

BOARD OF DIRECTORS

Mr. Amal Chandra Chakrabortti
(Chairman)

Mr. Jayanta Roy

Mr. Santosh Kumar Mukerji

Mr. Partho Sarothya Datta

Mr. Sanjoy Bhattacharyya

Mr. Akshay Gupta
(Managing Director)

SENIOR MANAGEMENT TEAM

Mr. S Grace R Rabi
Head – Credit Quality,
Research & Special Projects

Mr. Vishal J Thacker
Head – Risk, Strategy & Products

Mr. Vilas Solanki
Head – Operations &
Customer Service

Mr. Ganti Murthy
Head – Fixed Income

Mr. Kaushik Dani
Head – Equity

Mr. Anirudha Roy
Head – IT & Telecom,
Human Resources

Mr. S. Swaminathan
Financial Controller &
Company Secretary

Mrs. Minakshi Sultania
Head – Compliance

BANKERS

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

STATUTORY AUDITORS

M/s. Ray & Ray
Chartered Accountants
6, Church Lane
Kolkata – 700 001

INTERNAL AUDITORS

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

NOTICE

To all the Members of the Company

Notice is hereby given that the 3rd Annual General Meeting of the Members of the Company will be held on Tuesday, 17 July 2012 at 1245 hours at the Registered Office of the Company at "Peerless Mansion", 3rd Floor, 1, Chowringhee Square, Kolkata-700069 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31 March 2012, the Audited Balance Sheet as at that date together with the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Amal Chandra Chakrabortti who retires from the office by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sanjoy Bhattacharyya who retires from the office by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Ray & Ray, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration and reimbursement of out-of-pocket expenses as the Board may decide.

By Order of the Board
For Peerless Funds Management Co. Limited

Kolkata
Dated : 11 May 2012

S. Swaminathan
Company Secretary

NOTE :

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.

REPORT OF THE DIRECTORS

Dear Shareholders,

Your Directors have pleasure in presenting the Third Annual Report and Audited Accounts of Peerless Funds Management Co. Limited for the period ended 31 March 2012.

Financial Results

(in Rupees)

Particulars	2011-12	2010-11
Income	12,29,54,032	6,55,00,808
Profit/(Loss) before Depreciation	(4,02,39,218)	(9,77,92,801)
Depreciation	82,37,384	94,14,458
Net Profit/(Loss)	(4,84,76,602)	(10,72,07,259)
Balance brought forward from previous year	(16,89,79,454)	(6,17,72,195)
Surplus/(Deficit) carried to Balance Sheet	(21,74,56,056)	(16,89,79,454)

Business Performance

Peerless Funds Management Co. Limited (PFMCL) was incorporated on 9 April 2009 as a subsidiary of The Peerless General Finance and Investment Company Limited (PGFI) and to act as Investment Manager to Peerless Mutual Fund (PMF). PFMCL is the only Asset Management Company (AMC) in Eastern India with its headquarters in Kolkata. PFMCL was granted approval by SEBI to commence its operations on 4 December 2009.

During the year, Peerless Mutual Fund achieved an average AUM of Rs. 3,801 crores in March 2012 compared to Rs. 4,202 crores in March 2011, this is led by reduction in institutional AUM primarily due to recent regulatory restrictions on banks' investments in mutual funds, which affected majority of the participants in the mutual fund industry. Prior to this regulatory restriction on banks' investments, Peerless Mutual Fund achieved an average AUM of Rs. 5,608 crores for the quarter ended September 2011. The retail business has grown from Rs. 43 crores in March 2011 to Rs. 143 crores in March 2012. All PMF schemes have also performed better than the benchmark indices.

Peerless Mutual Fund added to its product range by launching 1 more retail product to its portfolio, namely, Peerless Equity Fund during the financial year 2011-12 and will be launching more products in the financial year 2012-13 after obtaining the necessary approvals from SEBI.

Peerless Mutual Fund's focus will be on delivering appropriate solution to retail segment including Peerless customers and plans to launch more retail products towards this endeavor and hopes to utilize the network of 145 branches and large number of qualified agents of PGFI to market the product in retail segments, which will be one of the strong points of the Mutual Fund's future operations.

During the year, Peerless Mutual Fund has also initiated measures to reach out to the retail investors like "Paint Your Dreams" – a drawing competition for children below 15 years. This competition was based on 'what they would want to be when they grow up' and aimed at projecting Peerless MF Child Plan being an attractive mode of providing for the financial requirements for the same. The competition had a huge response with a significant no. of participants attending and making them aware of the necessity of saving early to provide for the future.

Another initiative was the launch of "NAVRatna" – a distributor loyalty programme initiated to recognize the distributors, based on their performance and rewarding them for achieving targeted parameters.

During the period under review, your Company incurred a loss of Rs. 4,84,76,602, as against a loss of Rs. 10,72,07,259 in FY 2010-11. The reduction in loss was primarily due to increase in revenue and cost rationalization measures.

Dividend

In view of the loss, your Directors express their inability to recommend any dividend for the year ended 31 March 2012.

Outlook

There are 44 Mutual Funds currently operating in the country. During the quarter ended 31 March 2012, the Mutual Fund Industry with an average AUM of Rs. 6.65 Lakh Crores, compared to Rs. 7.00 Lakh Crores for the quarter ended

31 March 2011, registered a decline in growth of 5% over the previous year. The mutual fund industry, as a whole, was impacted by various regulatory changes like restrictions on banks' investments in mutual funds, tight liquidity conditions, high interest rate scenario and reduction of participation from retail investors. Consequently, the industry has become a highly complex and challenging one. Despite these odds, the future prospect of the Mutual Fund Industry appears to be encouraging because of the projected GDP growth rate of about 7-8% during the next few years and corresponding expected higher rate of savings.

The Company's growth in the coming years would depend upon its capability to leverage on innovativeness in developing new product range & penetration beyond second and third tier cities, especially in the retail segment and ability, both technical or otherwise, to deal with expanding client base spread over a large area.

With the mutual fund industry becoming more competitive and challenging with pressure on margins, other areas needing focus would be (i) cost rationalization (ii) development of advisory service and other models to meet the requirement of investors, and (iii) expansion of educational awareness programs for investors etc. Needless to say, the Schemes would also need to continue to deliver on its performance to instill more confidence in potential investors to invest in Peerless Mutual Fund. However, in order to survive, the Mutual Fund Industry would need a fillip from the regulatory perspective by way of appropriate fee structure & compensation packages, in line with global structures.

PFMCL intends to actively pursue growth opportunities in the mutual fund industry in the country and to be the most preferred investment choice for all types of investors. The AMC is poised to grow with innovative products with special focus on retail investors, develop service initiatives and aggressive expansion strategies.

The year witnessed several regulatory changes carried out by Securities and Exchange Board of India (SEBI) in various areas which would certainly raise the bar for disclosure and investor protection standards. PMF is aware of these developments and has initiated the required steps to face the challenges.

As we move towards the future, fund performance and best customer service practices will become critical elements. The management has already initiated steps to meet these pre-requisites for growth.

Accolades and Awards

Your Directors are pleased to inform you that the performance of the Schemes of Peerless Mutual Fund have been recognized and 3 of the Schemes have been placed as winners in 2 categories for their performance in FY 2011-12, as published by Business World in their year-end review of all mutual funds:

1. Peerless Liquid Fund – Super Institutional Plan as No. 1 in the Debt: Liquid category;
2. Peerless Short Term Fund as No. 1 in the Debt: Ultra Short Term category; and
3. Peerless Ultra Short Term Fund – Super Institutional Plan as No. 3 in the Debt: Ultra Short Term category.

Share Capital

The paid-up equity share capital of the Company is Rs. 50 crores, divided into 5,00,00,000 equity shares of Rs.10 each and there has been no change during the year under review.

Board Meetings held during the year

During the year under review, six meetings of the Board of Directors of the Company were held on 28 April 2011, 15 July 2011, 13 August 2011, 25 October 2011, 28 November 2011 and 12 March 2012.

Board Committees

Your Company's Board has constituted the following Committees, as required under the provisions of the Companies Act, 1956 and SEBI (Mutual Funds) Regulations:

Audit Committee

In compliance with the provisions of Section 292A of the Companies Act, 1956, an Audit Committee of the Board of Directors of the Company comprising the following members is in place:

<i>Name of the Director</i>	<i>Designation</i>
Mr. Partho Sarothy Datta	Chairman, Independent Director
Mr. Santosh Kumar Mukerji	Member, Independent Director
Mr. Sanjoy Bhattacharyya	Member, Independent Director
Mr. Akshay Gupta	Member, Managing Director & CEO

Remuneration Committee

<i>Name of the Director</i>	<i>Designation</i>
Mr. Amal Chandra Chakrabortti	Chairman, Independent Director
Mr. Partho Sarothy Datta	Member, Independent Director
Mr. Sanjoy Bhattacharyya	Member, Independent Director

Investment Committee

<i>Name of the Director</i>	<i>Designation</i>
Mr. Amal Chandra Chakrabortti	Chairman, Independent Director
Mr. Partho Sarothy Datta	Member, Independent Director
Mr. Jayanta Roy	Member, Non-Executive Director
Mr. Akshay Gupta	Member, Managing Director & CEO

Risk Management Committee

<i>Name of the Director</i>	<i>Designation</i>
Mr. Sanjoy Bhattacharyya	Chairman, Independent Director
Mr. Partho Sarothy Datta	Member, Independent Director
Mr. Akshay Gupta	Member, Managing Director & CEO
Mr. Vishal J. Thacker	Head – Risk

Directors' Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm as under:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed by your Company;
- (ii) having 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 2012 and of the profit of the Company for the period under review;
- (iii) that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any, have been taken;
- (iv) that the annual accounts have been prepared on a going concern basis.

SEBI Inspection Audit

During the year, SEBI had conducted an inspection of the affairs of Peerless Mutual Fund, including that of its operations, investments, fund accountants, registrars, and custodians. The observations made by the SEBI auditors, in their report have been discussed by the AMC & Trustee Boards and suitable replies to the same have been submitted to SEBI. The Company has also implemented necessary steps, as required, to address the observations made by SEBI.

Directors

Mr. Amal Chandra Chakrabortti and Mr. Sanjoy Bhattacharyya will retire at the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment.

Auditors

M/s. Ray & Ray, Chartered Accountants, Kolkata, the Statutory Auditors of the Company will retire at the conclusion of the 3rd Annual General Meeting and have expressed their willingness to be re-appointed. They have confirmed that their re-appointment, if made, would be covered within the ceiling specified under Section 224(1B) of the Companies Act, 1956.

Conservation of Energy and Technology Absorption

No disclosure is required to be made under section 217(1)(e) of the Companies Act, 1956. Your Company does not have any activity relating to conservation of energy or technology absorption.

Particulars of Employees

Particulars of employees as required by the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, are set out in Annexure I to this report.

Foreign Exchange Earnings & Outgo

Particulars with respect to foreign exchange earnings and outgo during the year under review have not been disclosed, since your Company does not have any foreign exchange earnings and outgo for the year ended 31 March 2012.

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 unstinting support and cooperation.

For and on behalf of the Board

Place : Kolkata
Date : 11 May 2012

A. C. Chakrabortti
Chairman

Annexure "I"

Particulars of Employees under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 (as amended) and forming part of Directors' Report for the year ended on 31 March 2012

A. Employed throughout the year

Sl. No.	Name	Designation	Remuneration (Rs.)	Qualification	Experience (Years)	Date of Joining	Age	Last employment, Designation, Employer
1.	Akshay Gupta	Managing Director & CEO	1,04,24,392	B.E., MBA (Finance & Marketing)	17	09.04.2009	37	CEO, Global Portfolio Advisors

B. Employed for part the year— NIL**Notes:**

1. Remuneration includes salary, house rent allowance, medical reimbursement, LTA, company's contribution to provident fund and perquisites. Value of perquisites has been calculated on the basis of Income-Tax Act, 1961.
2. Information about qualification, experience and last employment are based on particulars furnished by the employee concerned.
3. None of the employee or their spouse or dependent children holds any equity shares in the Company.
4. Employment in all cases is contractual in nature.
5. Mr. Akshay Gupta is not a relative of any of the Directors of the Company.

For and on behalf of the Board

Place : Kolkata
Date : 11 May 2012

A.C. Chakrabortti
Chairman

AUDITORS' REPORT

To the Members of PEERLESS FUNDS MANAGEMENT CO LIMITED

1. We have audited the attached Balance Sheet of PEERLESS FUNDS MANAGEMENT CO LIMITED as at 31 March 2012 and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) order, 2003 ('the order') as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956 of India ('the Act') and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the ANNEXURE, a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - (iii) The financial statements dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the financial statements dealt with by this report comply with the Accounting Standards referred to in section 211(3C) of the 'Act';
 - (v) On the basis of the written representations received from the directors, as on 31 March 2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31 March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the 'Act';
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31 March, 2012;
 - (b) in the case of Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **RAY & RAY**
Chartered Accountants
Firm's Registration No. 301072E

(Abhijit Neogi)
Partner
Membership No. 61380

Place : Kolkata
Date : 11th May 2012

ANNEXURE TO THE AUDITORS REPORT (Referred to in Paragraph 3 of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
 - (b) According to the information and explanations given to us, most of the fixed assets have been physically verified by the management during the year in a phased program and no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its assets.
 - (c) The Company has not disposed off a substantial part of its fixed assets during the year, which affect the going concern status of the Company.
- (ii) The Company does not have any Inventory and therefore provisions of Clause 4 (ii)(a), (b) and (c) of the order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the company has neither granted nor taken any loans to and from the companies, firms or other parties as listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, provisions of clause 4(iii)(b) to (g) of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are reasonable internal control procedures commensurate with the size and the nature of its business for purchase of Fixed Assets and sale of service. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) The particulars of contracts or arrangements referred to in section 301 of the Act have been so entered in the register required to be maintained under section 301 of the 'Act' and transactions made in pursuance of such contracts have been made at prices which are reasonable having regard to the prevailing market price.
- (vi) The Company has not accepted any deposits under section 58A, 58AA or any other relevant provisions of the Act from the public during the year.
- (vii) In our opinion, the internal audit system of the Company is commensurate with the size of the Company and nature of its business.
- (viii) The Central Government has not prescribed for the maintenance of any cost records under section 209(1)(d) of the Act.
- (ix) (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax and other statutory dues applicable to it.

On the basis of the records of the Company and the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess were outstanding as at 31 March, 2012 for a period of more than six months from the date they became payable.

 - (b) According to the records of the Company and according to the information and explanations given to us by the management, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess, which have not been deposited on account of any dispute.
- (x) The Company has incurred cash loss during the financial year being third year of its operation and in the immediately preceding previous year.
- (xi) As per records of the Company, there are no dues to Financial Institutions or Banks.
- (xii) Based on our examination of documents and records and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares.

- (xiii) The Company is not a chit fund or nidhi/mutual benefit fund/society. Therefore, the provisions of the clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not dealt or traded in shares, securities, debentures and other investments during the year.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loan outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, the Company has not raised funds on short-term basis and therefore, provisions of Clause 4(xvii) of the order are not applicable to the Company.
- (xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xix) According to the information and explanations given to us and the records examined by us, no debentures have been issued during the year. Accordingly, provisions of clause 4(xix) of the order are not applicable to the Company.
- (xx) Based on the records examined by us, the Company has not raised monies by public issue during the year.
- (xxi) During the course of our examination of books of accounts 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.

For **RAY & RAY**
Chartered Accountants
Firm's Registration No. 301072E

(Abhijit Neogi)
Partner
Membership No. 61380

Place : Kolkata
Date : 11th May 2012

BALANCE SHEET**AS AT 31 MARCH, 2012**

(Amount in Rupees)

Particulars	Note No.	As At 31 March 2012		As At 31 March 2011	
1	2	3		4	
I. EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	1	50,00,00,000		50,00,00,000	
(b) Reserves and surplus	2	(21,74,56,056)	28,25,43,944	(16,89,79,454)	33,10,20,546
(2) Non-current liabilities					
(a) Long-term provisions	3	15,75,559	15,75,559	9,70,783	9,70,783
(3) Current liabilities					
(a) Trade payables	4	20,06,700		13,82,865	
(b) Other current liabilities	5	15,00,842		22,36,015	
(c) Short-term provisions	6	97,21,321	1,32,28,863	1,88,82,049	2,25,00,929
TOTAL			29,73,48,366		35,44,92,258
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	7	1,07,32,848		1,66,12,658	
(ii) Intangible assets	7	13,60,179		23,75,958	
(iii) Capital work-in-progress		3,19,253	1,24,12,280	3,19,253	1,93,07,869
(b) Long-term loans and advances	8	4,56,000		3,35,500	
(c) Other Long-term Assets	9	—	4,56,000	23,99,868	27,35,368
(2) Current assets					
(a) Current investments	10	16,72,34,980		4,62,23,616	
(b) Trade receivables	11	4,51,631		1,12,19,372	
(c) Cash and cash equivalents	12	8,38,62,953		25,25,30,890	
(d) Short-term loans and advances	13	29,80,593		4,02,861	
(e) Other current assets	14	2,99,49,929	28,44,80,086	2,20,72,282	33,24,49,021
TOTAL			29,73,48,366		35,44,92,258
Significant Accounting Policies	19				
Notes to Accounts	20				

The Notes referred to above form
an integral part of the Balance Sheet

For and on behalf of the Board

For **Ray & Ray**
Chartered Accountants
Firm's Registration No. 301072E

Abhijit Neogi
Partner
Membership No. 61380

Kolkata
11 May 2012

A. C. Chakrabortti
Chairman

Akshay Gupta
Managing Director &
Chief Executive Officer

Kolkata
11 May 2012

Partho Sarothy Datta
Director

S. Swaminathan
Financial Controller
& Company Secretary

PROFIT AND LOSS**STATEMENT FOR THE YEAR ENDED 31 MARCH 2012**

(Amount in Rupees)

Particulars	Note No.	Year ended 31 March 2012	Year ended 31 March 2011
1	2	3	4
I. Revenue from operations	15	10,00,54,731	4,77,92,187
II. Other income	16	2,28,99,301	1,77,08,621
III. Total Revenue (I + II)		12,29,54,032	6,55,00,808
IV. Expenses:			
Employee benefits expense	17	6,72,15,988	6,19,60,675
Depreciation and amortization expense	7	82,37,384	94,14,458
Other expenses	18	9,59,77,262	10,13,32,934
Total expenses		17,14,30,634	17,27,08,067
V. Profit before exceptional and extraordinary items and tax (III – IV)		(4,84,76,602)	(10,72,07,259)
VI. Exceptional items		—	—
VII. Profit before extraordinary items and tax (V – VI)		(4,84,76,602)	(10,72,07,259)
VIII. Extraordinary Items		—	—
IX. Profit before tax (VII – VIII)		(4,84,76,602)	(10,72,07,259)
X. Tax expense:			
(1) Current tax		—	—
(2) Deferred tax		—	—
XI. Profit (Loss) for the period (IX– X)		(4,84,76,602)	(10,72,07,259)
XII. Earnings per equity share:			
(1) Basic		(0.97)	(3.13)
(2) Diluted		(0.97)	(3.13)

Significant Accounting Policies 19

Notes to Accounts 20

The Notes referred to above form an integral part of the Profit and Loss Account

For and on behalf of the Board

For **Ray & Ray**
Chartered Accountants
Firm's Registration No. 301072E

Abhijit Neogi
Partner
Membership No. 61380

Kolkata
11 May 2012

A. C. Chakrabortti
Chairman

Akshay Gupta
Managing Director &
Chief Executive Officer

Kolkata
11 May 2012

Partho Sarothy Datta
Director

S. Swaminathan
Financial Controller
& Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2012

Particulars	2011 - 2012 (Amount in Rupees)	2010 - 2011 (Amount in Rupees)
A. Cash flows from Operating Activities		
Net profit /(loss) before tax for the year	(4,84,76,602)	(10,72,07,259)
Adjustment for:		
Depreciation	82,37,384	94,14,458
Dividend Income	(25,92,712)	(37,73,616)
Income from Sales of Assets & Investments	(1,20,948)	29,334
Interest income	(1,98,96,348)	(1,37,57,878)
Operating profit before working capital changes	(6,28,49,226)	(11,52,94,961)
Adjustment for changes in working capital:		
(Increase)/decrease in Trade Receivables	1,07,67,741	(1,09,43,521)
(Increase)/decrease in long term loans and advances	(1,20,500)	—
(Increase)/decrease in short term loans and advances	(25,77,733)	(6,66,397)
(Increase)/decrease in other current assets	(1,03,46,216)	(54,31,736)
Increase/(decrease) in trade payables	6,23,835	1,07,10,532
Increase/(decrease) in other current liabilities	(7,35,173)	3,60,725
Increase/(decrease) in provisions	(85,55,952)	7,21,931
Net cash used in operating activities (A)	(7,37,93,224)	(12,05,43,427)
B. Cash flow from investing activities		
Purchase of fixed assets	(13,41,795)	(88,17,702)
CWIP	—	20,89,088
Investments	(12,10,11,364)	(4,62,23,616)
Fixed Deposit	—	—
Dividend Income	25,92,712	37,73,616
Income from Sales of Investments	1,20,948	—
Interest income	2,47,64,786	67,70,293
Net cash used in investing activities (B)	(9,48,74,713)	(4,24,08,321)
C. Cash flow from financing activities		
Proceeds from issue of Share Capital	—	25,00,00,000
Net cash generated from financing activities (C)	—	25,00,00,000
Net (decrease)/increase in cash and cash equivalents (A)+(B)+(C)	(16,86,67,937)	8,70,48,252
Cash and cash equivalents at beginning of year	25,25,30,890	16,54,82,638
Cash and cash equivalents at end of year	8,38,62,953	25,25,30,890

For and on behalf of the Board

For **Ray & Ray**
Chartered Accountants
Firm's Registration No. 301072E

Abhijit Neogi
Partner
Membership No. 61380

Kolkata
11 May 2012

A. C. Chakrabortti
Chairman

Akshay Gupta
Managing Director &
Chief Executive Officer

Kolkata
11 May 2012

Partho Sarothy Datta
Director

S. Swaminathan
Financial Controller
& Company Secretary

Notes to Balance Sheet as at 31 March 2012

(Amount in Rupees)

	As at 31 March 2012		As at 31 March 2011	
	Number	Rs.	Number	Rs.
1. Share Capital				
Authorised				
(a) Equity Shares of Rs.10 each	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
		<u>50,00,00,000</u>		<u>50,00,00,000</u>
(b) Issued and Subscribed				
Equity Shares of Rs.10 each fully paid up	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
		<u>50,00,00,000</u>		<u>50,00,00,000</u>

(c) Details of the shareholders holding more than 5% of Equity shares of the company
(Including reconciliation, if applicable, of outstanding shares)

Number of Shareholders		As at 31 March 2012		As at 31 March 2011	
		No. of shares held		No. of shares held	
		(%)	(Number)	(%)	(Number)
1	The Peerless General Finance & Investment Company Limited, the Holding Company	100.00	4,99,98,600	100.00	4,99,98,600

	As at 31 March 2012	As at 31 March 2011
2. Reserve & Surplus		
Surplus		
Profit/(Loss) - balance brought forward from last account	(16,89,79,454)	(6,17,72,195)
Add: Profit/(Loss) for the period	<u>(4,84,76,602)</u>	<u>(10,72,07,259)</u>
Profit/(Loss) - balance at 31.03.2012	<u>(21,74,56,056)</u>	<u>(16,89,79,454)</u>
3. Long Term Provisions		
(a) Provision for Employee Benefits	<u>15,75,559</u>	<u>9,70,783</u>
	<u>15,75,559</u>	<u>9,70,783</u>
4. Trade Payables		
(a) Dues to other than Micro and Small Enterprise	<u>20,06,700</u>	<u>13,82,865</u>
	<u>20,06,700</u>	<u>13,82,865</u>

Notes to Balance Sheet as at 31 March 2012

(Amount in Rupees)

	As at 31 March 2012	As at 31 March 2011
5. Other Current Liabilities		
(a) Other Current Liabilities	15,00,842	22,36,015
	15,00,842	22,36,015
6. Short Term Provisions		
(b) Provision for Expenses	97,21,321	1,88,82,049
	97,21,321	1,88,82,049

7. Fixed Assets

(Amount in Rupees)

Particulars	Cost/Book Value				Depreciation				Written Down Value	
	As on 01.04.2011	Additions	Deletion	As on 31.03.2012	As on 01.04.2011	Additions	Deletion	As on 31.03.2012	As on 31.03.2012	As on 01.04.2011
Tangible Assets										
Leasehold										
Improvement	1,32,63,755	1,83,026	—	1,34,46,781	57,83,691	31,11,634	—	88,95,325	45,51,456	74,80,064
Furniture & Fixture	32,33,266	46,716	(8,000)	32,71,982	14,19,839	5,10,742	(8,000)	19,22,581	13,49,401	18,13,427
Office Equipment	35,67,507	2,57,044	—	38,24,551	11,68,397	6,51,286	—	18,19,683	20,04,868	23,99,110
Computers	77,34,037	6,16,298	—	83,50,335	30,74,039	26,45,544	—	57,19,583	26,30,752	46,59,998
Vehicles	3,18,439	—	—	3,18,439	58,380	63,688	—	1,22,068	1,96,371	2,60,059
Sub-total	2,81,17,004	11,03,084	(8,000)	2,92,12,088	1,15,04,346	69,82,894	(8,000)	1,84,79,240	1,07,32,848	1,66,12,658
Intangible assets										
Computer software	36,21,301	2,38,711	—	38,60,012	12,45,343	12,54,490	—	24,99,833	13,60,179	23,75,958
Sub-total	36,21,301	2,38,711	—	38,60,012	12,45,343	12,54,490	—	24,99,833	13,60,179	23,75,958
Total	3,17,38,305	13,41,795	(8,000)	3,30,72,100	1,27,49,689	82,37,384	(8,000)	2,09,79,073	1,20,93,027	1,89,88,616
Previous Year	2,29,56,823	88,17,702	(36,220)	3,17,38,305	33,42,117	94,14,458	(6,886)	1,27,49,689	1,89,88,616	

	As at 31 March 2012	As at 31 March 2011
8. Long-term loans and advances		
Unsecured, considered good		
(a) Security Deposits	3,71,000	3,35,500
(b) Other loans and advances:		
Due from employees	85,000	—
	4,56,000	3,35,500
9. Other Long-term Assets		
Unsecured, considered good		
(a) Accrued Interest on Fixed Deposits	—	23,99,868
	—	23,99,868

Notes to Balance Sheet as at 31 March 2012

10. Current Investments	As at 31 March 2012			As at 31 March 2011		
[valued at cost or net realisable value, whichever is lower]		Face Value	Carrying		Face Value	Carrying
	Number	of each instruments	Amount	Number	of each instruments	Amount
(a) Mutual Funds (Unquoted)						
Peerless Liquid Fund	88,16,704.669	—	8,81,80,272	—	—	—
Peerless Short Term Fund	11,433.407	—	1,23,298	—	—	—
Peerless Ultra Short Term Fund	26,422.673	—	2,64,370	46,21,991.861	—	4,62,23,616
			<u>8,85,67,940</u>			<u>4,62,23,616</u>
Investments in mutual funds are in the Schemes of Peerless Mutual Fund, for which the Company acts as the Investment Manager.						
(b) Other Current Investments						
Investment in Certificate of Deposits of United Bank of India	800	1,00,000	7,86,67,040	—	—	—
Total			<u>16,72,34,980</u>			<u>4,62,23,616</u>

(Amount in Rupees)

	As at 31 March 2012	As at 31 March 2011
11. Trade receivables		
Debts less than six months:		
Unsecured, Considered good	<u>4,51,631</u>	1,12,19,372
	<u>4,51,631</u>	<u>1,12,19,372</u>
12. Cash and cash equivalent		
Balances with banks		
Fixed Deposits with more than 12 months maturity:	—	8,00,00,000
Fixed Deposits with less than 12 months maturity:	8,00,00,000	17,20,00,000
In Current Account	38,62,953	5,30,890
	<u>8,38,62,953</u>	<u>25,25,30,890</u>
13. Short term loans and advances		
Unsecured, considered good unless otherwise stated		
(a) Advance recoverable in cash or in kind or for value to be received	29,80,593	4,02,861
Rs. 7,70,865 due from Peerless Trust Management Co. Limited, fellow subsidiary [FY 2010-11: Rs. 29,181]		
	<u>29,80,593</u>	<u>4,02,861</u>

Notes to Balance Sheet as at 31 March 2012

	As at 31 March 2012	(Amount in Rupees) As at 31 March 2011
14. Other Current Assets		
(a) Accrued interest on Fixed Deposit	93,70,915	1,31,07,946
(b) Accrued Interest on CD	12,68,462	—
(c) Tax deducted at source	1,70,73,910	61,88,457
(d) Prepaid Expenses	21,60,770	11,50,639
(e) Service Tax Credit	75,872	16,25,240
	<u>2,99,49,929</u>	<u>2,20,72,282</u>

Notes to Statement of Profit and Loss for the year ended 31 March 2012

	For the year ended 31 March 2012	(Amount in Rupees) For the year ended 31 March 2011
15. Revenue		
(a) Management Fees (TDS deducted Rs. 1,11,09,701 (2010-11: Rs. 37,02,584))	10,00,54,731	4,77,92,187
	<u>10,00,54,731</u>	<u>4,77,92,187</u>
16. Other income		
(a) Interest Income from fixed deposits (TDS deducted Rs. 9,18,923 (2010-11: Rs. 13,34,944))	1,86,27,886	1,37,57,878
(b) Interest Income from Certificate of Deposits	12,68,462	—
(c) Dividend Income		
(i) from Mutual Funds	25,92,712	37,72,693
(d) Net gain/loss on sale of investments	1,20,948	923
(e) Other non-operating income (net of attributable expenses)	2,89,293	1,77,127
	<u>2,28,99,301</u>	<u>1,77,08,621</u>
17. Employee Benefit Expenses		
(a) Salaries and wages	6,30,87,679	5,81,58,589
(b) Contribution to provident and other funds	29,92,866	26,18,802
(c) Gratuity Expense	6,04,776	7,21,931
(d) Staff welfare expenses	5,30,667	4,61,353
	<u>6,72,15,988</u>	<u>6,19,60,675</u>

Notes to Statement of Profit and Loss for the year ended 31 March 2012

(Amount in Rupees)

	For the year ended 31 March 2012	For the year ended 31 March 2011
18. Other expenses		
(a) Legal and professional fees	60,47,520	42,29,303
(b) SEBI fees & AMFI Fees	13,61,030	8,00,000
(c) Travelling and Conveyance	59,79,239	40,73,765
(d) Recruitment Charges	5,76,117	5,96,032
(e) Fund Accounting Expenses	53,77,358	26,66,979
(f) Scheme Expenses	77,06,817	13,59,039
(g) Rent	66,25,078	57,50,118
(h) Marketing advertisement and publicity	77,27,219	3,52,30,031
(i) Motor car expenses	18,33,266	15,76,737
(j) Repairs and maintenance/General	22,59,405	17,24,855
(k) Communication expenses	44,16,954	45,11,709
(l) Electricity	15,56,173	13,54,268
(m) Printing and stationery	32,92,871	26,56,570
(n) Books, periodicals and subscriptions	1,16,057	49,981
(o) Electronic Subscription	35,05,211	18,05,959
(p) Bank Charges	10,03,144	7,66,401
(q) Loss on exchange of asset	—	27,334
(r) Director Fees	4,80,000	4,40,000
(s) Insurance	13,37,259	4,99,458
(t) Rates and taxes	75,228	84,217
(u) Brokerage & Distribution Support	2,32,62,161	2,41,06,135
(v) Miscellaneous Expense	17,58,989	17,43,575
(w) Internal Audit & System Audit Fees	95,000	6,26,013
(x) Audit Fees		
- Statutory Audit	2,00,000	1,50,000
- Tax Audit	25,000	25,000
(y) Service Tax	93,60,166	44,79,455
	<u>9,59,77,262</u>	<u>10,13,32,934</u>

Note 19**SIGNIFICANT ACCOUNTING POLICIES****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 prescribed by the Companies (Accounting Standards) Rules, 2006 and relevant provisions of and rules framed under the Companies Act, 1956.

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.

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.

DEPRECIATION

Depreciation on fixed assets is provided on the straight line method at the rates not less than and in the manner as prescribed by Schedule XIV of the Companies Act, 1956 except for certain assets as given below, where based on the Management estimates of the useful lives of the assets, depreciation has been provided at rates higher than the rates prescribed in Schedule XIV:

CLASS OF FIXED ASSET	RATE OF DEPRECIATION % (Straight line Method)
Computers, Hardware & Software	33.33%
Furniture & Fixture	20.00%
Office Equipment	20.00%
Vehicles	20.00%
Improvement to leasehold or rented premises (including electrical installations)	The primary period of the lease term or 5 Years whichever is less

All assets costing not more than Rs. 5,000 are fully depreciated in the year of addition.

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 profit and loss account. 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.

INVESTMENTS

Investments are classified as long term or current based on intention of management at the time of purchase.

Long-term investments are stated at cost and provision is made to recognise any diminution in value, other than temporary in nature, determined separately for each investment.

Current investments are stated at the lower of cost and net realizable value which is determined separately for each investment.

RETIREMENT BENEFITS

Provident Fund

Provident fund, being a defined benefit contribution, are being maintained with the Regional Provident Fund Commissioner for its employees. The Company's obligations are accounted for on an accrual basis and charged to the Profit and Loss Account.

Gratuity and Leave Encashment

Gratuity and Leave Encashment are post employment defined benefit plans. The liability recognized in the balance sheet in respect of the same is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from changes in actuarial assumptions are charged or credited to the Profit and Loss account in the year in which such gains or losses arises.

LEASE

Lease rental payments for operating leases are paid/provided for as per terms of the agreement on an accrual basis.

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are accounted for at the rates prevailing at the date of the transaction. Monetary Assets and Liabilities as at the Balance Sheet date are restated at the exchange rate prevailing on the Balance Sheet date. Exchange differences arising on settlement of the transaction and on account of restatement of assets and liabilities are charged to Profit and Loss Account.

REVENUE RECOGNITION

Management and Advisory Fees

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

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

Other Income

Interest income is accounted for on a time proportionate basis.

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

SCHEME EXPENSES

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

TAXATION

Tax expense comprises current tax, deferred tax charge or credit (reflecting the tax effects of the timing differences between the accounting income and taxable income for the period) or any other direct tax levied by the tax authorities of India.

Current tax is recognised as the amount of tax payable in respect of taxable income for the period.

Deferred tax is provided on timing differences between taxable income and accounting income subject to consideration of prudence.

Deferred tax on carry forward losses and unabsorbed depreciation is not recognised unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.

EARNINGS PER SHARE

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

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

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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.

Note 20**NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH, 2012****1. Retirement Benefits to Employee****a. Provident Fund**

The company makes monthly contributions to provident fund which is under a defined contribution plan. During the year the company has recognized an amount of Rs. 29,92,866/- in the profit and loss account as contribution to provident fund maintained with Regional Provident Fund Commissioner, Kolkata.

b. Gratuity

The following disclosure has been set out in accordance with requirement of the Accounting Standard on "Employee Benefits" (AS-15) (Revised 2005) prescribed by The Companies (Accounting Standards) Rules, 2006:

AMOUNT RECOGNISED IN BALANCE SHEET			
	31 March 2012	31 March 2011	31 March 2010
Funded Status	Amount in Rupees		
Present value of Defined Benefit Obligation	15,75,559	9,70,783	2,48,852
Fair value of plan assets	—	—	—
Funded Status [Surplus/(deficit)]	(15,75,559)	(9,70,783)	(2,48,852)
Net asset/(liability) recognised in balance sheet	(15,75,559)	(9,70,783)	(2,48,852)

EXPENSES RECOGNISED IN PROFIT & LOSS ACCOUNT

Components of Employer Expenses	Amount in Rupees		
	2011-12	2010-11	2009-10
Current Service Cost	7,11,571	6,69,653	2,48,852
Interest Cost	1,01,854	48,785	9,954
Actuarial Losses/(Gains) on defined benefit obligation	(2,08,649)	3,493	(9,954)
Total Expenses recognised in the Statement of Profit & Loss A/C	6,04,776	7,21,931	2,48,852

Note 20 (Contd.)

Change in Defined Benefit Obligation (DBO)	Amount in Rupees		
	2011-12	2010-11	2009-10
Present value of DBO at beginning of period	9,70,783	2,48,852	—
Current Service Cost	7,11,571	6,69,653	2,48,852
Interest Cost	1,01,854	48,785	9,954
Actual (gains)/Losses	(2,08,649)	3,493	(9,954)
Benefits Paid	—	—	—
Present value of DBO at the end of period	15,75,559	9,70,783	2,48,852
ACTUARIAL ASSUMPTIONS	31.03.2012	31.03.2011	31.03.2010
Discount Rate per annum Compound	8.00%	8.00%	8.00%
Rate of increase of salaries	5.00%	5.00%	5.00%
Rate of return on plan assets	0.00%	0.00%	0.00%
Expected average remaining working lives of employees (years)	26.99	26.99	26.40
Withdrawal Rates	Varying between 1% - 2% per annum depending on duration and age of the employees		
Retirement Age	58 years	58 years	58 years
Mortality rates are as per published under LIC (1994-96) mortality table			

2. Segmental Reporting

The Company's operations predominantly relate to providing Asset Management Services to Peerless Mutual Fund in India. Therefore, separate disclosure of segmental reporting is not applicable as required under Accounting Standard on "Segment Reporting" (AS-17) issued by the Companies (Accounting Standards) Rules, 2006.

3. Related Party Information**Holding company**

- i. The Peerless General Finance & Investment Company Limited

Fellow subsidiaries, associates & group enterprise

- ii. Peerless Trust Management Co Ltd
- iii. Peerless Developers Ltd
- 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
- xi. Comforms Pvt. Ltd

Key Managerial Personnel :

Akshay Gupta – Managing Director & Chief Executive Officer

Note 20 (Contd.)

Disclosure of transactions between the company and related parties and the status of outstanding balances as on 31st March, 2012:

(Amount in Rupees)

Nature of Transaction	Holding Company	Fellow Subsidiaries				Key Management Personnel	Total
		Kaizen Leisure & Holidays Ltd	Peerless Hotels Ltd	Peerless Trust Management Co Ltd	Kaizen Hotels & Resorts Ltd.		
Rent Expense	67,50,446	—	—	—	—	—	67,50,446
Previous Year	58,46,031	—	—	—	—	—	58,46,031
Other Administrative Expense	9,62,854	10,13,146	45,637	—	6,134	—	20,27,771
Previous Year	11,70,744	5,06,372	2,90,905	—	—	—	19,68,021
Recovery of Common Expenses	—	—	—	(1,80,804)	—	—	1,80,804
Previous Year	—	—	—	(1,77,127)	—	—	1,77,127
Remuneration to Key Management Personnel	—	—	—	—	—	1,04,24,392	1,04,24,392
Previous Year	—	—	—	—	—	1,44,24,392	1,44,24,392
Receivable/(Payable)	(3,457)	(25,680)	—	7,70,865	—	—	7,41,728
Previous Year	—	—	—	29,181	—	—	29,181

Note: The transaction figures in brackets denote Income for the Company.

4. Earnings Per Share

Basic and Diluted earnings per share as required in accordance with the Accounting Standard on "Earnings Per Share" (AS-20) prescribed by The Companies (Accounting Standards) Rules, 2006:

	(Amount in Rupees)	
	2011-12	2010-11
Net Profit/(Loss) after tax	(4,84,76,602)	(10,72,07,259)
Weighted average number of equity shares outstanding during the year in Units	5,00,00,000	3,42,46,575
Basic and Diluted earnings per share	(0.97)	(3.13)

Note 20 (Contd.)

5. Deferred Tax

In view of carry forward losses and unabsorbed depreciation, the Company has not recognized any deferred tax asset in the absence of virtual certainty of its recovery.

6. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. NIL (FY 2010-11: Rs. NIL)

7. Micro, Small and Medium Enterprises Development Act, 2006

There are no Micro, Small and Medium Enterprises, to whom the Company owes any dues.

8. Earnings/(Expenditure) in foreign currency

The company did not have any foreign currency transaction during the year.

9. Part IV to the Schedule VI of the Companies Act, 1956

The Balance Sheet abstract and the Company's business profile as required by Part IV to Schedule VI to the Companies Act, 1956 is attached herewith.

For and on behalf of the Board

For **Ray & Ray**
Chartered Accountants
Firm's Registration No. 301072E

Abhijit Neogi
Partner
Membership No. 61380

Kolkata
11 May 2012

A. C. Chakrabortti
Chairman

Akshay Gupta
Managing Director &
Chief Executive Officer

Kolkata
11 May 2012

Partho Sarothy Datta
Director

S. Swaminathan
Financial Controller
& Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**I. Registration Details**

Registration No. U 65990WB2009PLC134537

State Code : 21

Balance Sheet Date : 31.03.2012

II. Capital Raised during the year (in Rupees)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (in Rupees)

Total Liabilities	29,73,48,366	Total Assets	29,73,48,366
Sources of Funds			
Paid-up Capital	50,00,00,000	Reserves and Surplus	(21,74,56,056)
Secured Loans	NIL	Unsecured Loans	NIL
Application of Funds			
Net Fixed Assets	1,20,93,027	Investments	16,72,34,980
Net Current Assets	27,12,51,223	Capital WIP	3,19,253
Deferred Tax Assets	NIL	Accumulated Losses	NIL

IV. Performance of Company (in Rupees)

Total Turnover	12,29,54,032	Total Expenditure	17,14,30,634
Profit before Tax	(4,84,76,602)	Profit after Tax	(4,84,76,602)
Earnings per Share in Rs.	(0.97)	Dividend Rate %	NIL

V. Generic Names of Three Principal Products/Services of Company

Item Code No. (ITC Code) — Not Applicable
Service description — Asset Management Services

For and on behalf of the Board

A. C. Chakrabortti
Chairman

Partho Sarothy Datta
Director

Akshay Gupta
Managing Director &
Chief Executive Officer

S. Swaminathan
Financial Controller
& Company Secretary

Kolkata
Date : 11 May 2012