

Peerless Trust Management Co. Ltd.  
Annual Report & Accounts  
2015-16

**BOARD OF DIRECTORS**

Mr. Satyabrata Ganguly  
(Chairman)  
Mr. Sunil Kanti Roy  
Mr. Sunil Mitra  
Mr. Sisir Kumar Chakrabarti

**COMPANY SECRETARY**

Ms. Preeti Lakhmani

**BANKERS**

HDFC Bank Limited  
2/6, Sarat Bose Road  
Central Plaza  
Kolkata

**STATUTORY AUDITORS**

M/s. Lodha & Co.  
Chartered Accountants  
14, Government Place East,  
Kolkata - 700 069

**REGISTERED OFFICE**

Peerless Mansion,  
1 Chowringhee Square, Third Floor,  
Kolkata - 700 069  
Tel: + 91 33 40185000  
Fax: +91 33 40185010  
Website: [www.peerlessmf.co.in](http://www.peerlessmf.co.in)  
Email: [connect@peerlessmf.co.in](mailto:connect@peerlessmf.co.in)

**CORPORATE IDENTIFICATION NO.**

U65990WB2009PLC134536

**INTERNAL AUDITORS**

M/s. M. P. Chitale & Co.  
Chartered Accountants  
1/11, Prabhadevi Ind. Estate,  
1st Floor, Opp. Siddhivinayak  
Temple, Veer Savarkar Marg,  
Prabhadevi,  
Mumbai - 400 025

## REPORT OF THE DIRECTORS

Dear Shareholders,

Your Directors are pleased to present the Seventh Annual Report and Audited Accounts of Peerless Trust Management Co. Limited for the year ended 31 March 2016.

### FINANCIAL RESULTS

(in Rupees)

Particulars	2015-16	2014-15
Income	<b>32,03,056</b>	40,94,196
Profit/(Loss) before Depreciation	<b>(34,037)</b>	3,83,277
Depreciation	<b>3,176</b>	42,581
Net Profit/(Loss)	<b>(66,513)</b>	6,04,946
Balance brought forward from previous year	<b>38,36,439</b>	32,31,493
Surplus/(Deficit) carried to Balance Sheet	<b>37,69,926</b>	38,36,439

### Business and Financial Performance

Peerless Trust Management Company Limited (“PTMCL” or “the Company”) is a subsidiary of The Peerless General Finance and Investment Company Limited (“PGFI”) and acts as Trustee to Peerless Mutual Fund (PMF). Peerless Funds Management Co. Limited (PFMCL) acts as the Investment Manager to PMF.

During the year under review, PMF completed 6 years of operations and the main thrust of PFMCL during FY 2015-16 was in strengthening and re-building human resources, processes, systems and product and sales capabilities. PFMCL continued to focus on making its business model more robust and sustainable and re-aligning its human resource strategy towards effectiveness and efficiency.

In an effort to expand its reach, PFMCL succeeded in tie ups with leading national and regional level distributors and IFAs. PFMCL also conducted various investor meets to build direct connect with the retail investors and is poised to continue to leverage on these in the coming years.

In the previous year, PFMCL re-designed its distribution compensation structure, to make it beneficial for distributors in the long term and to attract sustainable & stable assets. This was well received by the distributor community and was financially rewarding for both the distributor as well as PFMCL. However, the AMFI commission, circular covered elsewhere in the Report, resulted in increased competition in this space and hurt retention, with a consequential impact on PFMCL’s financial performance.

During the year, PFMCL undertook various investor awareness initiatives through audio visual/electronic medium like radio, movie theatres, banners, hoardings, websites, etc.

During the year, PFMCL received SEBI’s approval and launched successfully 2 new retail oriented schemes, namely Peerless Midcap Fund and Peerless Long Term Advantage Fund.

PFMCL also changed the Fundamental Attributes of Peerless MF Child Plan on receipt of SEBI’s approval for the same. The scheme is now open to investments by all permitted categories of investors.

PFMCL’s focus continues to be deeper penetration into the retail segment and to leverage the distribution capabilities of its own network of Independent Financial Advisors, National Distributors, Regional Distributors, Agency Managers and various arms of the Peerless Group.

As on 31 March 2016, PFMCL is present in 21 locations serving over 44,000 customers. Nearly 50% of the locations are outside the top 15 cities for the mutual fund industry. In many of these locations, PFMCL has played a leading role in investor awareness and education.

Average assets managed by PMF were Rs. 985 crore for the quarter ended March 2016 compared to Rs. 1,302 crore for the quarter ended March 2015. Assets managed in retail oriented schemes has grown to Rs. 247 crore in March 2016 from Rs.150 crore in March 2015.

During the year under review, your Company incurred a loss of Rs. 66,513 as against a net profit of Rs. 6,04,946 in 2014-15.

As on 31 March 2016, the networth of your company stood at Rs. 2,37,69,926 as against a net worth of Rs. 2,38,36,439 as on 31 March 2015.

### Dividend

In view of the loss, your Directors express their inability to recommend any dividend for the year ended 31 March 2016.

### Board Meetings

During the year under review, the Board of Directors of your Company met 6 (six) times. The maximum interval between any two Board Meetings did not exceed 120 days.

Details of Board meetings attended by the Directors during the financial year ended 31 March 2016:

Sl. No.	Name of the Director	Dates of Meetings	Board Meetings	
			Held	Attended
1.	Mr. Satya Brata Ganguly	28.04.2015	6	6
2.	Mr. Sunil Kanti Roy	19.06.2015	6	5
3.	Mr. Sunil Mitra	19.08.2015	6	6
4.	Mr. Sisir Kumar Chakrabarti*	30.10.2015	6	6
		14.12.2015	6	4
		18.03.2016		

\*Mr. Sisir Kumar Chakrabarti appointed as Additional Director of the Company with effect from 19 June 2015.

### Audit Committee

Pursuant to Securities and Exchange Board of India ("SEBI") circular MFD/CIR/010/024/2000 dated January 17, 2000, your Company has in place an Audit Committee of the Board. This currently comprises the following members:

Name of the Director	Designation
Mr. Sunil Mitra	Chairman, Independent Director
Mr. Sunil Kanti Roy	Member, Non-Executive Director
Mr. Satya Brata Ganguly	Member, Independent Director

During the year under review, the Committee met 6 (six) times

Details of Audit Committee meetings attended by the Directors during the financial year ended 31 March 2016:

Sl. No.	Name of the Director	Dates of Meetings	Audit Committee Meetings	
			Held	Attended
1.	Mr. Sunil Mitra	28.04.2015	6	6
2.	Mr. Sunil Kanti Roy	19.06.2015	6	5
3.	Mr. Satya Brata Ganguly	19.08.2015	6	6
		30.10.2015		
		14.12.2015		
		18.03.2016		

### **Internal Complaints Committees**

Your Company is not required to constitute Internal Complaints Committees pursuant to the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company**

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status of your Company and your company's operations in future.

### **Holding and Subsidiaries**

Your company continues to be the subsidiary of The Peerless General Finance & Investment Co. Ltd.

Your Company has no subsidiary as on date.

### **Statutory Auditors and their Reports**

In the last Annual General Meeting (AGM) held on 19 August, 2015 the appointment of M/s. Lodha & Co., Chartered Accountants had been ratified as Statutory Auditors of your company.

Ratification of appointment of Statutory Auditors for FY 2016-17 is being sought from the members at the ensuing AGM.

Further, the report of the Statutory Auditors along with notes to Schedules is enclosed with this report.

There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report.

### **Internal Auditors and their Reports**

M/s. M.P. Chitale & Co., Chartered Accountants had been appointed as Internal Auditors of your company for the financial year 2015-16 and their reports placed before the Audit Committee and the Board for their consideration.

### **Share Capital**

As on 31st March, 2016, the issued, subscribed and paid up share capital of your company stood at Rs. 2,00,00,000/- (Two Crore), comprising 20,00,000 Equity shares of Rs.10/- each.

### **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 to this report as **Annexure 1**.

### **Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo**

No disclosure is required to be made under section 134(3) (m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014.

Your company does not have any activity relating to conservation of energy, technology absorption or foreign exchange earnings and outgo for the year ended 31 March 2016.

### **Board of Directors**

#### **(a) Changes in Directors**

Mr. Sisir Kumar Chakrabarti has been appointed as an Additional Director of your company with effect from 19 June 2015.

Subsequently, he was appointed as Independent Director at the 6th Annual General Meeting of the Company held on 19 August 2015 for a period of 5 years in compliance with the provisions of Section 149(6) of the Companies Act, 2013.

Mr. Sunil Kanti Roy will retire at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment.

**(b) Declaration by Independent Directors and re-appointment, if any**

Mr. Satya Brata Ganguly, Mr. Sunil Mitra and Mr. Sisir Kumar Chakrabarti are Independent Directors on the Board of your company. Your company has received statement of declaration of independence from the Independent Directors.

In the opinion of the Board they fulfill the conditions specified in section 149(6) of the Companies Act, 2013 and the Rules made thereunder about their status as Independent Directors of the company.

**(d) Formal Annual Evaluation**

As required under section 134(3) of Companies Act 2013 read with Rule 8(4) of Companies (Account) Rules, 2014, and pursuant to Section 178 of the Companies Act, 2013, formal annual evaluation of all Directors, Committees of the Board and the Board as a whole have been carried out.

A meeting of the Independent Directors has been duly held during the year.

**Particulars of loans, guarantees or investments under section 186**

During the year under review, your Company has not given any loans, guarantees or made investments pursuant to Section 186 of the Companies Act, 2013.

**Related party transactions**

During the year under review, your company has not entered into any contracts or transactions or arrangements with related parties which are not on arms' length basis and ordinary course of business, nor has your company entered into any material contracts or transactions or arrangements with related parties at arms' length basis as referred in Section 188(1) of the Companies Act, 2013, read with Rule 15 of Companies (Meetings of Boards & its Powers) Rules, 2014.

The required disclosure in Form AOC-2 is enclosed to this report as **Annexure 2**.

**Internal Controls over Financial Reporting**

Your Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations.

Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used efficiently and adequately protected.

The Audit Committee has laid down strict processes for monitoring the internal control systems including an independent assessment of these at regular intervals. Compliance of the laws of the land is accorded utmost importance. The Secretarial Audit Report attached to this Report of the Directors covers this topic and reaffirms the adequacy of internal control systems.

Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorised, recorded and reported correctly.

The Internal Auditor reviews the efficiency and effectiveness of these systems and procedures. Added objectives include evaluating the reliability of financial and operational information and ensuring compliances with applicable laws and regulations. The Internal Auditor submits his Report periodically which is placed before and reviewed by the Audit Committee.

The Statutory Auditors have also carried out a review of internal financial controls with reference to the financial statements and have reaffirmed on its adequacy and operating effectiveness in the Independent Auditors Report.

Your Directors are of the view that as on date the internal financial controls with reference to financial statements are adequate.

### **Particulars of Employees**

There are no employees of your company who are in receipt of remuneration in excess of limits prescribed pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **Deposits**

During the year, the Company did not accept any deposits from the public under Chapter V of the Companies Act, 2013 and therefore, no amount of principal or interest was outstanding as on the Balance Sheet date.

### **Material changes and commitments**

There were no material changes/commitments after the Balance Sheet date.

### **Directors' Responsibility Statement**

In accordance with the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to the material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31 March 2016 and of the profit and loss of the Company for the period;
- (iii) 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;
- (iv) the Directors had prepared the annual accounts on a going concern basis; and
- (v) 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.

### **Appreciation**

Your Directors place on record their sincere appreciation of the co-operation and assistance received from the holding company, The Peerless General Finance & Investment Co. Ltd., SEBI, RBI, AMFI, Custodians, Fund accountants, Bankers, Registrars, Unit holders and other business constituents during the year under review.

Your Directors also wish to place on record their appreciation of the commitment displayed by all the executives, officers and staff for their unstinted support and cooperation.

For and on behalf of the Board of Directors

Place : Kolkata  
Date : 13 June 2016

**Satyabrata Ganguly**  
Chairman

**Form No. MGT-9**  
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016  
of  
PEERLESS TRUST MANAGEMENT CO. LIMITED

[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 : U65990WB2009PLC134536
- ii) Registration Date: 09.04.2009
- iii) Name of the Company: Peerless Trust Management Co. Limited
- iv) Category/Sub-Category of the Company: Public Limited Company
- v) Address of the Registered Office and contact details:  
Peerless Mansion, 1, Chowringhee Square, 3rd Floor, Kolkata – 700069, Ph: 033-40185000  
Email: connect@peerlessmf.co.in
- vi) Whether listed company : No
- vii) Name, Address and contact details of Registrar & Transfer Agents (RTA), if any: Not Applicable

**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.	Act as Trustee for Peerless Mutual Fund.	N.A.	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	The Peerless General Finance & Investment Company Limited 3, Esplanade East Kolkata - 700 069	U66010WB1932 PLC007490	Holding	99.965	Section 2(46) of Companies Act, 2013



**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	Nil	500	500	0.025	Nil	500	500	0.025	Nil
(b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Bodies Corp.	Nil	19,99,300	19,99,300	99.965	Nil	19,99,300	19,99,300	99.965	Nil
(e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (1):</b>	<b>Nil</b>	<b>19,99,800</b>	<b>19,99,800</b>	<b>99.990</b>	<b>Nil</b>	<b>19,99,800</b>	<b>19,99,800</b>	<b>99.990</b>	<b>Nil</b>
<b>(2) Foreign</b>									
(a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (2):</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>Nil</b>	<b>19,99,800</b>	<b>19,99,800</b>	<b>99.990</b>	<b>Nil</b>	<b>19,99,800</b>	<b>19,99,800</b>	<b>99.990</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (B)(1):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
<b>(a) Bodies Corp.</b>									
(i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>(b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	200	200	0.010	Nil	200	200	0.010	Nil
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>(c) Others (specify)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Sub-total (B)(2):-</b>	<b>Nil</b>	<b>200</b>	<b>200</b>	<b>0.010</b>	<b>Nil</b>	<b>200</b>	<b>200</b>	<b>0.010</b>	<b>Nil</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>Nil</b>	<b>200</b>	<b>200</b>	<b>0.010</b>	<b>Nil</b>	<b>200</b>	<b>200</b>	<b>0.010</b>	<b>Nil</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Grand Total (A+B+C)</b>	<b>Nil</b>	<b>20,00,000</b>	<b>20,00,000</b>	<b>100.00</b>	<b>Nil</b>	<b>20,00,000</b>	<b>20,00,000</b>	<b>100.00</b>	<b>Nil</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in share holding during the year
1	The Peerless General Finance & Investment Co. Ltd.	19,99,300	99.965	Nil	19,99,300	99.965	Nil	Nil
2	Mr. Sunil Kanti Roy	200	0.010	Nil	200	0.010	Nil	Nil
3	Mr. Jayanta Roy	100	0.005	Nil	100	0.005	Nil	Nil
4	Mrs. Shikha Roy	100	0.005	Nil	100	0.005	Nil	Nil
5	Mrs. Debasree Roy	100	0.005	Nil	100	0.005	Nil	Nil

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	19,99,800	99.99	19,99,800	99.99
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	Nil	Nil	Nil	Nil
3	At the end of the year	19,99,800	99.99	19,99,800	99.99

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

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
1	At the beginning of the year:				
	Mr. Bhargab Lahiri	100	0.005	100	0.005
	Mr. Amal Chandra Chakrabortti	100	0.005	100	0.005
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	NA	NA	NA	NA
3	At the end of the year:				
	Mr. Bhargab Lahiri	100	0.005	100	0.005
	Mr. Amal Chandra Chakrabortti	100	0.005	100	0.005

**(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
1	At the beginning of the year:				
	Mr. Sunil Kanti Roy	200	0.010	200	0.010
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	Nil	Nil	Nil	Nil
3	At the end of the year:				
	Mr. Sunil Kanti Roy	200	0.010	200	0.010

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b> i)Principal Amount ii)Interest due but not paid iii)Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Change in Indebtedness during the financial year</b> I Addition I Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b> i)Principal Amount ii)Interest due but not paid iii)Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**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 &amp; CEO/WTD/ Manager</b>	<b>Name of MD &amp; CEO/WTD/ Manager</b>	<b>Total Amount (Rs.)</b>
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	NA	NA	NA
2	Stock Option	NA	NA	NA
3	Sweat Equity	NA	NA	NA
4	Commission - as % of profit	NA	NA	NA
5	Others, please specify			
	<b>Total (A)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
	Ceiling as per the Act	<b>NA</b>		

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.) Per Annum
		Mr. Satya Brata Ganguly	Mr. Sunil Mitra	Mr. Sisir Kumar Chakrabarti	
<b>1</b>	<b>Independent Directors</b>				
A	Fee for attending Board Meetings	1,20,000	1,20,000	80,000	3,20,000
B	Fee for attending Committee Meetings	60,000	60,000	N.A.	1,20,000
C	Commission	N.A.	N.A.	N.A.	N.A.
D	Others: Independent Directors' Meeting	10,000	10,000	10,000	30,000
	Total (1)	1,90,000	1,90,000	90,000	4,70,000

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount (Rs. Per Annum)
		Mr. Sunil Kanti Roy	
<b>2</b>	<b>Other Non-Executive Directors</b>		
A	Fee for attending Board Meetings	1,00,000	<b>1,00,000</b>
B	Fee for attending Committee Meetings	50,000	<b>50,000</b>
C	Commission	N.A.	<b>N.A.</b>
D	Others	N.A.	<b>N.A.</b>
	<b>Total (2)</b>	1,50,000	<b>1,50,000</b>
<b>Total (B)=(1+2)</b>	6,20,000		

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total (Rs. Per Annum)
		Ms. Preeti Lakhmani		
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	7,20,000 (Cost to company)	NA	7,20,000
2	Stock Option	NA	NA	NA
3	Sweat Equity	NA	NA	NA
4	Commission - as % of profit - others, specify	NA	NA	NA
5	Others, please specify	NA	NA	NA
	<b>Total</b>	<b>7,20,000</b>	<b>NA</b>	<b>7,20,000</b>

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

Type	Section of the Companies Act	Brief Descripti-on	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

**Form – AOC-2**

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

1. Details of contracts or arrangements or transactions not at arm's length basis – **Not Applicable**
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts/arrangements/transactions
  - (c) Duration of the contracts/arrangements/transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) Date(s) of approval by the Board
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
  
2. Details of material contracts or arrangement or transactions at arm's length basis – **Not Applicable**
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts/arrangements/transactions
  - (c) Duration of the contracts/arrangements/transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
  - (e) Date(s) of approval by the Board, if any:
  - (f) Amount paid as advances, if any:

For and on behalf of the Board of Directors

**Satyabrata Ganguly**

*Chairman*

Place: Kolkata

Date: 13 June 2016



## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF PEERLESS TRUST MANAGEMENT CO. LIMITED**

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

We have audited the accompanying financial statements of Peerless Trust Management Co Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

#### **Auditors' Responsibility**

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

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

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

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

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its loss 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, and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 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".
- 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. The Company does not have any pending litigations as at the year end which would impact its financial position.
  - ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
  - iii. There are 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: 052438

Place : Kolkata  
Date : 29 April 2016

## **ANNEXURE “A” REFERRED TO AUDITORS’ REPORT OF EVEN DATE**

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets of the Company were physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its business. No material discrepancies in respect of the assets verified during the year were noticed.
- (c) According to the information and explanations given to us, there being no immovable properties (viz. land and/or building) included under the head fixed assets for which there is requirement for having title deeds and as such paragraph 3(i)(c) of the Order is not applicable to the Company.
- ii) The Company has no inventory and accordingly, paragraph 3(ii) of the Order is not applicable to the Company.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured and unsecured to any company, firm, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) (a) to (c) of the Order is not applicable to the Company.
- iv) According to the information and explanations given to us, since the Company has not given any loan or guarantee or provided any security in connection with loan or acquired securities during the year, paragraph 3(iv) of the Order is not applicable to the Company.
- v) The Company has not accepted any deposits and accordingly, the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company.
- vi) According to the information and explanations given to us, the maintenance of cost records under Section 148(1) of the Act has not been specified and as such, paragraph 3(vi) of the Order is not applicable to the Company.
- vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employee’s State Insurance, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues where applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of aforesaid dues for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues with respect to income tax or sales tax or service tax or duty of customs or duty of excise or value added tax that have not been deposited with the appropriate authority on account of any disputes.
- viii) According to the information and explanations given to us, the company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- ix) The Company has not raised monies by way of Initial Public Offer or further public offer (including debt instruments) and term loans and as such paragraph 3(ix) of the Order is not applicable to the Company.
- x) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any incidence of fraud by the Company or on the Company by its officers or employees, nor have we been informed of any such case by the management.
- xi) In our opinion and according to the information and explanations given to us, no managerial remuneration except the sitting fees to the directors has been paid or provided by the Company and therefore paragraph 3(xi) of the Order is not applicable to the Company.

- 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, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and therefore paragraph 3(xiv) of the Order is not applicable to the Company.
- xv) According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors/persons connected with the directors and therefore provisions of section 192 of the Act are not applicable to the Company.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

**R. P. Singh**  
Partner  
Membership No: 052438

Place : Kolkata  
Date : 29 April 2016

## **ANNEXURE “B” REFERRED TO AUDITORS' REPORT OF EVEN DATE**

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

We have audited the internal financial controls over financial reporting of Peerless Trust Management Co Limited ("the Company") as at 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, 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

Place : Kolkata  
Date : 29 April 2016

**R. P. Singh**  
Partner  
Membership No: 052438

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

(Amount in Rupees)

Particulars	Note	<b>As At 31 March 2016</b>		<b>As At 31 March 2015</b>	
1	2	3		4	

**I. EQUITY AND LIABILITIES****(1) Shareholders' funds**

(a) Share capital	2	<b>2,00,00,000</b>		2,00,00,000	
(b) Reserves and surplus	3	<b>37,69,926</b>	<b>2,37,69,926</b>	38,36,439	2,38,36,439

**(2) Current liabilities**

(a) Trade Payables	4	<b>2,03,857</b>		2,76,899	
(b) Other current liabilities	5	<b>1,58,800</b>	<b>3,62,657</b>	26,76,229	29,53,128

**TOTAL****2,41,32,583****2,67,89,567****II. ASSETS****(1) Non-current assets**

(a) Fixed assets	6				
(i) Tangible assets		<b>10,977</b>		14,153	
(b) Long-term loans and advances	7	<b>7,27,657</b>		—	
(c) Deferred Tax Asset	16.4	<b>2,41,096</b>	<b>9,79,730</b>	2,70,396	2,84,549

**(2) Current assets**

(a) Trade receivables	8	<b>74,209</b>		1,533	
(b) Cash and bank balances	9	<b>2,14,87,801</b>		2,29,91,483	
(c) Short-term loans and advances	10	<b>3,75,818</b>		5,34,415	
(d) Other current assets	11	<b>12,15,025</b>	<b>2,31,52,853</b>	29,77,587	2,65,05,018

**TOTAL****2,41,32,583****2,67,89,567**

Summary of Significant Accounting Policies 1

Other Notes to the financial statements 2-16

The accompanying notes are integral part of the financial statements

In terms of our report of even date

For **Lodha & Co.**

Chartered Accountants

For and on behalf of the Board

**R.P. Singh**

Partner

Membership No. 52438

Place : Kolkata

Date : 29 April 2016

**S. B. Ganguly**

Chairman

**Sunil Mitra**

Director

**Preeti Lakhmani**

Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2016

(Amount in Rupees)

Particulars	Note	Year ended 31 March 2016	Year ended 31 March 2015
1	2	3	4
Revenue from operations	12	<b>8,21,394</b>	19,71,961
Other income	13	<b>23,81,662</b>	21,22,235
<b>Total Revenue</b>		<b>32,03,056</b>	40,94,196
Expenses:			
Employee benefits expense	14	<b>6,90,000</b>	6,25,162
Depreciation and amortization expense	6	<b>3,176</b>	42,581
Other expenses	15	<b>25,47,093</b>	30,85,757
<b>Total expenses</b>		<b>32,40,269</b>	37,53,500
<b>Profit before tax</b>		<b>(37,213)</b>	3,40,696
Tax expense:			
(1) Current tax		—	90,000
(2) Income Tax for earlier years		—	(83,854)
(3) Deferred Tax Asset	16.4	<b>29,300</b>	(2,70,396)
<b>Profit for the year</b>		<b>(66,513)</b>	6,04,946
Earnings per equity share:			
(1) Basic	16.3	(0.03)	0.30
(2) Diluted		(0.03)	0.30
Summary of Significant Accounting Policies	1		
Other Notes to the financial statements	2-16		
The accompanying notes are integral part of the financial statements			

In terms of our report of even date

For **Lodha & Co.**  
Chartered Accountants

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

Place : Kolkata  
Date : 29 April 2016

For and on behalf of the Board

**S. B. Ganguly**      **Sunil Mitra**  
Chairman              Director

**Preeti Lakhmani**  
Company Secretary



## CASH FLOW STATEMENT

### FOR THE YEAR ENDED 31 MARCH 2016

	2015-16 (Rs.)	2014-15 (Rs.)
<b>A. Cash flows from Operating Activities</b>		
Net profit /(loss) before tax for the year	(37,213)	3,40,696
Adjustment for:		
Depreciation	3,176	42,581
Interest income	(23,79,782)	(21,01,751)
<b>Operating profit before working capital changes</b>	<b>(24,13,819)</b>	<b>(17,18,474)</b>
Tax Expenses	(3,68,588)	(39,071)
Adjustment for changes in working capital:		
(Increase)/decrease in Non-Current Asset	(2,25,653)	—
(Increase)/decrease in Trade Receivables	(72,676)	2,84,201
(Increase)/decrease in Other Current Assets	25,181	(2,31,542)
Increase/(decrease) in current liabilities and provisions	(25,90,471)	19,83,204
<b>Net cash from/(used in) operating activities (A)</b>	<b>(56,46,025)</b>	<b>2,78,318</b>
<b>B. Cash flow from investing activities</b>		
Fixed Deposit	18,00,000	(10,00,000)
Interest income	41,42,343	3,71,360
<b>Net cash from/(used in) investing activities (B)</b>	<b>59,42,343</b>	<b>(6,28,640)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A)+(B)</b>	<b>2,96,318</b>	<b>(3,50,322)</b>
Cash and cash equivalents at beginning of year	91,483	4,41,805
<b>Cash and cash equivalents at end of year</b>	<b>3,87,801</b>	<b>91,483</b>

In terms of our report of even date

For **Lodha & Co.**  
Chartered Accountants

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

Place : Kolkata  
Date : 29 April 2019

For and on behalf of the Board

**S. B. Ganguly**      **Sunil Mitra**  
Chairman              Director

**Preeti Lakhmani**  
Company Secretary

**Notes to the financial statements for the year ended 31 March 2016****NOTE – 1 Summary of Significant Accounting Policies****1.1 BASIS OF ACCOUNTING**

The financial statements of the Company are prepared under the historical cost convention, on an accrual basis of accounting and in compliance with the applicable accounting standards and relevant provisions of the Companies Act, 2013 and rules framed under the said Act.

**1.2 USE OF ESTIMATES**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure relating to contingent liabilities as of the date of financial statements and the reported amount of revenue and expenses during the period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**1.3 FIXED ASSETS**

Fixed Assets are stated at historical cost less accumulated depreciation. Cost includes all expenses incidental to the acquisition and installation of the fixed asset.

**1.4 DEPRECIATION**

Depreciation on fixed assets is provided based on the useful life in the manner and as prescribed as per Schedule II of the Companies Act, 2013:

<b>CLASS OF FIXED ASSET</b>	<b>USEFUL LIFE OF ASSET</b>
Furniture & Fixture	10 years
Office Equipment	5 years
Improvement to leasehold or rented premises (including electrical installations)	The primary period of the lease term or 5 Years whichever is less

**1.5 IMPAIRMENT OF FIXED ASSETS**

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

**1.6 LEASE**

Lease rental payments for operating leases are recognised as an expense on straight-line basis over the lease term and paid/provided for as per terms of the agreement on an accrual basis.

**1.7 REVENUE RECOGNITION***Trusteeship Fees*

Trusteeship fees (exclusive of service tax) are recognised on accrual basis.

## **Notes to the financial statements for the year ended 31 March 2016**

### *Other Income*

Interest income is calculated using simple interest method and accounted for on accrual basis.

Dividend income is recognised when the right to receive dividend is established.

### **1.8 EMPLOYEE BENEFITS**

Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the related service is rendered. There are no long term employee benefits as at the year end.

### **1.9 TAXATION**

Provision for tax is made for current and deferred taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent years are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred tax assets other than in respect of carried forward losses or unabsorbed depreciation are recognised 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.

### **1.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions are measured and recognised when there is substantial degree of estimation as a result of past events and it is probable that there will be an outflow of resources.

Contingent Liabilities are not recognised in the financial statements and are disclosed in notes to the financial statements.

Contingent Assets are neither recognised in the financial statement nor disclosed.

**Notes to the financial statements for the year ended 31 March 2016**

(Amount in Rupees)

2. Share Capital	As at 31 March 2016		As at 31 March 2015	
	Number	Rs.	Number	Rs.
<u>Authorised</u>				
Equity Shares of Rs.10 each	20,00,000	2,00,00,000	20,00,000	2,00,00,000
		<u>2,00,00,000</u>		<u>2,00,00,000</u>
<u>Issued, Subscribed and Paid-up</u>				
Equity Shares of Rs.10 each, fully paid-up	20,00,000	2,00,00,000	20,00,000	2,00,00,000
		<u>2,00,00,000</u>		<u>2,00,00,000</u>

(a) The Company has only one class of equity shares of face value of Rs. 10 each and each share is entitled to one vote at general meetings

(b) Details of the shareholders holding more than 5% of Equity shares of the company

Number of Shareholders		As at 31 March 2016		As at 31 March 2015	
		No. of shares held		No. of shares held	
		(%)	(Number)	(%)	(Number)
1	<i>The Peerless General Finance &amp; Investment Company Limited, the Holding Company</i>	99.97	19,99,300	99.97	19,99,300

(Amount in Rupees)

	As at 31 March 2016	As at 31 March 2015
<b>3. Reserves &amp; Surplus</b>		
<b>Surplus</b>		
Surplus in the statement of Profit and Loss		
Opening Balance	38,36,439	32,31,493
Add/Less: Profit/(Loss) transferred from Statement of Profit and Loss	(66,513)	6,04,946
Closing Balance	<u>37,69,926</u>	<u>38,36,439</u>
<b>4. Trade Payables</b>		
Total outstanding dues of micro enterprise and small enterprises	—	—
Total outstanding dues of creditors other than micro enterprise and small enterprises (there are no dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006)	2,03,857	2,76,899
	<u>2,03,857</u>	<u>2,76,899</u>
<b>5. Other Current Liabilities</b>		
Statutory Liabilities	64,019	1,39,839
Advances from Related Party (Note 16.2)	94,781	25,36,390
	<u>158,800</u>	<u>26,76,229</u>

**Notes to the financial statements for the year ended 31 March 2016****6. Tangible Assets**

(Amount in Rupees)

	Gross Block				Depreciation				Net Block	
	As on 31.03.2015	Additions	Deductions	As at 31.03.2016	As at 31.03.2015	Additions	Adjust- ment on Disposals	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Leasehold Improvements	10,89,789	—	—	<b>10,89,789</b>	10,89,789	—	—	10,89,789	—	—
Furniture & Fixtures	2,41,898	—	—	<b>2,41,898</b>	2,27,745	3,176	—	2,30,921	10,977	14,153
Office Equipment	4,81,263	—	—	<b>4,81,263</b>	4,81,263	—	—	4,81,263	—	—
	<b>18,12,950</b>	—	—	<b>18,12,950</b>	17,98,797	3,176	—	<b>18,01,973</b>	<b>10,977</b>	<b>14,153</b>
Previous Year	18,12,950	—	—	18,12,950	17,56,216	42,581	—	17,98,797	14,153	56,734

(Amount in Rupees)

**As at**  
**31 March 2016**      **As at**  
**31 March 2015**

**7. Long-term loans and advances**

(Unsecured, considered good)

Service Tax Credit

**2,25,653**

Advance Tax &amp; Tax deducted at source (net of provisions)

**5,02,004****7,27,657****8. Trade receivables****Debts for a period less than six months:**

Good and Unsecured

**74,209**

1,533

**74,209**

1,533

**9. Cash and bank balances****Cash and cash equivalents**

Balances with banks

In Current Account

**3,87,801**

91,483

**Other Bank Balances**

Fixed Deposits with remaining maturity less than 12 months

**2,11,00,000**

2,29,00,000

**2,11,00,000**

2,29,00,000

**10. Short Term Loans and Advances****Good and Unsecured**

Prepaid Expenses

**1,65,818**

1,62,664

Service Tax Credit

**2,10,000**

2,38,335

Advance Tax &amp; Tax deducted at source (net of provisions)

—

1,33,416

**3,75,818**

5,34,415

**11. Other Current Assets**

Accrued Interest on Fixed Deposit

**12,15,025**

29,77,587

**12,15,025**

29,77,587

**Notes to the financial statements for the year ended 31 March 2016**

(Amount in Rupees)

	<b>For the year ended 31 March 2016</b>	For the year ended 31 March 2015
<b>12. Revenue</b>		
Gross Trusteeship Fees	<b>9,35,962</b>	22,15,697
Less: Service Tax	<b>(1,14,568)</b>	(2,43,736)
Net Trusteeship Fees	<b>8,21,394</b>	19,71,961
<b>13. Other income</b>		
Interest Income on Fixed Deposits	<b>23,79,782</b>	21,01,751
Interest on Tax Deducted at Source	<b>1,880</b>	20,484
	<b>23,81,662</b>	21,22,235
<b>14. Employee Benefit Expenses</b>		
Salaries and wages	<b>6,90,000</b>	6,25,162
	<b>6,90,000</b>	6,25,162
<b>15. Other expenses</b>		
Legal and professional fees	<b>8,41,597</b>	13,64,954
Travelling and Conveyance	<b>58,199</b>	1,46,241
Rent (Note 16.5)	<b>4,65,750</b>	4,14,000
Insurance	<b>1,70,260</b>	1,43,798
Repairs and maintenance	<b>36,553</b>	34,104
Electricity	<b>1,27,960</b>	1,11,176
Printing and stationery	<b>18,396</b>	18,113
Directors' Sitting Fees	<b>6,20,000</b>	6,60,000
Rates and taxes	<b>10,700</b>	18,900
Communication expenses	<b>256</b>	—
Miscellaneous Expense	<b>1,66,087</b>	1,49,471
Service Tax-Swachh Bharat Cess	<b>5,035</b>	—
Books, periodicals and subscriptions	<b>1,300</b>	—
Audit Fees		
- Statutory Audit	<b>25,000</b>	25,000
	<b>25,47,093</b>	30,85,757

**Notes to the financial statements for the year ended 31 March 2016****NOTE 16 – Other Notes to financial statements****16.1 SEGMENT REPORTING**

The Company's operations predominantly relate to act as Trustees for Peerless Mutual Fund. As the Company is engaged only in one business segment and has no geographical segments, separate disclosure of segmental reporting is not applicable under Accounting Standard on "Segment Reporting" (AS-17).

**16.2 RELATED PARTY INFORMATION****Holding company**

- i. The Peerless General Finance & Investment Company Limited

**Fellow subsidiaries, associates & group enterprise**

- ii. Peerless Funds Management Co Ltd  
 iii. Peerless Financial Products Distribution Ltd (formerly Peerless Developers Limited)  
 iv. Peerless Hospitex Hospital & Research Center Ltd  
 v. Peerless Securities Ltd  
 vi. Peerless Hotels Ltd  
 vii. Kaizen Leisure & Holidays Ltd  
 viii. Peerless Financial Services Ltd  
 ix. Bengal Peerless Housing Development Co Ltd  
 x. Kaizen Hotels & Resorts Ltd

Disclosure of transactions between the company and related parties and the status of outstanding balances as on 31 March 2016 :

Nature of Transaction	Holding Company (in Rs.)	Fellow Subsidiaries (in Rs.)		Group Enterprise (in Rs.)	Total (in Rs.)
		Peerless Hotels Ltd	Peerless Funds Management Co Ltd		
Rent (including service tax)	5,30,620 (4,65,168)	— (-)	— (-)	— (-)	5,30,620 (4,65,168)
Other administrative expense	— (-)	62,602 (62,041)	2,52,998 (2,13,462)	39,726 (1,14,134)	3,55,326 (3,89,637)
Advance received	— (-)	— (-)	94,781 (25,36,390)	— (-)	94,781 (25,36,390)

Note : Figures for the previous year have been indicated in brackets.

**Notes to the financial statements for the year ended 31 March 2016****16.3 EARNINGS PER SHARE**

Basic and Diluted earnings per share

(Amount in Rupees)

	<b>For the year ended 31 March, 2016</b>	For the year ended 31 March, 2015
Net Profit/(Loss) after tax (Rs.)	<b>(66,513)</b>	6,04,946
Weighted average number of equity shares outstanding during the year	<b>20,00,000</b>	20,00,000
Basic and Diluted earnings per share (Rs.)	<b>(0.03)</b>	0.30

**16.4 DEFERRED TAX ASSET**

The Company has recognised deferred tax asset arising out of timing differences between the written down value of fixed assets, as per Companies Act, 2013 and Income Tax Act, 1961, as follows:

<b>Particulars</b>	<b>Opening as on April 01, 2015</b>	<b>(Charge) or Credit during the Year</b>	<b>Closing as at March 31, 2016</b>
Deferred Tax Assets:			
– Depreciation	2,70,396	(29,300)	2,41,096
Deferred Tax Liabilities:	NIL	NIL	NIL
Net Deferred Tax Asset	2,70,396	(29,300)	2,41,096
Previous Year figures	—	2,70,396	2,70,396

**16.5 LEASES**

The Company has operating leases for office premises for a period of nine years and the same is cancellable by either side by giving a prior notice. There is escalation clause after every three years. There are no subleases. The amount of rent expenses included in the Statement of Profit and Loss towards operating lease amounts to Rs. 4,65,750 (Previous Year Rs. 4,14,000)

**16.6** Previous year's figures have been re-arranged / re-grouped to make them comparable with the current year's figures.

For **Lodha & Co.**  
Chartered Accountants

**For and on behalf of the Board**

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

**S. B. Ganguly**      **Sunil Mitra**  
Chairman                      Director

Place : Kolkata  
Date : 29 April 2016

**Preeti Lakhmani**  
Company Secretary