

Peerless Hotels Limited  
Annual Report & Accounts  
2015 - 16

# PEERLESS HOTELS LIMITED

## 26th ANNUAL REPORT 2015-2016

### BOARD OF DIRECTORS

Mr. S. K. Roy  
Mr. S. Balasubramanian (*Independent Director*)  
Mr. B. Lahiri  
Mr. R. Gujral  
Mr. N. Saha (*Independent Director*)  
Mr. J. Roy  
Mr. P. P. Ray  
Mr. S. Bhattacharyya  
Mr. K. Sen

### CHAIRMAN

Mr. Sunil Kanti Roy

### EXECUTIVE DIRECTOR

Mr. Kunal Sen

### COMPANY SECRETARY

Mr. Surajit Sen

### AUDITORS

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

### BANKERS

Standard Chartered Bank  
Union Bank of India  
HDFC Bank  
State Bank of India  
Syndicate Bank  
Axis Bank  
HSBC

### CORPORATE & REGISTERED OFFICE

12, J. L. Nehru Road  
Kolkata 700 013  
Tel : +91-33-44003900  
Fax : +91-33-22288853  
E-mail : [cs@peerlesshotels.com](mailto:cs@peerlesshotels.com)  
Website : [www.peerlesshotels.com](http://www.peerlesshotels.com)

Corporate Identity No. :  
U55101WB1990PLC049988

**DIRECTORS' REPORT****TO THE MEMBERS**

Your Directors have pleasure in presenting the 26th Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2016.

**FINANCIAL RESULTS**

Summary of the financial results for the year 2015-16 and the comparative figures of the previous year, are given below:

	<b>31.03.2016</b>	31.03.2015
	<b>(₹ in crores)</b>	(₹ in crores)
Sales & Other Income	<b>37.61</b>	34.27
Profit before Depreciation and Tax	<b>6.01</b>	6.39
Less: Depreciation for the year	<b>3.46</b>	1.11
Profit before Tax	<b>2.55</b>	5.28
Current Tax	<b>0.05</b>	0.84
Deferred Tax	<b>0.59</b>	0.18
Income Tax for earlier years	—	0.03
Profit after Tax	<b>1.90</b>	4.23
<b>Appropriation :</b>		
Proposed Dividend	<b>0.82</b>	1.37
Provision for Tax on Dividend	<b>0.16</b>	0.28
General Reserve	<b>0.80</b>	2.00
Profit after Appropriation	<b>0.12</b>	0.58
Balance Brought Forward from Previous Year	<b>10.74</b>	10.16
Balance Carried Forward to Balance Sheet	<b>10.86</b>	10.74
E.P.S. (₹)	<b>4.16</b>	9.24

**FINANCIAL PERFORMANCE**

The Total Revenue of the Company increased by 9.8% over the previous year inspite of constrained market situations. The Room Revenue at Peerless Inn, Kolkata and Peerless Sarovar Portico, Port Blair together increased by more than 10% during the year. The Profit Before Tax for the year ended 31st March 2016 decreased by ₹ 273.07 lacs as compared to that of the previous year. This was mainly the effect of increased depreciation of ₹ 235.66 lacs on the assets of PIK Tower being charged for the full year in comparison to two months in the previous year on becoming operational and also on the assets of newly acquired Hyderabad Property, becoming operational from mid October of this financial year. The Finance Costs charged to Revenue during the year also increased by ₹ 51.36 lacs as compared to that of the previous year, due to the same reason as mentioned above. A sum of ₹ 80 lacs has been transferred to General Reserve and the accumulated balance in the said account as on March 31, 2016 would stand ₹ 2920.84 lacs.

**FUTURE OUTLOOK & INDUSTRY DEVELOPMENTS**

Inspite of the ups and downs in 2015-16, your Company has been able to perform reasonably well with great support from all the stakeholders. This year has been memorable as we have acquired a Hotel in Hyderabad which is in full operation in the heart of Hi-Tech City, Gachibowli.

Various Survey Reports has categorically mentioned that India has emerged as one of the stars of the otherwise modestly growing world economy. India has been the fastest growing economy among the BRICS nations. 2014-15 and 2015-16 were certainly challenging year for the industry on account of the global & domestic slowdown which has been witnessed in hotel occupancy and average room rates. The situation is aggravated by supplies of more keys in Rajarhat and Salt Lake, Sector V which in turn has led to severe competition and reduction in room rent. In a tough macro economics environment marked by inflation, high interest rates, high rates of taxes, currency volatility & a tepid demand scenario, hotel companies have prioritized realignment of their cost structures, optimizing operation efficiencies and adopting flexible business modules.

## PEERLESS HOTELS LIMITED

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As we continue to expand and grow, we are emphasizing our focus on our existing services. In fact, we have been continuously upgrading and strengthening our processes to provide more value driven services which in turn have rewarded us with many new clients and patrons. Renovation has been key to success and we constantly focus on upgrading our products from time to time to give our guests the flavour of improved services and experience.

### CHANGE IN NET WORTH

The Net Worth of the Company as on 31st March 2016 was ₹ 8205.45 lacs as compared to ₹ 8113.47 lacs as on 31st March 2015.

### PURI PROJECT

As part of expansion drive your Company had purchased land at Puri. The Company is not in a position to proceed on the Project on account of various hurdles.

### DIVIDEND

Your Directors are pleased to recommend a Dividend of 18% (₹ 1.80 per Equity Share of ₹ 10 each) 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 ₹ 0.98 Crores.

### EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 ("the Act") and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is annexed as **Annexure 1**

### PARTICULARS OF LOAN, GUARANTEE AND INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions with related parties have been entered into an arms' 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 the related parties were entered into during the year under review. Accordingly, the disclosures of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC2 is not applicable.

Details of the transactions with related parties are provided in the accompanying financial statements.

### MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes or commitment affecting the financial position of the Company which have occurred between 31st March 2016 and the date of this report.

### RISK MANAGEMENT POLICY

We have developed a Risk Management Policy specifying the process of identifying risk as High, Medium and Low. We have also developed a Risk Register which helps us in managing risk in an expeditious and efficient manner. We conduct meetings of Risk Management Committee at periodic intervals.

### INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the designs or operations were observed. The Auditors also checked and found the said controls are in order.

## BOARD MEETINGS AND BOARD COMMITTEES

### Details of Board Meetings

During the year, Five Board Meetings were held, details of which are given below:

Date of the Meeting	No. of Directors attended the meeting
18-05-2015	Nine (09)
15-07-2015	Nine (09)
11-09-2015	Eight (08)
16-12-2015	Seven (07)
22-03-2016	Seven (07)

### COMMITTEES OF THE BOARD

To ensure better, systematic and more focussed attention on the business and affairs of the Company, the Board delegates different aspects of business to the designated Committees of the Board. The Terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Committee are convened by the respective Committee Chairman. Signed Minutes of the Committee meetings are placed for the information of the Board.

Currently, the Board has the following Four Committees:

- Audit Committee
- Tender Committee
- Nomination and Remuneration Committee
- CSR Committee

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

#### 1. Audit Committee

The Terms of Reference of Audit Committee includes review of draft accounts prior to consideration by the Board of Directors, approval of annual internal audit plan, review of financial reporting systems, the Scope of Work of Internal Auditors and recommendation for appointment of Statutory and Internal Auditors.

##### Composition:

Audit Committee comprises of six Directors including three Non Executive Directors, two Independent Directors and one Executive Director. Mr. Niranjana Saha (Independent Director) is the Chairman and Mr. Bhargab Lahiri, Mr. Sundaram Balasubramanian (Independent Director), Mr. Rajiv Gujral, Mr. Samar Bhattacharyya and Mr. Kunal Sen are the Members of this Committee. Senior Officials of Finance & Accounts Department, Corporate Development Department, the Representative of Operators and the Internal Auditors are the Special Invitees. The Chairman of the Board is invited as and when required. The Committee has held Five Meetings during the Financial Year 2015-16.

#### 2. Tender Committee

Your Company being in expansion drive, the necessity was felt to constitute a Tender Committee. The Terms of Reference of the Committee includes reviewing the quotations submitted by different Contractors, approving total expenses to be incurred within the Project Budget and taking stock of expenses incurred towards the Project.

##### Composition:

Tender Committee comprises of one Independent Director, two Non-Executive Directors and one Executive Director. Mr. Niranjana Saha (Independent Director) is the Chairman and Mr. Patit Paban Ray, Mr. Samar Bhattacharyya, Non-Executive Directors and Mr. Kunal Sen, Executive Director are the Members of the Committee. Other Senior Officials of the Finance & Accounts Department and the Representative of the Operators are the Special Invitees. The Chairman of the Board is invited as and when required. The Committee has held one meeting during the Financial Year 2015-16.

**3. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has been constituted as a Good Corporate Governance measure. The Terms of Reference of the Nomination and Remuneration Committee includes formulation of policies of remuneration packages, deciding on pay scales and assessing performance of Executive Directors and one level below the Board.

**Composition:**

Nomination and Remuneration Committee comprises of two Non-Executive Directors namely Mr. Rajiv Gujral, Mr. Sunil Kanti Roy and one Independent Director namely Mr. Niranjana Saha. Mr. Rajiv Gujral acts as a Chairman to the Committee. During the year 2015-16, there were four meetings of Nomination and Remuneration Committee.

**4. CSR Committee**

In accordance with Section 135 of the Companies Act, 2013, a CSR Committee was formed. The Terms of Reference of CSR Committee includes to formulate and recommend to the Board the CSR Policy, amount of expenditure to be incurred and monitors the adherence of the policy from time to time.

**Composition:**

The Committee consists of three Non-Executive Directors and one Independent Director. Mr. Rajiv Gujral is the Chairman of the Committee and Mr. Jayanta Roy, Mr. Bhargab Lahiri and Mr. Niranjana Saha, Directors are the Members of the Committee. Mr. Kunal Sen, Executive Director and Ms. Debasree Roy, VP Corporate are the permanent Special Invitees. The Committee has held three Meetings during the Financial Year 2015-16.

The Committee and the Board had approved the below mentioned CSR Policy. The CSR Policy is uploaded on company’s website. Further, the Report on CSR activities/initiatives is as follows:

**REPORT ON CSR ACTIVITIES/ INITIATIVES  
[Pursuant to Section 135 of the Act & Rules made thereunder]**

1. A brief outline of the company’s CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes: **Annexure 2**
2. The composition of the CSR Committee: The Committee consists of Four Directors namely Mr. Rajiv Gujral – Chairman of the Committee, Mr. Jayanta Roy, Mr. Bhargab Lahiri and Mr. Niranjana Saha.
3. Average Net Profit of the company for last 3 financial years : ₹ 626.56 Lacs
4. Prescribed CSR expenditure (2% of amount) : ₹ 12.53 Lacs
5. Details of CSR activities/projects undertaken during the year:
  - a) total amount to be spent for the financial year ₹ 12.53 Lacs
  - b) amount un-spent, if any : ₹ 10.53 Lacs
  - c) manner in which the amount spent during financial year, is detailed below: An amount of ₹ 2 Lacs has been contributed to Prime Minister’s National Relief Fund.

1	2	3	4	5	6	7	8
Sl. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/Programmes 1.Local area/others- 2.specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme  Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative spend upto to the reporting period	Amount spent: Direct/ through implementing agency*
	Nil	Nil	Nil	Nil	Nil	Nil	Nil

\*Give details of implementing Agency.

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6. In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board Report:- Few CSR Projects were reviewed but those did not meet the Company's parameters.
7. A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company. **Annexure 3**

Sd/-

Executive Director

Sd/-

Chairman of CSR Committee

### DIRECTORS

Mr. Sundaram Balasubramanian (DIN: 02849971) and Mr. Niranjana Saha (DIN: 00397354) were appointed as Independent Directors at the 25th Annual General Meeting held on 15th July 2015 for a period of five years each. Mr. Sundaram Balasubramanian and Mr. Niranjana Saha, both Independent Directors have submitted declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In terms of Section 152 of the Companies Act, 2013 read with Article 138 of the Company's Articles of Association, Mr. Rajiv Gujral, Director (DIN: 00409916) and Mr. Jayanta Roy, Director (DIN: 00022191), will retire by rotation at the ensuing Annual General Meeting and, being eligible offer themselves for re-appointment.

### INTERNAL AUDITORS

M/s. Ray & Ray, Chartered Accountants, Kolkata, the Internal Auditor of Peerless Inn, Kolkata, M/s. Satya Sudhindran & Co., Chartered Accountants, Port Blair, the Internal Auditor of Peerless Sarovar Portico, Port Blair and M/s. NGK & Associates, Chartered Accountants, Secunderabad, the Internal Auditor of Peerless Inn, Hyderabad are conducting periodic Audit of the operations of the respective units of the Company & the Audit Committee reviewed their findings on regular basis.

### STATUTORY AUDITORS

M/s. Lodha & Co., Chartered Accountants, Kolkata was appointed as the Statutory Auditor of the Company for a period of five consecutive years in the 24th Annual General Meeting held on 15th July 2014 subject to ratification of such appointment by Members at every Annual General Meeting of the Company. They have furnished the requisite certificate of their eligibility for re-appointment.

### HOLDING & SUBSIDIARIES

The Peerless General Finance & Investment Co. Ltd. is the Holding Company of Peerless Hotels Limited and there is no Subsidiary Company of Peerless Hotels Limited.

### FIXED DEPOSITS

The Company has neither invited nor accepted any deposits from the public within the purview of Section 73 of the Companies Act, 2013.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors state that:

- (a) In the preparation of the annual accounts for the year ended 31st March 2016, the applicable accounting standards had been followed and there are no material departures for the same.

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- (b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit & Loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the Annual Accounts on a 'going concern' basis;
- (e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

#### (a) Conservation of energy

(i)	The steps taken or impact on conservation of energy	<ul style="list-style-type: none"><li>Conventional CFL lamps are being replaced with LED in phases. Kitchen, Health Club, façade and garden lights have been replaced.</li><li>Automation of corridor TFA of PIK Tower activated.</li><li>Timer installed for all exhaust fans in guest block in both the buildings.</li><li>Diesel operated boiler has been replaced with LPG fired boiler.</li></ul>
(ii)	The steps taken by the company for utilizing alternate sources of energy	Installed solar lighting system.
(iii)	The capital investment on energy conservation equipments	₹ 9.46 lacs for steam boiler

#### (b) Technology absorption

(i)	the efforts made towards technology absorption	Nil
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Nil
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
	(a) the details of technology imported	Nil
	(b) the year of import;	Nil
	(c) whether the technology been fully absorbed	Nil
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv)	the expenditure incurred on Research and Development	Nil

#### (c) Foreign exchange earnings and outgo

During the year, the total foreign exchange used was Nil and the total foreign exchange earned was Rs. 82.38 lacs.

### AUDITORS' OBSERVATIONS

There was no observations in the Auditors' Report and do not call for any further comments.



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### PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in the statement attached to this Report **Annexure 4**.

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

The Company has set up an Internal Control Committee to redress the complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under the policy. The Composition of the Committee is as follows:

SI No.	Name of the Member (s)	Designation
1.	Ms. Sweta Bhaduri	Presiding Officer
2.	Mr. Subhomoy De	Member
3.	Ms. Suzzane Bearder	Member
4.	Ms. Sulagna Bhattacharjee	Member
5.	Ms. Indrani Roy Mohanti	Member (NGO)

There has been no complaint received on sexual harassment during the year 2015 – 16

### INDUSTRIAL RELATIONS

Industrial Relations remained generally cordial; Management has taken appropriate action, as a matter of course, to maintain smooth functioning of the Hotel.

### OTHER DISCLOSURES

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

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

### ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance & co-operation received from Customers, Banks, Suppliers, Shareholders, Central & State Governments & other Statutory Authorities & others associated with the Company. Your Directors acknowledge and thank the Peerless General Finance and Investment Company Limited for their continuous support and co-operation as Holding Company and to all concerned who have developed business relations with the Company with their continuous support. Your Directors also wish to place on record their deep sense of appreciation for the contribution by all Employees at all levels & Sarovar Hotels Pvt. Ltd., the Operators for running the operations of the Hotels and look forward for their continued support to ensure company's smooth operations, future business and growth plan.

**On behalf of the  
Board**

**Registered Office :**  
**12, J. L. Nehru Road**  
**Kolkata-700 013.**

**Dated : 16th May,**  
**2016**

**Sunil Kanti Roy**  
**Chairman**

**Form No. MGT - 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the Financial Year ended 31.03.2016**

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : U55101WB1990PLC049988
- ii) Registration Date : 09-10-1990
- iii) Name of the Company : PEERLESS HOTELS LIMITED
- iv) Category/Sub-Category of the Company : Public Limited Company
- v) Address of the Registered Office and contact details :  
 12, J.L. Nehru Road  
 Kolkata – 700013  
 Ph: (033) – 44003900/2228-0301  
 Fax: +91-33-2228-8853  
 Website: www.peerlesshotels.com
- vi) Whether listed company Yes/ No : No
- vii) Name, Address and contact details of Registrar & Transfer Agents (RTA), if any No. We have in-house Share Register and Transfer System.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Hospitality Business	55101	100

**III. PARTICULARS OF HOLDING COMPANIES**

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	The Peerless General Finance & Investment Co. Ltd., 3, Esplanade East, Kolkata - 700069	U66010WB1932PLC007490	Holding	99.95	Section 2(46) of Companies Act, 2013

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

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	—	—	—	—	—	—	—	—	—
(b) Central Govt	—	—	—	—	—	—	—	—	—
(c) State Govt (s)	—	—	—	—	—	—	—	—	—
(d) Bodies Corp.	0	4577716	4577716	99.95	0	4577716	4577716	99.95	0
(e) Banks/Fl	—	—	—	—	—	—	—	—	—
(f) Any Other.....	—	—	—	—	—	—	—	—	—
<b>Sub-total (A) (1):-</b>	<b>0</b>	<b>4577716</b>	<b>4577716</b>	<b>99.95</b>	<b>0</b>	<b>4577716</b>	<b>4577716</b>	<b>99.95</b>	<b>0</b>
<b>(2) Foreign</b>									
(a) NRIs – Individuals	—	—	—	—	—	—	—	—	—
(b) Other – Individuals	—	—	—	—	—	—	—	—	—
(c) Bodies Corp.	—	—	—	—	—	—	—	—	—
(d) Banks / Fl	—	—	—	—	—	—	—	—	—
(e) Any Other.....	—	—	—	—	—	—	—	—	—
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>4577716</b>	<b>4577716</b>	<b>99.95</b>	<b>0</b>	<b>4577716</b>	<b>4577716</b>	<b>99.95</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	—	—	—	—	—	—	—	—	—
(b) Banks/Fl	—	—	—	—	—	—	—	—	—
(c) Central Govt	—	—	—	—	—	—	—	—	—
(d) State Govt(s)	—	—	—	—	—	—	—	—	—
(e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
(f) Insurance Companies	—	—	—	—	—	—	—	—	—
(g) Flls	—	—	—	—	—	—	—	—	—
(h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
(i) Others (specify)	—	—	—	—	—	—	—	—	—
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
(a) Bodies Corp.	—	—	—	—	—	—	—	—	—
(i) Indian	0	1509	1509	0.03	0	1509	1509	0.03	0
(ii) Overseas	—	—	—	—	—	—	—	—	—
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	0	775	775	0.02	0	775	775	0.02	0
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	—	—	—	—	—	—	—	—	—
(c) Other (specify)	—	—	—	—	—	—	—	—	—
<b>Sub-total (B)(2):-</b>	<b>0</b>	<b>2284</b>	<b>2284</b>	<b>0.05</b>	<b>0</b>	<b>2284</b>	<b>2284</b>	<b>0.05</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>0</b>	<b>2284</b>	<b>2284</b>	<b>0.05</b>	<b>0</b>	<b>2284</b>	<b>2284</b>	<b>0.05</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>4580000</b>	<b>4580000</b>	<b>100.00</b>	<b>0</b>	<b>4580000</b>	<b>4580000</b>	<b>100.00</b>	<b>0</b>

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**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	The Peerless General Finance & Investment Co. Ltd.	4577716	99.95	Nil	4577716	99.95	Nil	0

**(iii) Change in Promoters' Shareholding :**

**During the Financial Year 2015-16 there is no change in Promoter's Shareholding**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Promoters Share holding during the Year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): There is no change in Shareholding Pattern of Top Ten Shareholders during the Financial Year 2015-16**

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Promoters Share holding during the Year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year (or on the date of separation, if Separated during the year)	Nil	Nil	Nil	Nil

**PEERLESS HOTELS LIMITED**

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Mr. S. K. Roy	229	0.01	229	0.01
	Mr. J. Roy	229	0.01	229	0.01
	Mr. B. Lahiri	45	0.00	45	0.00
	Mr. P.P.Ray	45	0.00	45	0.00
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	—	—	—	—
	At the end of the year				
	Mr. S. K. Roy	229	0.01	229	0.01
	Mr. J. Roy	229	0.01	229	0.01
	Mr. B. Lahiri	45	0.00	45	0.00
	Mr. P.P.Ray	45	0.00	45	0.00

**INDEBTEDNESS**

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

Rs./Lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1170.00	—	—	1170.00
ii) Interest due but not paid	12.64	—	—	12.64
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	1182.64	—	—	1182.64
<b>Change in Indebtedness during the financial year</b>				
• Addition	—	—	—	—
• Reduction	210.00	—	—	210.00
<b>Net Change</b>	210.00	—	—	210.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	960.00	—	—	960.00
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	9.38	—	—	9.38
<b>Total (i+ii+iii)</b>	969.38	—	—	969.38

**PEERLESS HOTELS LIMITED****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

<b>Sl. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/WTD/Manager</b>				<b>Total Amount (₹)</b>
		<b>Mr. Kunal Sen, ED</b>				
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					59,26,600
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961					3,29,882
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961					—
2.	Stock Option					—
3.	Sweat Equity					—
4.	Commission					—
	- as % of profit					
	- others, specify					
5.	Others, please specify					1,25,000
	(Fees for attending Board/Committee Meetings)					
	Total (A)					63,81,482

Note : Remuneration pursuant to section 197 of the Companies Act, 2013 is ₹ 65,64,000

**PEERLESS HOTELS LIMITED**

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs.)
		Mr. N. Saha	Mr. S. Balasubramanian	
1.	Independent Directors			
	• Fee for attending board/ committee meetings	195000	65000	260000
	• Commission	131342	21951	153293
	• Others, please specify	—	—	—
	Total (1)	326342	86951	413293
2.	Other Non-Executive Directors			
	• Fee for attending board/ committee meetings			
	S. K. Roy	80000		
	B. Lahiri	145000		
	R. Gujral	185000		
	J. Roy	65000		
	P.P. Ray	40000		
	S. Bhattacharyya	125000		
	• Commission			
	S. K. Roy	131342		
	B. Lahiri	131342		
	R. Gujral	131342		
	J. Roy	131342		
	P.P. Ray	131342		
	S. Bhattacharyya	131342		
	S. M. Dutta	38143		
	D. Samaddar	20512		
	• Others, please specify			
	Total (2)			846707
	Total (B)=(1+2)			1486707
				1900000

**PEERLESS HOTELS LIMITED**

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

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

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

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



## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

Social and environmental responsibility has always been at the forefront of Peerless Hotels Ltd's (PHL) philosophy and the Company consistently contribute to socially responsible activities. As a responsible Corporate Citizen, we always try our best to contribute for social and environmental causes on a regular basis.

### **OUR CSR VISION**

Through sustainable measures, actively contribute to the Social, Economic and Environmental Development to the communities in which we operate with active participation of the community and thus creation of value of the Nation.

### **OUR CSR MISSION**

1. Socio-economic development of the underprivileged community of the Society.
2. Through various need-based initiatives to make them self-reliant and improvement of their livelihood.

### **CSR Activities**

The CSR activities will be focussed on the following broad areas;

1. Promoting healthcare, sanitation and making safe-drinking water available.
2. Promoting Education through Coaching Centre.
3. Employment enhancement through training and various vocational skill development such as computer training, electrical equipment repairing training, art & craft for women etc.
4. Income development through various livelihood opportunities.
5. Contributing to Prime Minister National Relief Fund and other funds, if any developed in this regard by the Central Government.

The CSR Projects and Programmes to be undertaken by the Company shall include activities falling within the purview of Schedule VII of the Companies Act, 2013. These Programmes will be executed by Peerless Hotels Ltd. alone or with some well-known NGOs having proven track record in this field, Ramakrishna Mission, Bharat Sevasram Sangha and similar other organisation.

### **CSR Committee**

In accordance with Section 135 of the Companies Act, 2013, a CSR Committee of Board was formed comprising of Mr. Rajiv Gujral, a Non-Executive Director who is the Chairman of the Committee and Mr. Jayanta Roy, Mr. Bhargab Lahiri, Non-Executive Directors and Mr. Niranjana Saha, Independent Director of the Company are the other members.

### **Monitoring Mechanism**

The CSR activities will be monitored by the CSR Committee through an internal action taken team of Management headed by CFO and other senior level executives of the Company. They will develop a Project and the plan, monitoring the successful implementation of the project as per approved schedule, maintaining of Books and Accounts and report to the CSR Committee at a regular interval which in turn report to the Board of Directors.

### **Surplus of CSR Project**

No CSR activity of any nature would be undertaken for business profits or gains.

The surplus, if any, arising from CSR Programmes and activities shall not form a part of the business profit of the Company and will be ploughed back in the CSR activities.

### **Review of CSR Policy**

The CSR Policy would be reviewed by the CSR Committee from time to time.

To  
The Members  
Peerless Hotels Ltd.  
12, J.L. Nehru Road  
Kolkata - 700013

We hereby declare that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and Policy of the Company.

For & On Behalf of CSR Committee

Sd/-  
Mr. K. Sen  
Executive Director

Sd/-  
Mr. R. Gujral  
Chairman of the Committee

Place: Kolkata  
Date: 16-05-2016

## Annexure to the Directors' Report

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

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

Name	Age (Years)	Designation	Gross Remuneration (Rs.)	Qualifications	Experience (Years)	Date of commencement of employment	Last employment Post Held	Equity Shares held
Mr. Kunal Sen	59	Executive Director	65,64,000	B.Com (Hons) LLB, FCA, MBA (Cambridge-UK)	35	Nov., 2007	VP- Finance & Company Secretary (R.S. Software India Ltd. Kolkata)	Nil

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

None

- Notes:**
- Gross remuneration comprises salary and allowances ; monetary value of perquisites includes performance incentive and sitting fees.
  - The above appointment is contractual and subject to the rules and regulations of the Company for the time being in force.
  - Mr. Kunal Sen is not a relative of any Director or manager of the Company.

Place : Kolkata  
Dated : 16th May, 2016

Registered Office :  
12, J. L. Nehru Road  
Kolkata 700 013

By Order of the Board

Sunil Kanti Roy  
Chairman

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PEERLESS HOTELS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Peerless Hotels Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss, and Cash Flow Statement for the year ended, significant accounting policies and other notes for the year ended on that date.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its Profit and its Cash Flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. Pending litigations (Other than those already recognised in the accounts) having material impact on the financial position of the Company have been disclosed in the financial statement as required in terms of the accounting standards and provisions of the Companies Act, 2013.
  - ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **LODHA & CO.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

R. P. Singh  
**Partner**  
Membership No. 52438

Place : Kolkata  
Dated : 16th May, 2016

**ANNEXURE “A” to the Independent Auditors’ Report:**

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
- b. During the year, fixed assets have been physically verified by the management according to a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verifications.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) a. As informed, physical verification has been conducted by the management at reasonable intervals in respect of inventory of food, beverages and supplies;
- b. The Company is maintaining proper records of inventory and according to the information and explanation given to us, the discrepancies noticed on physical verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of accounts.
- iii) a. According to the information and explanations given to us, the Company had granted in earlier year interest free advance in the nature of loan to Kaizen Leisure and Holidays Limited, which is covered in the register maintained under Section 189 of the Companies Act, 2013. The maximum amounts involved during the year was Rs 15,08,805 and the year-end balance in respect of such loan granted was Rs 13,08,805
- b. In respect of the above interest free loan, as explained, the terms and conditions of repayment which were rescheduled in earlier year, prima facie, are not prejudicial to the interest of the Company;
- c. In terms of the settlement arrived at, Rs 2,00,000 has been repaid regularly towards principal amount of such loan;
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) The Company has not accepted any deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
- vi) According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013.
- vii) a. According to the information and explanations given to us, during the year, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection fund, Employees’ State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues as applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues as aforesaid were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, the details of disputed dues of sales tax, income tax, customs duty, wealth tax, excise duty, service tax, and Cess, if any, as at 31st March, 2016, are as follows:

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount (₹)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	Income Tax	18,94,697	AY 2012-13	Commissioner of Income Tax (Appeals)
Employees’ State Insurance Act, 1948	ESI	939,795*	2001-2002	Employees’ Insurance Court West Bengal, Kolkata

\*Excluding Rs 2.34 lacs deposited for filing case in the forum.

## PEERLESS HOTELS LIMITED

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- viii) In our opinion and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable,
- x) During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the Company nor have we been informed of any such cases by the management.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) in our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, 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 of the Company, 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) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934

For **LODHA & CO.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

R. P. Singh  
**Partner**  
Membership No. 52438

Place : Kolkata  
Dated : 16th May, 2016

### **ANNEXURE "B" to the Independent Auditors' Report:**

**(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

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

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

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

**Auditor's Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **LODHA & CO.**  
Chartered Accountants  
Firm's ICAI Registration No. 301051E

R. P. Singh  
**Partner**  
Membership No. 52438

Place : Kolkata  
Dated : 16th May, 2016



**PEERLESS HOTELS LIMITED**

**BALANCE SHEET  
AS AT 31ST MARCH, 2016**

	Note No.	As at 31st March, 2016	As at 31st March, 2015	(₹ in Lacs)
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	2.1	458.00	458.00	
Reserves And Surplus	2.2	<u>7,747.45</u>	<u>7,655.47</u>	
		<b>8,205.45</b>		8,113.47
<b>Non-Current Liabilities</b>				
Long-Term Borrowings	2.3	620.00	960.00	
Deferred Tax Liabilities (Net)	2.29	24.15	—	
Other Long-Term Liabilities	2.4	1.42	1.32	
Long-Term Provisions	2.5	<u>80.27</u>	<u>77.71</u>	
		<b>725.84</b>		1,039.03
<b>Current Liabilities</b>				
Trade Payables	2.6	293.13	217.46	
Other Current Liabilities	2.7	515.53	410.16	
Short-Term Provisions	2.8	<u>284.91</u>	<u>339.58</u>	
		<b>1,093.57</b>		967.20
		<b><u>10,024.86</u></b>		<u>10,119.70</u>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Fixed Assets				
Tangible Assets	2.9	8,384.59	5,624.95	
Intangible Assets	2.9	38.26	3.53	
Capital Work-In-Progress	2.27	—	166.78	
Non-Current Investments	2.10	7.00	7.00	
Deferred Tax Assets (Net)	2.29	—	35.24	
Long-Term Loans And Advances	2.11	<u>340.14</u>	<u>206.00</u>	
		<b>8,769.99</b>		6,043.50
<b>Current Assets</b>				
Current Investments	2.12	204.84	3,252.01	
Inventories	2.13	23.19	17.69	
Trade Receivables	2.14	280.48	157.64	
Cash And Bank Balances	2.15	667.50	589.72	
Short-Term Loans And Advances	2.16	64.70	57.10	
Other Current Assets	2.17	<u>14.16</u>	<u>2.04</u>	
		<b>1,254.87</b>		4,076.20
<b>TOTAL</b>		<b><u>10,024.86</u></b>		<u>10,119.70</u>

Summary of Significant Accounting Policies 1  
Notes on Financial Statements 2.1 to 2.37

The Notes are an integral part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For LODHA & CO.

Chartered Accountants

Firm's ICAI Registration No. 301051E

R. P. Singh

Partner

Membership No. 52438

Place : Kolkata

Date : 16th May, 2016

For and on behalf of the Board

N. Saha – Director

**K. Sen** – **Executive Director**

K. K. Chatterjee – Chief Financial Officer

**S. Sen** – **Company Secretary**

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

(₹ in Lacs)

	Note No.	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
<b>Revenue:</b>			
Revenue From Operations	2.18	3,644.64	3,145.46
Other Income	2.19	116.46	281.51
<b>Total Revenue</b>		<b>3,761.10</b>	<b>3,426.97</b>
<b>Expenses :</b>			
Consumption of Provisions, Stores And Wines	2.20	416.58	367.59
Employee Benefit Expenses	2.21	1,029.14	928.75
Depreciation And Amortization Expenses	2.9	346.39	110.73
Finance Costs	2.22	127.19	75.83
Other Expenses	2.23	1,586.88	1,416.08
<b>Total Expenses</b>		<b>3,506.18</b>	<b>2,898.98</b>
<b>Profit Before Tax</b>		<b>254.92</b>	<b>527.99</b>
<b>Tax Expense :</b>			
(1) Current Tax	2.24	5.08	83.69
(2) Deferred Tax	2.29	59.39	17.97
(3) Income Tax for earlier year		—	3.02
<b>Total Tax Expenses</b>		<b>64.47</b>	<b>104.68</b>
<b>Profit For The Year</b>		<b>190.45</b>	<b>423.31</b>
Earnings Per Equity Share:			
Equity share of par value of ₹ 10 each			
(1) Basic	2.34	4.16	9.24
(2) Diluted	2.34	4.16	9.24
Summary of Significant Accounting Policies	1		
Notes on Financial Statements	2.1 to 2.37		

The Notes are an integral part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For LODHA & CO.

Chartered Accountants

Firm's ICAI Registration No. 301051E

R. P. Singh

Partner

Membership No. 52438

Place : Kolkata

Date : 16th May, 2016

For and on behalf of the Board

N. Saha – Director

**K. Sen – Executive Director**

K. K. Chatterjee – Chief Financial Officer

**S. Sen – Company Secretary**

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

(₹ in Lacs)

Particulars	2015-16	2014-15
<b>Cash Flow From Operating Activities :</b>		
Net Profit before Taxation	<b>254.92</b>	527.99
<b>Add:</b>		
Depreciation/Amortisation	<b>346.39</b>	110.73
Loss/(profit) on sale/discard of Fixed Assets	<b>(0.48)</b>	1.04
Interest Income	<b>(28.94)</b>	(47.95)
Finance costs	<b>127.19</b>	75.83
Provision for Claims and Contingencies	<b>13.49</b>	14.18
Provision for Diminution in value of Investment	<b>—</b>	18.44
Loss on Sale of Investments	<b>7.53</b>	—
Provision for Diminution in Investment no longer required written back	<b>(6.22)</b>	—
Provision/ Liabilities no Longer Required written back	<b>(2.21)</b>	(3.54)
Dividend from Current Investments	<b>(65.86)</b>	(212.51)
	<b>390.89</b>	(43.78)
<b>Operating Profit before Working Capital changes</b>	<b>645.81</b>	484.21
<b>Less:</b>		
Increase/(decrease) in Trade Payables, Liabilities and Provisions	<b>130.77</b>	29.08
Decrease/(increase) in Trade receivables	<b>(122.84)</b>	29.54
Decrease/(increase) in Inventories	<b>(5.50)</b>	7.67
Decrease/(increase) in Loans & Advances and other assets	<b>(37.84)</b>	68.65
	<b>(35.41)</b>	134.94
<b>Cash generation From Operations</b>	<b>610.40</b>	619.15
Less: Direct Taxes Paid (net of refunds)	<b>(97.94)</b>	(135.01)
<b>Net Cash From/(used in) Operating Activities (A)</b>	<b>512.46</b>	484.14
<b>Cash Flow From Investing Activities:</b>		
Purchase of Fixed Assets/movement in Capital Work in Progress	<b>(3,070.48)</b>	(792.57)
Proceeds from Sale of Fixed Assets	<b>3.61</b>	1.57
Proceeds from Sale/maturity of Current investments	<b>3,045.86</b>	—
Interest Received	<b>26.20</b>	47.37
Dividend received	<b>65.86</b>	—
Other bank balance: Deposits within 3 to 12 months maturity	<b>244.56</b>	796.44
	<b>315.61</b>	52.81
<b>Net Cash From/(used in) Investing Activities (B)</b>	<b>315.61</b>	52.81

## PEERLESS HOTELS LIMITED

	(₹ in Lacs)	
Particulars	<u>2015-16</u>	<u>2014-15</u>
<b>Cash Flow From Financing Activities:</b>		
Proceeds from long term borrowings	—	99.00
Repayment of Long Term Borrowings	(210.00)	(280.00)
Interest paid	(130.36)	(158.12)
Dividend Paid including dividend distribution tax	(165.37)	(214.33)
	<u>(505.73)</u>	<u>(553.45)</u>
<b>Net Cash From/(used in) Financing Activities (C)</b>	<b>(505.73)</b>	<b>(553.45)</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>	<b>322.34</b>	<b>(16.50)</b>
Cash And Cash Equivalents at the beginning of the year	<u>284.21</u>	<u>300.71</u>
Cash And Cash Equivalents at the end of the year (Refer note 2.15)	<u><b>606.55</b></u>	<u><b>284.21</b></u>

### Note:

1. Cash and cash equivalents represents cash in hand and deposits/ balances with Banks.
2. The cash flow statement has been prepared under indirect method as per Accounting Standard 3 on Cash Flow Statement

AS PER OUR REPORT OF EVEN DATE

For LODHA & CO.

Chartered Accountants

Firm's ICAI Registration No. 301051E

R. P. Singh

Partner

Membership No. 52438

Place : Kolkata

Date : 16th May, 2016

For and on behalf of the Board

N. Saha – Director

**K. Sen** – **Executive Director**

K. K. Chatterjee – Chief Financial Officer

**S. Sen** – **Company Secretary**

## SIGNIFICANT ACCOUNTING POLICIES

### 1. Significant Accounting Policies:

- (a) **Basis of Accounting:** The Financial statements have been prepared on historical cost basis and on the principle of a going concern. The company follows mercantile system of accounting unless stated otherwise. The financial statements have been prepared in accordance with the provisions of Companies Act, 2013 and accounting standards as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 and other recognized accounting practices unless specifically stated to be otherwise are consistent and are in consonance with generally accepted accounting principles.
- (b) **Use of Estimates:** The preparation of the financial statements 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 these are recognized in the year in which results become known/materialise.
- (c) **Revenue:** Revenue comprises of sale of Room, Food & Beverages and related allied services. Discount allowed on sale of room has been deducted from gross proceeds.
- (d) **Fixed Assets:**
  - (i) Tangible Fixed Assets are stated at cost of acquisition, construction and subsequent improvements thereto. Cost includes taxes, duties (net of cenvat availed), inward freight, installation expenses and adjustments for exchange difference wherever applicable.
  - (ii) Intangible Fixed Assets like Software, etc. are capitalised at the cost of acquisition less accumulated amortised amount.
  - (iii) Pending completion/installation of the Fixed Assets, interest and other costs incurred on/or related to direct borrowings to finance fixed assets during construction period, 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.
- (e) **Depreciation and Amortisation :**
  - (i) Depreciation has been charged on straight-line method as per Schedule-II of the Companies Act, 2013.
  - (ii) Intangible Assets are amortised over a period of five years or in a lesser period if useful life is lower than five years on straight-line basis.
  - (iii) Assets whose original cost does not exceed Rs. 5000 are depreciated fully in the year of acquisition.
  - (iv) 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.
- (f) **Investments :** Non-current investments are stated at cost less diminution in the values thereof, other than temporary. Current Investments are stated at Cost or Fair Value whichever is lower.
- (g) **Inventories:** Inventory of Raw Materials & Consumables are stated at cost. Inventory of food and beverages is valued at lower of cost or net realisable value. Cost of Inventories are valued on FIFO basis.
- (h) **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.

- (i) **Borrowing Cost:** Borrowing costs attributable to the acquisition, construction of qualifying assets is 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.
- (j) **Employee Benefit Expense:** The Company has Defined Contribution Plan for its employees Retirement Benefits comprising of Provident Fund, Pension Fund. The Company makes regular contribution to Provident Fund, which are fully funded and administered by the Government. Contributions are recognized in Statement of Profit and Loss on accrual basis.

The Company has Defined Benefit Plan comprising of Gratuity and Leave Encashment schemes. The Company contributes to the Gratuity Fund under the Group Gratuity Cash Accumulation Scheme with Life Insurance Corporation (LIC) for future payment of gratuity liability to its employees. In terms of Accounting Standard 15 (AS-15) on "Employee Benefits", the liability for the Gratuity and Leave Encashment as at the year-end has been provided on the basis of an independent actuarial valuation in accordance with the projected unit credit method.

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

- (k) **Income Tax:** Provision for Income Tax is made for current and deferred tax. Current tax is provided on taxable income using the applicable tax rate and tax laws. Deferred Tax Assets and Liabilities arising on account of timing differences and which are capable of reversals in subsequent periods are recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred Tax assets other than in respect of carried forward losses or unabsorbed depreciation 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 of unabsorbed depreciation and tax losses, deferred tax assets are recognised only if there is a "virtual certainty" that such deferred tax assets can be realized against future taxable profits.
- (l) **Impairment:** Fixed assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of the fixed assets is determined. An impairment loss is recognised, whenever the carrying amounts of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the greater of assets' net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a pro-rata basis.
- (m) **Assets taken on Lease:** Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on a straight line basis, representing the time pattern of benefits received from the use of the assets taken on lease.
- (n) **Provisions &Contingencies:** Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent Assets are neither recognized nor disclosed in the financial statement. Contingent liabilities are not provided for and are disclosed by way of notes.

**PEERLESS HOTELS LIMITED**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(₹ in Lakhs)

**2.1 SHARE CAPITAL**

<b>Particulars</b>	<b>Ref</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
AUTHORISED SHARES : 5,000,000 (Previous year 5,000,000) Equity Shares of ₹ 10/- each		<u><b>500.00</b></u>	<u>500.00</u>
ISSUED, SUBSCRIBED AND PAID-UP SHARES : 4,580,000 (Previous year 4,580,000) Equity Shares of ₹10/- each fully paid-up		<b>458.00</b>	458.00
(Of the above 4,577,716 (Previous year 4,577,716) Equity Shares are held by the Holding Company, i.e., The Peerless General Finance & Investment Company Limited and two of its subsidiaries. Other than this, there are no holders of more than 5% shares of the Company)		<u><b>458.00</b></u>	<u>458.00</u>

2.1.1 The Company has only one class of Equity Shares having a Par Value of ₹ 10 each. Each holder of the Equity Shares is entitled for one vote per share.

2.1.2 In the event of liquidation, the equity shareholders are eligible to receive the assets of the company remaining after distribution of all preferential amounts, in proportion of their shareholding.

2.1.3 There is no movement in the number of shares outstanding at the beginning and at the end of the year.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2.2 RESERVES AND SURPLUS

(₹ in Lacs)

Particulars	Ref	As at 31.03.16	As at 31.03.15
<b>SECURITIES PREMIUM ACCOUNT</b>			
As per last Balance Sheet		<b>3,741.00</b>	3,741.00
<b>GENERAL RESERVE</b>			
As per last Balance Sheet		<b>2,840.84</b>	2,660.02
Add: Transferred from Surplus		<b>80.00</b>	200.00
		<b>2,920.84</b>	2,860.02
Less : Transfer due to transitional provision of Companies Act, 2013	2.9.2	—	19.18
		<b>2,920.84</b>	2,840.84
<b>SURPLUS</b>			
As per last Balance Sheet		<b>1,073.63</b>	1,015.69
Add: Net Profit after Tax transferred from Statement of Profit & Loss		<b>190.45</b>	423.31
Amount Available for Appropriation		<b>1,264.08</b>	1,439.00
Less: Appropriations			
Proposed Dividend on Equity Shares (Per Share Rs.1.80 (Previous Year Rs.3.00))		<b>82.44</b>	137.40
Tax on Dividend		<b>16.03</b>	27.97
Transferred to General Reserve		<b>80.00</b>	200.00
Net Surplus in the Statement of Profit & Loss		<b>1,085.61</b>	1,073.63
<b>Total Reserves and Surplus</b>		<b>7,747.45</b>	7,655.47

2.3 LONG-TERM BORROWINGS

(₹ in Lakhs)

Particulars	Ref	As at 31.03.16	As at 31.03.15
<b>Secured Loans</b>			
Term Loan - from Bank	2.3.1, 2.3.2 and 2.3.3	<b>960.00</b>	1,170.00
Less: Current Maturities of Long Term Debt	2.7	<b>340.00</b>	210.00
		<b>620.00</b>	960.00

2.3.1 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.

2.3.2 Repayment details of Term Loans from banks are as follows: (₹ in Lacs)

2016-2017	340.00
2017-2018	405.00
2018-2019	215.00

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



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2.4 OTHER LONG TERM LIABILITIES

(₹ in Lacs)

Particulars	Ref	As at 31.03.16	As at 31.03.15
Security Deposits		1.42	1.32
		<u>1.42</u>	<u>1.32</u>

2.5 LONG-TERM PROVISIONS

Particulars	Ref	As at 31.03.16	As at 31.03.15
Provision for Employee Benefits :			
Compensated Absences	2.30	65.66	55.81
Gratuity	2.30	14.61	21.90
		<u>80.27</u>	<u>77.71</u>

2.6 TRADE PAYABLES

Particulars	Ref	As at 31.03.16	As at 31.03.15
Payable for Goods & Services			
Due to Micro and Small Enterprises	2.6.1	—	—
Others		293.13	217.46
		<u>293.13</u>	<u>217.46</u>

2.6.1 The disclosure of trade payables is based on the available information 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. There is no overdue amounts outstanding as on 31st March, 2016. Based on above the relevant disclosures under section 22 of the Act are as follows:

Particulars	Ref	As at 31.03.16	As at 31.03.15
i) Principal amount outstanding at the end of the Year		—	—
ii) Interest amount due at the end of the Year		—	—
iii) Interest paid to the Suppliers		—	—

2.7 OTHER CURRENT LIABILITIES

Particulars	Ref	As at 31.03.16	As at 31.03.15
Current Maturities of Long Term Debt- Secured	2.3	340.00	210.00
Interest accrued and due on Term Loan		9.47	12.64
Advance from Customers		74.48	27.11
Other Payables			
Directors' Commission Payable		3.00	10.00
Statutory Dues - P.F., ESI, TDS, etc.		71.56	58.52
Capital Vendors		14.59	89.54
Others		2.43	2.35
		<u>515.53</u>	<u>410.16</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2.8 SHORT-TERM PROVISIONS

Particulars	Ref	(₹ in Lacs)	
		As at 31.03.16	As at 31.03.15
Provision for Employee Benefits			
Bonus & Exgratia		<b>55.52</b>	26.17
Compensated Absences	<b>2.30</b>	<b>36.14</b>	33.01
Gratuity	<b>2.30</b>	<b>15.00</b>	15.00
Provision for Proposed Dividend		<b>82.44</b>	137.40
Provision for Tax on Dividend		<b>16.03</b>	27.97
Other Provisions	<b>2.8.1</b>	<b>79.78</b>	100.03
		<b><u>284.91</u></b>	<b><u>339.58</u></b>

2.8.1 Other provisions 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 ₹ 79.78 lacs (Previous year – ₹ 100.03 lacs.). ₹ 13.49 lacs (Previous year – ₹ 14.18 lacs) has been created during the year and ₹ 33.74 lacs (Previous year – ₹ 24.02 lacs) has been paid during the year.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS		GROSS BLOCK				DEPRECIATION/AMORTISATION			NET BLOCK		
		As at 1st April 2015	Addition	Deductions	As at 31st March 2016	Upto 31st March 2015	For the Year	Deductions	Upto 31st March 2016	As on 31st March 2016	As on 31st March 2015
<b>2.9 FIXED ASSETS</b>											
<b>TANGIBLE ASSETS :</b>											
FREEHOLD LAND	2,555.12	599.66	—	3,154.78	—	—	—	—	—	3,154.78	2,555.12
BUILDINGS	1,443.76	1,842.07	—	3,285.83	25.07	39.13	—	64.20	—	3,221.63	1,418.69
PLANT & EQUIPMENTS	1,559.67	419.87	3.51	1,976.03	568.17	144.06	2.56	709.67	—	1,266.36	991.50
OFFICE EQUIPMENTS	158.05	101.06	—	259.11	94.08	37.95	—	132.03	—	127.08	63.97
FURNITURE & FIXTURES	761.03	104.30	—	865.33	200.83	94.99	—	295.82	—	569.51	560.20
VEHICLES	67.82	20.42	5.63	82.61	32.35	8.48	3.45	37.38	—	45.23	35.47
<b>SUB TOTAL</b>	<b>6,545.45</b>	<b>3,087.38</b>	<b>9.14</b>	<b>9,623.69</b>	<b>920.50</b>	<b>324.61</b>	<b>6.01</b>	<b>1,239.10</b>	<b>—</b>	<b>8,384.59</b>	<b>5,624.95</b>
<b>INTANGIBLE ASSETS:</b>											
COMPUTER SOFTWARE	14.66	56.51	—	71.17	11.13	21.78	—	32.91	—	38.26	3.53
<b>GRAND TOTAL</b>	<b>6,560.11</b>	<b>3,143.89</b>	<b>9.14</b>	<b>9,694.86</b>	<b>931.63</b>	<b>346.39</b>	<b>6.01</b>	<b>1,272.01</b>	<b>—</b>	<b>8,422.85</b>	<b>5,628.48</b>
<b>PREVIOUS YEAR</b>	<b>3,981.75</b>	<b>2,587.16</b>	<b>8.80</b>	<b>6,560.11</b>	<b>798.70</b>	<b>139.12</b>	<b>6.19</b>	<b>931.63</b>	<b>—</b>	<b>5,628.48</b>	<b>—</b>

2.9.1 Refer Note No. 2.3.1 of the Financial Statements

2.9.2 During the previous year, depreciation had been provided based on the life of the assets as per Schedule II of the Companies Act, 2013. In terms of the said Schedule, the carrying amount of the asset existing as on 1st April, 2014 had been depreciated over the remaining life of the assets. Where the remaining life of the asset as on 1st April, 2014 had expired, the carrying amount of ₹ 19.18 lac (net of deferred tax of ₹ 9.21 lacs) after retaining the residual value had been fully depreciated and has been adjusted against General Reserve.

2.9.3 Pursuant to an agreement dated 16th October, 2015 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 ₹ 2770.68 lacs. 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 ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2.10 NON-CURRENT INVESTMENTS

(₹ in Lacs)

Particulars	Ref	As at 31.03.16	As at 31.03.15
<b>OTHER THAN TRADE</b>			
<b>(Valued at Cost, unless stated otherwise)</b>			
<b>Investment in Equity Instruments</b>			
<b>UNQUOTED</b>			
Peerless Hospitex Hospital and Research Centre Ltd. 70,000 Equity Shares (Previous Year 70,000 Equity Shares) @ ₹10/- each fully paid up		<b>7.00</b>	7.00
		<u><b>7.00</b></u>	<u>7.00</u>
2.10.1 Aggregate Book Value of Unquoted Investments		<b>7.00</b>	7.00

2.11 LONG-TERM LOANS AND ADVANCES

Particulars	Ref	As at 31.03.16	As at 31.03.15
<b>Unsecured</b>			
<b>Considered Good</b>			
Capital Advance		<b>18.42</b>	—
Security Deposit		<b>107.90</b>	85.64
Advance Income Tax including Tax deducted at source (Net of Provision ₹ 1164.52 Lacs (Previous year - ₹ 1125.97 Lacs))		<b>118.59</b>	70.29
Prepaid Expenses		<b>2.37</b>	1.77
<b>Considered Doubtful</b>			
Advances to Related Party			
Kaizen Leisure & Holidays Ltd		<b>11.09</b>	13.09
Less: Provision for Doubtful Advance		<b>11.09</b>	13.09
		<u>—</u>	<u>—</u>
		<u><b>340.14</b></u>	<u>206.00</u>

**PEERLESS HOTELS LIMITED**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**2.12 CURRENT INVESTMENTS**

(₹ in Lacs)

Particulars	Ref	As at 31.03.16	As at 31.03.15
<b>OTHER THAN TRADE</b>			
<b>(Valued at Cost or Fair value whichever is lower)</b>			
<b>UNQUOTED</b>			
<b>Investments in Mutual Fund</b>			
Peerless Short Term Fund-Quarterly Dividend-Reinvestment 1,905,223.934 units (Previous year- 3,152,420.012 units) of Rs.10 each		<b>217.06</b>	360.04
Peerless Ultra Short Term Fund-Regular Plan Daily Dividend (Formerly Peerless Ultra Short Term Fund-Super Institutional Daily Dividend-Reinvestment) Nil units (Previous year - 289,460.823 units) of Rs.1000 (previous year Rs.10) each	2.12.4	—	2,910.41
		<b>217.06</b>	3,270.45
Less : Provision for diminution in value of Investment		<b>12.22</b>	18.44
		<b>204.84</b>	3,252.01
2.12.1 Aggregate Book Value of Unquoted Investments		<b>217.06</b>	3,270.45
2.12.2 Aggregate NAV of Unquoted Investments		<b>204.84</b>	3,252.01
2.12.3 Aggregate provision for Investment		<b>12.22</b>	18.44
2.12.4 Represents amount received against Right Issue pending utilisation			

**2.13 INVENTORIES**

**(Valued at lower of cost and net realisable value)  
(As taken, valued and certified by Management)**

Particulars	Ref	As at 31.03.16	As at 31.03.15
Provisions, Beverages and Smokes		<b>11.62</b>	5.43
Wine & Liquor		<b>11.57</b>	12.26
		<b>23.19</b>	17.69

**2.14 TRADE RECEIVABLES**

Particulars	Ref	As at 31.03.16	As at 31.03.15
<b>Unsecured, Considered Good</b>			
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		<b>4.54</b>	0.92
Others		<b>275.94</b>	156.72
		<b>280.48</b>	157.64

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

**2.15 CASH AND BANK BALANCES**

(As certified by Management)

(₹ in Lacs)

Particulars	Ref	As at 31.03.16	As at 31.03.15
<b>Cash And Cash Equivalents</b>			
<b>Balances with Bank</b>			
Current Account	2.15.1	299.06	195.00
Cash in hand		4.91	5.42
Cheques in Hand		17.58	13.79
Fixed Deposit Accounts(including Interest Accrued thereon) with Original Maturity of less than 3 months		285.00	70.00
		<u>606.55</u>	<u>284.21</u>
<b>Other Bank Balances</b>			
Fixed Deposit Accounts (including Interest Accrued thereon) with Original Maturity of more than 3 months but less than 12 months		60.95	—
Fixed Deposit Accounts(including Interest Accrued thereon) with Original Maturity of more than 12 months		—	305.51
		<u>667.50</u>	<u>589.72</u>

2.15.1 Includes Rs.1.60 lacs (Previous year- Rs. 1.60 lacs) against Right Issue pending utilisation

**2.16 SHORT-TERM LOANS AND ADVANCES**

Particulars	Ref	As at 31.03.16	As at 31.03.15
<b>Unsecured</b>			
<b>Considered Good</b>			
Advance to Employees	2.28	6.33	4.94
Advance to Suppliers		0.97	7.47
Balance with Government Authorities		15.83	7.99
Prepaid Expenses		41.57	36.70
		<u>64.70</u>	<u>57.10</u>
<b>Considered Doubtful</b>			
Kaizen Leisure & Holidays Limited		2.00	2.00
Less: Provision for Doubtful Advances		2.00	2.00
		<u>—</u>	<u>—</u>
		<u>64.70</u>	<u>57.10</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2.17 OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	Ref	As at 31.03.16	As at 31.03.15
Interest Receivable	2.28	3.32	0.58
Other Receivables	2.28 and 2.27.c	10.84	1.46
		<u>14.16</u>	<u>2.04</u>

2.18 REVENUE FROM OPERATIONS

Particulars	Ref	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
<b>Sale of Services</b>			
Rooms		2,288.05	1,969.61
Food and Beverage		1,185.49	1,030.43
Wine and Liquor		82.70	73.27
Other Services		84.47	65.50
<b>Other Operating Revenues</b>			
Liabilities No Longer Required Written Back		0.21	1.54
Incentive and Commission		3.72	5.11
		<u>3,644.64</u>	<u>3,145.46</u>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

**2.19 OTHER INCOME**

(₹ in Lacs)			
Particulars	Ref	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Interest on Fixed Deposits and others		28.94	47.95
Dividend Income from Current Investment		65.86	212.51
Provisions no longer Required written back		2.00	2.00
Provision for Diminutuion in Investment no longer required written back		—	6.22
Profit on Sale of Fixed Assets		0.48	—
Rental Income		10.15	11.99
Miscellaneous Income		2.81	7.06
		<u>116.46</u>	<u>281.51</u>

**2.20 CONSUMPTION OF PROVISIONS, STORES & WINES**

Particulars	Ref	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
<b>(i) PROVISIONS, BEVERAGES AND SMOKES (EXCLUDING WINE AND LIQUOR)</b>			
Opening Stock		5.43	5.00
Add : Purchases		396.16	345.94
		<u>401.59</u>	<u>350.94</u>
Less : Closing Stock		11.62	5.43
		<u>389.97</u>	<u>345.51</u>
<b>(ii) WINE AND LIQUOR</b>			
Opening Stock		12.26	11.72
Add : Purchases		25.92	22.62
		<u>38.18</u>	<u>34.34</u>
Less : Closing Stock		11.57	12.26
		<u>26.61</u>	<u>22.08</u>
Total (i) + (ii)	<b>2.33</b>	<u>416.58</u>	<u>367.59</u>

**2.21 EMPLOYEE BENEFITS EXPENSE**

Particulars	Ref	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Salaries and Other Allowances	2.30	839.68	748.33
Contribution to Provident and Other Funds	2.30	64.65	69.93
Staff Welfare Expenses		124.81	110.49
		<u>1,029.14</u>	<u>928.75</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2.22 FINANCE COSTS

(₹ in Lacs)

Particulars	Ref	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Interest on Term loan		127.19	75.83
		<u>127.19</u>	<u>75.83</u>

2.23 OTHER EXPENSES

(₹ in Lacs)

Particulars	Ref	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Crockeries, Cutleries and Others		11.73	6.98
Linen and Laundry Expenses		41.18	41.85
Expenses on Apartment and Board		175.99	151.41
Power, Fuel and Water Charges		403.42	366.24
Renewal and Replacements	2.33		
– Building		105.09	71.80
– Machinery		29.31	20.91
– Others		42.38	63.15
Rent	2.32	190.47	186.08
Rates and Taxes		59.03	34.80
Printing and Stationery		28.11	24.89
Insurance		11.39	7.99
Travelling and Conveyance		33.88	28.11
Communication Charges		26.82	23.42
Auditors' Remuneration			
Audit Fees		6.00	4.00
Others		0.85	0.85
Commission		41.97	31.52
Professional and Technical Service Charges		39.70	18.91
Motor Car Upkeep and Car hire charges		53.80	58.84
Licence Fees		25.18	11.31
Advertisement and Publicity		43.25	37.14
Hiring charges		13.55	12.22
Directors' fee		10.25	5.10
Directors' Commission		3.00	10.00
Provision for Claims and Contingencies	2.8.1	13.49	14.18
Provision for Diminution in value of Investment		—	18.44
Loss on sale of Investments		7.53	—
Loss on sale of fixed Assets		—	1.04
Management Fees		152.85	127.85
Miscellaneous Expenses	2.23.1	16.66	37.05
		<u>1,586.88</u>	<u>1,416.08</u>

2.23.1 Includes expenses incurred on account of Corporate Social Responsibility (CSR) ₹ 2.00 Lacs (Previous Year ₹ 14.01)

NOTES ON FINANCIAL STATEMENTS

2.24 TAX EXPENSES

(₹ in Lacs)

Particulars	Ref	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
Provision for current tax		38.55	83.69
Less: MAT Credit Entitlement	2.24.1	(33.47)	—
		<u>5.08</u>	<u>83.69</u>

2.24.1 The Company is entitled to MAT credit and accordingly based on evidences MAT credit of ₹ 33.47 (previous year ₹ Nil) has been recognised in these financial statements.

2.25 CAPITAL COMMITMENTS

(₹ in Lacs)

	As On 31st March, 2016	As On 31st March, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	12.18	Nil

2.26 CONTINGENT LIABILITIES

(₹ in Lacs)

There are contingent liabilities not acknowledged as debt which are disputed and/or pending in appeals:

Sl. No.	Particulars	Year	As On 31st March, 2016	As On 31st March, 2015
i)	Income Tax matter pending in appeal	Assessment Year 2009-10, 2010-11, 2011-12 & 2012-13	13.56	102.91

Future cash outflows, if any, in respect of the above is dependent upon the outcome of judgment/decision

2.27 CAPITAL WORK IN PROGRESS

a.) Pending completion of the project Capital Work in Progress includes Rs.Nil(previous year Rs.68.35 lacs) for cost of equipment's, furniture and fittings, construction including material and other cost, interest and following pre-operative expenses, which are allocated/ appropriated to respective fixed assets on the completion of the project.

(₹ in Lacs)

Particulars	As On 31st March, 2016	As On 31st March, 2015
<b>Amount brought forward</b>	<b>53.15</b>	380.17
Addition during the year:		
Consultancy charges	—	8.81
Rates & Taxes	—	8.16
Interest on Term Loan	—	81.50
Other borrowing Cost	—	0.26
Miscellaneous Expenses	—	35.37
Less: Capitalised/ (Charged off) during the year	(53.15)	(461.12)
<b>Total pre-operative expenses carried forward pending allocation</b>	<b>Nil</b>	53.15

**NOTES ON FINANCIAL STATEMENTS**

- b.) The Company’s project “PIK Tower” had commenced operation during the previous year. Interest and other Pre-operative expenses allocable there against had therefore been capitalized as the cost to the respective asset.
- c.) Capital work in progress include consultancy, professional charges, legal and other pre-operative expenses amounting to Rs. 53.15 lacs pertaining to Land at Puri. Expenses which were directly attributable to the same has been capitalized as cost thereto and those incurred in respect of License and other statutory obligations being recoverable on sale of said land has been carried forward recoverable under other current assets.
- 2.28 In the opinion of the management, current assets and loans & advances have the value at which these are stated in the balance sheet, unless otherwise stated and adequate provision for all known liabilities have been made and are not in excess of the amount reasonably required.

2.29 The break-up of deferred tax assets and liabilities are as follows: (₹ in Lacs)

Particulars	As on 1st April, 2015	Charge/(Credit)	As on 31st March, 2016
		For thePeriod	
<b>Deferred Tax Assets</b>			
Expenses allowable on payment basis	(44.68)	(1.87)	(46.55)
Other Provisions	(39.17)	8.75	(30.42)
<b>Deferred Tax Liabilities</b>			
Timing difference w.r.t. Fixed Assets	48.61	52.51	101.12
<b>Net Deferred Tax (Asset)/Liability</b>	<b>(35.24)</b>	<b>59.39</b>	<b>24.15</b>

**2.30 Employee Benefits**

The disclosures as per the Accounting Standard 15 (AS-15) on “Employee Benefits” are given below:

a) **Defined Contribution Plan**

Defined Contribution Plan recognized as expenses for the year are as under: (₹ in Lacs)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Employer’s Contribution to Provident Fund	17.70	17.82
Employer’s Contribution to Pension Fund	24.36	18.43
Employer’s Contribution to Employees State Insurance Scheme	11.34	10.69

NOTES ON FINANCIAL STATEMENTS

b) **Defined Benefit Plan**

The employee's gratuity fund scheme is managed by Life Insurance Corporation of India Limited is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The disclosure as required under AS 15 regarding the Company's Gratuity Plan (Funded) is as follows:

(₹ in Lacs)

Particulars	2015-16	2014-15
A. Change in Defined Benefit Obligations representing reconciliation of opening and closing balance thereof are as follows:		
Liability at the beginning of the Year	<b>178.92</b>	147.10
Current Service Cost	11.46	10.43
Interest Cost	14.21	13.45
Benefits Paid	(14.44)	(13.64)
Actuarial (Gains)/ Losses on obligations	8.96	21.58
<b>Liability at the end of the Year</b>	<b>199.11</b>	178.92
B. Change in the Fair Value of Assets representing reconciliation of opening and closing balance thereof are as follows:		
Fair value of Planned Assets at the beginning of the year	<b>142.02</b>	133.19
Expected Return on Planned Assets	10.34	9.70
Actuarial Gain /(losses) on Plan Assets	0.75	1.32
Contributions by the Company	30.83	11.45
Benefits paid	(14.44)	(13.64)
<b>Fair value of Planned Assets at the end of the year</b>	<b>169.50</b>	142.02
Total Actuarial gain/(Loss) to be recognized	(8.21)	(20.26)
C. Expenses recognized in the Statement Of Profit And Loss		
Current Service Cost	11.46	10.43
Interest Cost	14.21	13.45
Expected Return on Plan Assets	(10.34)	(9.70)
Actuarial (Gain)/ Loss	8.21	20.26
<b>Expenses recognized in the Statement of Profit And Loss *</b>	<b>23.54</b>	34.44
D. Amount Recognised in the Balance Sheet		
Liability at the end of the Year	199.11	178.92
Fair Value of Plan Assets at the end of the Year	169.50	142.02
	<b>29.61</b>	36.90
E. Balance Sheet Reconciliation:		
Opening Net Liability	36.90	13.91
Expenses as above	23.54	34.44
Employers Contribution	(30.83)	(11.45)
<b>Amount recognized in the Balance Sheet</b>	<b>29.61</b>	36.90
F. Principal Actuarial Assumptions as at Balance Sheet Date		
Discounted Rate (per annum) Compound	7.75%	7.95%
Rate of return on Plan Assets	7.50%	7.50%
Rate of Salary increase (per annum)	7.00%	7.00%

NOTES ON FINANCIAL STATEMENTS

(₹ in Lacs)

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
Defined Benefit Obligation at the end of the year	199.11	178.92	147.10	161.69	120.52
Fair value of planned asset at the end of the year	169.50	142.02	133.19	120.42	100.11
Funded Status	29.61	36.90	13.91	41.27	20.41
<b>Experience adjustments:</b>					
Experience gain/(loss) adjustment on plan liabilities	6.12	5.93	(5.93)	16.57	4.11
Experience gain/(loss) adjustment on plan assets	0.75	1.31	1.05	1.74	1.00

**Compensated Absences**

The obligation for compensated absences is recognized in the same manner as gratuity. The actuarial liability of Compensated Absences (unfunded) of accumulated privileged and sick leaves of the employees of the Company as at 31st March, 2016 is given below:

(₹ in Lacs)

Particulars	2015-16	2014-15
Privileged Leave	93.87	81.55
Sick Leave	7.93	7.27

\*Included in "Salaries, Wages and Bonus" and "Contribution to Provident Fund, Gratuity and Other Funds" under "EMPLOYEE BENEFIT EXPENSES" in Note 2.21.

- Notes:**
- Assumptions relating to future salary increases, attrition, interest rate for discount & 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.
  - The contributions expected to be made by the Company for the year 2016-17 is ₹ 15.00 Lacs.

2.31 Related Party Disclosures as at 31st March 2016 as required as per Accounting Standard (AS – 18) on 'Related Parties Disclosures', are as given in annexure:

- Key Management Personnel and their relatives: Mr. Kunal Sen, Executive Director,
- Relative of Director: Ms. Debasree Roy
- Holding Company: The Peerless General Finance & Investment Company Limited
- Associates, Group Enterprises and Companies under common control:

With whom the company had transactions during the year:

Kaizen Leisure & Holidays Limited, Peerless Financial Products Distribution Limited, Peerless Hospitex Hospital & Research Center Limited, Peerless Securities Limited, Bengal Peerless Housing Development Company Limited, Kaizen Hotels & Resorts Limited, Peerless Financial Services Limited, Peerless Trust Management Company Limited, Peerless Fund Management Company Limited.

- The above related party information has been disclosed to the extent such parties have been identified by the management on the basis of information available this has been relied upon by the Auditors.

2.32 The Company has certain operating lease arrangement for Hotel Premises and Residential Accommodation with tenure extending upto 33 years and 3 yrs respectively and renewable with mutual consent. Terms of lease arrangement for Hotel Premises and residential accommodation include escalation clause for rent on expiry of certain period and deposit/refund of security deposit etc. The amount incurred on account of rent during the year and recognized in the Statement of Profit and Loss amounts to ₹ 190.47 Lacs (Previous Year ₹ 186.08 Lacs).

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		(₹ in Lacs)	
		2015-16	2014-15
		Amount	Amount
2.33	a) Consumption of Stores & Provision		
	i) Stores and Spares * (100% Indigenous)	<b>10.50</b>	6.57
		<b>10.50</b>	6.57
	* included in Renewal and Replacement Accounts.		
	ii) Provision, Stores & Wines Indigenous (100% Indigenous)	<b>416.58</b>	367.59
		<b>416.58</b>	367.59
2.34	Earnings per share (EPS)		

Calculation of Earnings Per Share is as follows:

(₹ in Lacs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Profit/(loss) after tax	<b>190.45</b>	423.31
<b>Net Profit/(loss) for calculation of basic and diluted EPS (A)</b>	<b>190.45</b>	423.31
No of equity shares outstanding as on 31st March	<b>4,580,000</b>	4,580,000
Weighted average number of equity shares in calculating basic and diluted EPS (B)	<b>4,580,000</b>	4,580,000
Basic and Diluted EPS (A)/(B)	<b>4.16</b>	9.24

2.35 The Company is involved only in Hotel business and as such disclosure of Segment Information is not required under Accounting Standard 17 – ‘Segment Reporting’.

2.36 (₹ in Lacs)

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
i) Earnings in Foreign Currency	<b>55.90</b>	156.44
ii) Conversion of Foreign Currency	<b>26.48</b>	20.66
iii) Expenditure in Foreign Currency	—	6.82

2.37 Previous year’s figures have been rearranged and/or regrouped wherever necessary.

AS PER OUR REPORT OF EVEN DATE

For LODHA & CO.

Chartered Accountants

Firm’s ICAI Registration No. 301051E

R. P. Singh

Partner

Membership No. 52438

Place : Kolkata

Date : 16th May, 2016

For and on behalf of the Board

N. Saha – Director

**K. Sen** – Executive Director

K. K. Chatterjee – Chief Financial Officer

**S. Sen** – Company Secretary

**PEERLESS HOTELS LIMITED**

Nature of Transaction	Holding Company		Associates/Group Enterprise and Companies under common control		Key Management Personnel & relatives of Directors		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
	₹ in Lacs							
<b>REVENUE</b>								
Banquet, Room Sales & Other Income (Inclusive of Applicable Taxes)								
Peerless Hospitex Hospital & Research Center Ltd.	25.83	25.39	0.39	0.61	-	-	0.39	0.61
The Peerless General Finance & Investment Co. Ltd	-	-	2.86	1.66	-	-	25.83	25.39
Bengal Peerless Housing Development Co. Ltd.	-	-	1.69	0.99	-	-	2.86	1.66
Peerless Securities Ltd.	-	-	2.92	2.32	-	-	1.69	0.99
Kaizen Leisure & Holidays Ltd.	-	-	2.71	4.40	-	-	2.92	2.32
Peerless Financial Products Distribution Ltd.	-	-	8.69	5.10	-	-	2.71	4.40
Peerless Fund Management Co. Ltd.	-	-	0.63	0.62	-	-	8.69	5.10
Peerless Trust Management Co. Ltd.	-	-	1.18	-	-	-	0.63	0.62
Peerless Financial Services Ltd.	25.83	25.39	21.07	15.70	-	-	1.18	-
							<b>46.90</b>	<b>41.09</b>
<b>EXPENSES</b>								
<b>RENT</b>								
The Peerless General Finance & Investment Co. Ltd	218.53	211.37	-	-	-	-	218.53	211.37
Electricity, Telephone Charges, Professional Fees, Travelling Expenses, Maintenance & Medical Expenses	0.04	0.03	-	-	-	-	0.04	0.03
The Peerless General Finance & Investment Co. Ltd	-	-	11.20	13.08	-	-	-	11.20
Bengal Peerless Housing Development Co. Ltd.	-	-	11.67	-	-	-	11.67	13.08
Kaizen Leisure & Holidays Ltd.	-	-	1.38	-	-	-	1.38	-
Peerless Hospitex Hospital & Research Center Ltd.	-	-	-	-	65.64	57.17	65.64	57.17
<b>DIRECTOR'S REMUNERATION</b>								
Kunal Sen	-	-	-	-	-	-	-	-
Debasree Roy	-	-	-	-	16.84	16.05	16.84	16.05
<b>REMUNERATION PAID</b>								
<b>Balances as on 31.03.2016 and 31.03.2015</b>								
<b>TRADE RECEIVABLES</b>								
Bengal Peerless Housing Development Co. Ltd.	-	-	0.39	0.22	-	-	0.39	0.22
Peerless Fund Management Co. Ltd.	-	-	0.83	1.40	-	-	0.83	1.40
The Peerless General Finance & Investment Co. Ltd	0.50	-	-	-	-	-	0.50	-
Peerless Securities Ltd.	-	-	0.28	-	-	-	0.28	-
Kaizen Leisure & Holidays Ltd.	-	-	1.16	-	-	-	1.16	-
Peerless Financial Products Distribution Ltd.	-	-	0.07	-	-	-	0.07	-
Peerless Financial Services Ltd.	0.50	-	2.87	1.62	-	-	0.14	-
							<b>3.38</b>	<b>1.62</b>
<b>Equity Contribution</b>								
Peerless Hospitex Hospital & Research Center Ltd.	-	-	7.00	7.00	-	-	7.00	7.00
<b>Loans and Advances</b>								
Kaizen Leisure & Holidays Ltd.	-	-	13.09	15.09	-	-	13.09	15.09
							<b>13.09</b>	<b>15.09</b>
<b>Loans and Advances</b>								
Prepaid Rent (Lease Rent 01.04.15-13.10.15)	17.18	17.18	-	-	-	-	17.18	17.18
The Peerless General Finance & Investment Co. Ltd	17.18	17.18	-	-	-	-	17.18	17.18
<b>Dividend Paid</b>								
The Peerless General Finance & Investment Co. Ltd	137.33	183.11	0.01	0.01	-	-	137.33	183.11
Peerless Financial Products Distribution Ltd.	-	-	0.01	-	-	-	0.01	0.01
Peerless Hospitex Hospital & Research Center Ltd.	137.33	183.11	0.01	0.01	-	-	0.01	0.01
							<b>137.35</b>	<b>183.12</b>
<b>CURRENT LIABILITY</b>								
The Peerless General Finance & Investment Co. Ltd	6.59	6.66	-	-	-	-	6.59	6.66
Kaizen Leisure & Holidays Ltd.	-	-	0.99	1.08	-	-	-	1.08
Bengal Peerless Housing Development Co. Ltd.	6.59	6.66	0.99	2.07	-	-	0.99	0.99
							<b>7.58</b>	<b>8.73</b>
<b>PROVISION FOR DOUBTFUL ADVANCES</b>								
Kaizen Leisure & Holidays Ltd.	-	-	13.09	15.09	-	-	13.09	15.09