Officer
Mr. Manoj Kumar Bajoria – Company Secretary (upto September 21, 2017)
Mr. Dinesh Mourya, Company Secretary (upto 14th June 2016)
Mr. Rahul Harsh, Company Secretary (w.e.f 09th January 2017)
Mrs. Samadrita Chakravarty, Chief Financial Officer
Mr. Ketan Sengupta, Chief Executive Officer
Mr. Sankar Kumar Saha, Chief Financial Officer
Mr. Ayan Sengupta, Company Secretary and Compliance Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

c) The Company's related party transactions during the Year and outstanding balances as at 31st March, 2018 are annexed here with:
(Rs. in Million)

Sl. No.	Nature of transaction	Associates/ Group Enterprises	Key Management Personnel/ Relatives	Grand Total
1.	EXPENSES			
	Receiving of Services/ Reimbursement of Expenses *	25.45	—	25.45
	Previous Year	14.86	—	14.86
	Remuneration @	—	108.01	108.01
	Previous Year	—	121.84	121.84
	Sitting Fees to Directors	—	1.38	1.38
	Previous Year	—	0.22	0.22
	Commission to Other Directors	—	51.00	51.00
	Previous Year	—	29.47	29.47
	Rent Expense	—	—	—
	Previous Year	—	—	—
	Dividend	45.80	54.92	100.72
	Previous Year	35.63	42.72	78.35
	Total	71.25	215.31	286.56
	Previous Year Total	50.49	194.25	244.74
2	INCOME			
	Rendering of Services/ Reimbursement of Expenses	1.45	—	1.45
	Previous Year	86.93	—	86.93
	Interest Received	—	—	—
	Previous Year	0.33	—	0.33
	Rental Income	—	—	—
	Previous Year	—	—	—
	Dividend on Preference / Equity Shares / Mutual fund	2.12	—	2.12
	Previous Year	26.61	—	26.61
	Profit on sale of Units of Mutual fund	32.75	—	32.75
	Previous Year	71.26	—	71.26
	Total	36.31	—	36.31
	Previous Year Total	185.13	—	185.13
3	ASSETS			
	Amounts Receivable / Advance	41.08	—	41.08
	Previous Year	6.82	0.13	6.95
	INVESTMENTS			
	Schemes of Mutual Fund	—	—	—
	Previous Year	1,397.25	—	1,397.25
	Total	41.08	—	41.09
	Previous Year Total	1,404.07	0.13	1,404.20
4	LIABILITY			
	Amounts Payable / Advance / Security Deposit / Earnest Money	0.95	51.00	51.95
	Previous Year	0.10	29.47	29.57
	Provisions for Doubtful Debts	0.91	—	0.91
	Previous Year	1.11	—	1.11
	Total	1.86	51.00	52.86
	Previous Year Total	1.21	29.47	30.68
5	TRANSACTIONS			
	Investment in Schemes of Mutual Fund	3,470.59	—	3,470.59
	Previous Year	11,230.12	—	11,230.12
	Redemption of Schemes of Mutual Fund	3,188.64	—	3,188.64
	Previous Year	11,389.77	—	11,389.77



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

39. The breakup of Deferred Tax Liabilities are as under:

(Rs. in Million)

Description	Opening as at 01.04.2017	Charge or (Credit) for the year ended 31.03.2018	Closing as at 31.03.2018
Deferred Tax Assets			
Expenses allowed on payment basis	60.82	47.79	13.03
Other Provisions	8.68	7.82	0.86
Deferred Tax Liability			
Depreciation	(113.86)	(53.68)	(60.18)
Net Deferred Tax Asset/(Liability)	(44.36)	1.93	(46.29)

The breakup of Deferred Tax Assets are as under:

(Rs. in Million)

Description	Opening as at 01.04.2017	Charge or (Credit) for the year ended 31.03.2018	Closing as at 31.03.2018
Deferred Tax Assets			
Expenses allowed on payment basis	7.19	(22.43)	29.62
Employee Separation Expense – VRS		(64.64)	64.64
Provisions	45.34	1.63	43.71
Deferred Tax Liability			
Depreciation	9.30	38.66	(29.36)
Net Deferred Tax Asset/(Liability)	61.83	(46.78)	108.61

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

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
a) Profit attributable to Equity Shareholders – (Rs. in million)	1,032.28	1,193.58
b) Basic and weighted average number of Equity Shares outstanding during the year	33,15,584	33,15,584
c) Nominal value per/of Equity Share	Rs. 100	Rs. 100
d) Basic and Diluted EPS	Rs. 311.34	Rs. 359.99

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The disclosure as per AS – 17 as below for 2017-18 :

(Rs. in Million)

Sr No.	Particulars	RNBC & allied activities	Broking & Security Trading	Hospital Business	Hotels	Financing - Lending	Construction & Development of Properties	Financial Products Distribution	Others	Total
I	Revenue									
	Revenue from Operations	2,453.96	96.71	1,916.51	477.15	42.61	58.68	156.75	39.43	5,241.80
	Less: Intergroup Revenue									39.63
	Total (A)	2,453.96	96.71	1,916.51	477.15	42.61	58.68	156.75	39.43	5,202.17
	Other Income	284.48	13.27	30.90	7.26	1.57	24.60	5.04	16.63	383.75
	Less: Intergroup Revenue									53.37
	Total (B)	284.48	13.27	30.90	7.26	1.57	24.60	5.04	16.63	330.38
	Total Income (A + B)	2,738.44	109.98	1,947.41	484.41	44.18	83.28	161.79	56.06	5,532.55
	Expenses									
	Less: Intergroup expenses	1,701.77	108.86	1,724.03	426.22	17.87	77.64	213.96	101.06	4,371.41
Total Expense	1,701.77	108.86	1,724.03	426.22	17.87	77.64	213.96	101.06	4,248.65	
II	Segment Results before Tax	1,036.67	1.12	223.38	58.19	26.31	5.64	(52.17)	(45.00)	1,283.90
	Provision for Current Tax	—	—	—	—	—	—	—	—	286.10
	Provision for Tax of Earlier Years	—	—	—	—	—	—	—	—	—
	Deferred Tax	—	—	—	—	—	—	—	—	—
	MAT Credit	—	—	—	—	—	—	—	—	(44.85)
	Profit After Tax before adjusting Change in Policy	1,036.67	1.12	223.38	58.19	26.31	5.64	(52.17)	(45.00)	1,042.65
	Add: Share of (Profit)/Loss transferred to minority	—	—	—	—	—	—	—	—	(10.37)
	Profit After Tax after adjusting minority interest	1,036.67	1.12	223.38	58.19	26.31	5.64	(52.17)	(45.00)	1,032.28
	Other Information									
	Segment Assets	34,401.99	309.17	793.12	912.75	514.25	1,276.75	117.10	—	38,325.13
Less: Intergroup Assets									2,354.92	
Total Assets	34,401.99	309.17	793.12	912.75	514.25	1,276.75	117.10	—	35,970.21	
Segment Liabilities	15,920.08	106.08	400.37	88.53	1.73	596.20	67.32	—	17,180.31	
Less: Intergroup Liabilities									108.91	
Total Liabilities	15,920.08	106.08	400.37	88.53	1.73	596.20	67.32	—	17,071.40	
Net Assets	18,481.91	203.09	392.75	824.22	512.52	680.55	49.78	—	18,898.81	
Depreciation	38.36	1.77	58.64	51.79	2.38	2.09	3.59	0.68	159.30	
Capital Expenditure	28.36	1.19	51.75	22.26	0.38	2.60	2.17	0.13	108.84	
Non-Cash Expenditure	312.64	3.40	13.38	2.92	1.19	1.49	—	—	335.02	

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The disclosure as per AS – 17 as below for 2016-17 :

(Rs. in Million)

Sr No.	Particulars	RNBC & allied activities	Broking & Security Trading	Hospital Business	Hotels	Financing - Lending	Construction & Development of Properties	Financial Products Distribution	Others	Total
I	Revenue									
	Revenue from Operations	2,313.94	100.71	1,709.87	430.65	57.44	620.25	198.85	72.10	5,503.81
	Less: Intergroup Revenue									52.20
	Total (A)	2,313.94	100.71	1,709.87	430.65	57.44	620.25	198.85	72.10	5,451.61
	Other Income	218.62	11.34	18.02	4.80	0.42	16.12	71.30	53.77	394.39
	Less: Intergroup Revenue									47.28
	Total (B)	218.62	11.34	18.02	4.80	0.42	16.12	71.30	53.77	347.11
	Total Income (A + B)	2,532.56	112.05	1,727.89	435.45	57.86	636.37	270.15	125.87	5,798.72
	Expenses	1,687.10	109.38	1,551.63	428.02	135.55	433.11	238.55	211.42	4,794.76
	Less: Intergroup expenses									638.00
Total Expense	1,687.10	109.38	1,551.63	428.02	135.55	433.11	238.55	211.42	4,156.76	
II	Segment Results before Tax	845.46	2.67	176.26	7.43	(77.69)	203.26	31.60	(85.55)	1,641.96
	Provision for Current Tax	—	—	—	—	—	—	—	—	494.01
	Provision for Tax of Earlier Years	—	—	—	—	—	—	—	—	(1.04)
	Deferred Tax	—	—	—	—	—	—	—	—	(7.48)
	MAT Credit	—	—	—	—	—	—	—	—	(32.66)
Profit After Tax before adjusting Change in Policy	845.46	2.67	176.26	7.43	(77.69)	203.26	31.60	(85.55)	1,189.13	
Add: Share of (Profit)/Loss transferred to minority	—	—	—	—	—	—	—	—	—	4.45
Profit After Tax after adjusting minority interest	845.46	2.67	176.26	7.43	(77.69)	203.26	31.60	(85.55)	1,193.58	
III	Other Information									
	Segment Assets	33,324.08	284.48	597.66	927.44	495.47	1,269.24	161.99	460.51	37,520.87
	Less: Intergroup Assets	—	—	—	—	—	—	—	—	2,329.50
	Total Assets	33,324.08	284.48	597.66	927.44	495.47	1,269.24	161.99	460.51	35,191.37
	Segment Liabilities	16,037.57	82.17	354.05	131.85	5.41	559.27	60.04	27.49	17,257.85
	Less: Intergroup Liabilities	—	—	—	—	—	—	—	—	104.51
	Total Liabilities	16,037.57	82.17	354.05	131.85	5.41	559.27	60.04	27.49	17,153.34
Net Assets	17,286.51	202.31	243.61	795.59	490.06	709.97	101.95	433.02	18,038.03	
Depreciation	24.57	2.20	67.43	69.05	1.59	1.56	9.18	2.05	177.63	
Capital Expenditure	17.01	0.56	59.24	12.21	9.87	3.81	0.92	2.28	105.90	
Non-Cash Expenditure	45.33	10.84	8.41	1.56	121.36	166.26	—	0.25	354.01	

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

42. The Company's significant leasing arrangements (both as a lessor and lessee) are in respect of operating leases for premises. These leasing arrangements which are not non-cancellable relate to the period between 3 to 10 years and are usually renewable by mutual consent on mutual agreeable terms. The aggregate lease rentals amounting to Rs. 40.80 million (Prev Year Rs. 50.39 million) have been charged as rent under Note 28 of Financial Statements. Rs. 0.53 million (Prev Year Rs. 0.52 million) have been recognized as sub-lease rentals [forming part of Rental Income in Note 22] received in respect of these leases.

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

(Rs. in Million)

Description of Assets given on lease	Gross Block as on 31.03.2018	Accumulated Depreciation as on 31.03.2018	Depreciation for the year ended 31.03.2018
Buildings*	377.95	304.28	3.82
Previous Year	(375.63)	(298.86)	(4.28)

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

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

(Rs. in Million)

Particulars	As at 31 March 2018		As at 31 March 2017	
	Provision for Standard Assets	Provision for Expenses	Provision for Standard Assets	Provision for Expenses
Opening Provision	1.16	7.51	1.69	7.98
Add: Amount provided for during the year	0.19	2.67	0.52	1.45
Less: Adjusted/Paid during the year	0.13	1.60	1.05	1.92
Closing balance	1.19	8.58	1.16	7.51

44. As per provisions of the Companies Act, 2013 the Company [Holding Company, two of the subsidiaries and jointly controlled entity] has during the year incurred expenditure relating to CSR activities amounting to Rs. 30.15 million (Prev Year Rs. 36.10 million) and the same is reflected under Other Expenses in Note 28. The Company [Holding Company, two of the subsidiaries and jointly controlled entity] was to spend Rs. 31.05 million (Prev Year Rs. 31.90 million).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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

As on 31st March, 2018

Name of Entity	Net Assets i.e. total assets minus total liabilities		Share in P & L	
	As a % of consolidated net assets	Amount (Rs. in Million)	As a % of consolidated P & L	Amount (Rs. in Million)
Parent Company				
The Peerless General Finance & Investment Company Limited	95.53%	18,053.91	82.09%	847.60
Subsidiary Companies				
Peerless Securities Limited	1.05%	198.10	0.08%	0.80
Peerless Financial Products Distribution Limited	0.26%	49.78	(5.05%)	(52.17)
Peerless Hotels Limited	4.36%	823.88	3.86%	39.57
Peerless Hospitex Hospital & Research Center Limited	2.03%	383.37	14.41%	148.81
Peerless Financial Services Limited	2.55%	482.31	2.17%	22.44
Peerless Funds Management Limited	—	—	—	—
Peerless Trust Management Limited	—	—	—	—
Minority Interest in all Companies	0.24%	44.94	(1.00%)	(10.37)
Joint Venture				
Bengal Peerless Housing Development Co. Limited	3.18%	601.96	0.52%	5.37
Eliminations	(9.20%)	(1,739.44)	2.92%	30.23
Total	100%	18,898.81	100%	1,032.28

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

As on 31st March, 2017

Name of Entity	Net Assets i.e. total assets minus total liabilities		Share in P & L	
	As a % of consolidated net assets	Amount (Rs. in Million)	As a % of consolidated P & L	Amount (Rs. in Million)
Parent Company				
The Peerless General Finance & Investment Company Limited	96.37%	17,384.02	44.86%	535.42
Subsidiary Companies				
Peerless Securities Limited	1.09%	197.33	(0.04%)	(0.42)
Peerless Financial Products Distribution Limited	0.41%	73.06	2.65%	31.60
Peerless Hotels Limited	4.41%	795.27	0.41%	4.95
Peerless Hospitex Hospital & Research Center Limited	1.35%	243.25	11.47%	136.94
Peerless Financial Services Limited	2.72%	490.06	(6.83%)	(81.54)
Peerless Funds Management Limited	2.28%	410.82	(7.04%)	(84.00)
Peerless Trust Management Limited	0.12%	22.18	(0.13%)	(1.58)
Minority Interest in all Companies	0.18%	34.57	0.37%	4.45
Joint Venture				
Bengal Peerless Housing Development Co. Limited	3.40%	612.46	9.15%	109.24
Eliminations	(12.33%)	(2,224.99)	45.13%	538.52
Total	100%	18,038.03	100%	1,193.58

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

Signature to Notes 1 to 46

As per our Report of even date

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

(S. M. Chitale)

Partner

M. No. 111383

Place : Kolkata

Dated : 13th August, 2018

K. Balasubramanian
Company Secretary

Asoke Kumar Mukhuty
Chief Financial Officer

For and on behalf of the Board

Susim Mukul Datta

Sunil Kanti Roy

Bhargab Lahiri

Deepak Mukerjee

Chairman

Managing Director

Dy. Managing Director

Director



INDEPENDENT AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated Financial Statements of The Peerless General Finance & Investment Company Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") and a Jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated Cash Flows of the group including a jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards Specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group and the jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective companies and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

4. a) Provision for Taxation and matters pending finalisation including those pending resolution, as per Note 31.1 of Consolidated Financial Statements, effect whereof including on the provisions with respect to these and on the refunds granted to the Company, as such being not determinable.

- b) Note 33 of Consolidated Financial Statements regarding non-transfer/ disclosure of unclaimed deposit to Investor Education and Protection Fund based on the legal opinion received by the Company; the matter being subjudice and legal, reliance has been placed by us on the said opinion.
- c) The Company has furnished the requisite statements, returns, information or particulars required to be furnished to RBI and has complied with the directions/ directives issued by RBI. The aggregate amount of total deposits outstanding as per accounting policies followed by the Company as at the last date of year ended i.e., 31st March 2018 as reflected in Note No. 4.1 includes liability for unclaimed/ unpaid deposits and adjustments thereagainst, as specified in Note No. 4.2, 4.3 and 4.4.
- d) The impact of the items in para 4 (a) to 4 (c) above and compliance /impact with/on legal and other requirements has not been ascertained and accordingly the comments on the adjustments, compliances with respect to these cannot be made.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph [para 4], the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
 - a) In case of the Consolidated Balance Sheet, of the Consolidated state of affairs of the Group as at 31st March, 2018,
 - b) In case of the Consolidated Statement of Profit and Loss, of the Consolidated profit for the year ended on that date and
 - c) In case of Consolidated Cash Flow Statements, of the Consolidated cash flows for the year ended on that date.

Other Matters

6. a) We did not audit the Financial Statements / Financial information of three subsidiary companies and one jointly controlled entity, whose Financial Statements reflect total assets of Rs. 3,015.52 million as at March 31, 2018, total revenue of Rs. 2,594.83 million and net cash inflow amounting to Rs. 7.95 million for the year then ended, as considered in the Consolidated Financial Statements. These Financial Statements/Financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the report of the other auditors.

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

Report on Other Legal and Regulatory Requirements

7. During the course of our examination of books of account of Holding Company, certain matters noticed by us are to be reported to RBI as at year end by a separate report dealing with matters which includes non-fulfillment of certain procedural aspects of normal business operations in branches. As informed, the above matters are being closely monitored by the management and steps are being taken for ensuring compliances.
8. As required under provisions of section 143(3) of the Act, except for the points described in the Basis for Qualified Opinion paragraph and based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of subsidiaries and a jointly controlled entity as noted in 'Other Matter' paragraph we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.



- b) In our opinion, proper books of account as required by law relating to preparation of the Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the preparation of Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Account) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2018 and taken on record by the Board of Directors of the Holding company and according to the report of the statutory auditors of its Subsidiary Companies and Jointly controlled entity, none of the directors are disqualified as on 31st March, 2018, from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the jointly controlled entity and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A' and
 - g) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the companies (Audit and Auditors) Rules 2014, in our opinion and to the best of the information and according to the explanation given to us and based on the consideration of the report of the other auditors on separate financial statements of subsidiary companies and jointly controlled entity as noted in 'Other Matter' paragraph :
 - i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and Jointly controlled entity to the extent determinable/ascertainable and its jointly controlled entity (Refer Note 31.1, 31.2, 33 and 35 to the Consolidated Financial Statements).
 - ii) The Group and Jointly controlled entity did not have any long term contract for which there was any material foreseeable losses and therefore is not required to make any provision, as required under the applicable law or accounting standards.
 - iii) Except to the extent mentioned in Basis of qualified opinion in para 4 (b) relating to a subjudice matter of non-transfer of amounts to Investor Education and Protection fund, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and Jointly controlled entity.
9. In case of a Subsidiary (Peerless Securities Limited), proper books of accounts and records as specified in rule 15 of the Securities Contract (Regulation) Rules 1957 have been kept so far as appears from examination of such books.
10. In case of a Subsidiary (Peerless Securities Limited), the Company has complied with the requirements of the Stock Exchanges so far as they relate to maintenance of accounts and was regular in submitting the required accounting information to the Stock Exchanges.

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

S. M. Chitale
Partner
Membership No. 111383

Place : Kolkata

Dated : 13th August, 2018.

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

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

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of The Peerless General Finance and Investment Company Limited ("the Holding Company") and its subsidiary companies, and jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

4. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable



detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

6. In our opinion, the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies and jointly controlled entity considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

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

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

S. M. Chitale
Partner
Membership No. 111383

Place : Kolkata
Dated : 13th August, 2018.

Standalone Key Financials								
Eight Years at a Glance								
(Rs. In Million)								
Year Ended on 31st March	2011	2012	2013	2014	2015	2016	2017	2018
Aggregate Liability to Depositors	26214	21313	18372	16609	15704	15585	15518	15494
Investments	39027	33834	31988	30992	30760	30905	31589	32281
Yield (in %)	8.34	7.97	8.11	7.88	7.95	7.61	7.71	7.67
Capital Adequacy Ratio (in %) (Required minimum = 12%)	114.00	111.00	98.98	80.07	86.13	102.95	110.41	117.43
Income	4250	3310	3129	2747	2678	2736	2584	2754
Profit before Tax	1918	1658	1682	1485	1472	1224	858	986
Profit after Tax	1302	1089	1188	1043	1107	855	535	848
Dividend (in %)	70	70	80	80	90	70	80	100
Earnings Per Share (in Rs.)	392.62	328.43	358.44	314.76	333.77	257.73	161.49	255.64