

ANNUAL REPORT 1996-97

MD			BKC	
CS			DPY	
RO			DIV	
TRA			AC	
AGM			SHI	
YE				







PEERLESS ABASAN FINANCE LIMITED

SEVENTH ANNUAL REPORT 1996-97

BOARD OF DIRECTORS

Mr. Justice A.N. Sen
Mr. S.K. Roy
Mr. H.P. Guha
Mr. M.N. Bora
Mr. N. Saha
Mr. S. Dutta
Mr. A.K. Ghosh

COMPANY SECRETARY

Mr. K. Balasubramanian

KEY EXECUTIVES

General Manager
Mr. A.K. Chowdhury
Chief Manager
Mr. T. K. Mukherjee
Manager Accounts
Mr. K.K. Chatterjee

CHAIRMAN

Mr. Justice A.N. Sen

EXECUTIVE DIRECTOR

Mr. A.K. Ghosh

AUDITORS

De & Bose
Chartered Accountants

REGISTRARS

Computech International Ltd.

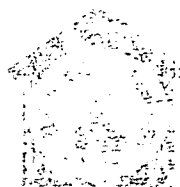
PRINCIPAL BANKERS

United Bank of India
The Vysya Bank Ltd.
Corporation Bank
Centurion Bank Ltd.

REGISTERED & HEAD OFFICE

75C, Park Street, 7th Floor
Calcutta 700 016

PEERLESS ABASAN FINANCE LIMITED



ANNUAL REPORT 2011/2012

TO THE MEMBERS OF THE COMPANY

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PEERLESS ABASAN FINANCE LIMITED**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Seventh Annual General Meeting of PEERLESS ABASAN FINANCE LIMITED will be held at "Kala Kunj" (Basement of Kala Mandir), 48, Shakespeare Sarani, Calcutta 700 017 on Friday, the 5th September, 1997 at 11-00 A.M. to transact the following business :

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March 1997, Balance Sheet as at 31st March 1997, the Auditors' Report thereon and the Directors' Report.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. Justice A.N. Sen, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Salil Dutta, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

Registered & Head Office

75C, Park Street

7th Floor

Calcutta 700 016

Dated : 27th June, 1997

By order of the Board

K. Balasubramanian

Company Secretary

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS STEAD AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the Meeting.
2. The Register of Members of the Company will remain closed from 21st August 1997 to 5th September 1997, both days inclusive.
3. Dividend, if any, declared at this Meeting, will be payable on or after 5th October, 1997 to the Members whose names appear on the Company's Register of Members on 5th September, 1997.
4. Members are requested to intimate immediately, changes, if any, in their registered addresses alongwith the pincode number.



PEERLESS ABASAN FINANCE LIMITED

DIRECTORS' REPORT

TO THE MEMBERS

The Directors hereby present their Seventh Annual Report on the business and operations of the Company and the financial accounts for the year ended 31st March, 1997.

2. FINANCIAL RESULTS

	For the year ended 31st March, 1997 (Rs. in lakhs)	For the year ended 31st March, 1996 (Rs. in lakhs)
Operating Income	775.73	766.07
Profit before Tax	118.00	215.38
Provision for Tax	51.00	75.00
Profit after Tax	67.00	140.38
APPROPRIATION		
Transfer to Special Reserve	30.00	24.00
Proposed Dividend	55.00	110.00
General Reserve	25.00	7.00
Balance carried to Balance Sheet	25.35	64.33

3. PERFORMANCE AND OPERATIONS OF THE COMPANY

During the year although the operating income has increased by Rs.9.66 lakhs from Rs.766.07 lakhs of the previous year to Rs.775.73 lakhs of the current year (1996-97) the profit before tax has however declined by Rs.97.38 lakhs from Rs.215.38 lakhs of the previous year to Rs.118.00 lakhs of the year under consideration. Although the interest income on housing loans has increased by a considerable amount from Rs.269.65 lakhs of the previous year to Rs.382.11 lakhs during the year 1996-97, the Company's operating margin came under severe pressure throughout the year due to depressed economic condition and continued political uncertainty. Further, about 40% of Company's housing loans are carrying average interest of 16.5% per annum as against Company's average direct cost of funds of 16%. Thus the spread available on housing loan activities is also gradually becoming thinner. All these aspects have resulted in fall of pre-tax profit from Rs.215.38 lakhs during 1995-96 to Rs.118.00 lakhs during 1996-97. The net profit during the year amounted to Rs.67.00 lakhs as against Rs.140.38 lakhs earned during the previous year. Your Company is taking all reasonable steps to collect its non-performing assets.

PEERLESS ABASAN FINANCE LIMITED**4. DIVIDEND**

Your Directors recommend payment of dividend at the rate of 5% for the year ended 31st March, 1997. This will entail a total cost of Rs.60.50 lakhs to the Company inclusive of tax on dividend as applicable in terms of 1997-98 Finance Bill.

5. REGULATORY GUIDELINES

During the year the National Housing Bank (NHB) issued revised guidelines on prudential norms for income recognition, provisioning, capital adequacy etc. Your Company has complied with all the norms prescribed by the NHB. The capital adequacy of the Company, as on March 31, 1997, is 31% of the risk weighted assets as against a minimum requirement of 8%.

6. FIXED DEPOSITS

Though your Company mobilised an aggregate deposit of more than Rs.7 crores during the year under review due to more and more deposits mobilised in earlier years getting matured for payment, the total deposit base has registered a negative growth of Rs.181.72 lakhs.

7. UNCLAIMED DEPOSITS

As on 31st March, 1997, 602 deposits amounting to Rs.52.20 lakhs have not been claimed by Depositors. The depositors were intimated regarding the maturities of deposits with the request to either renew or claim their deposits on maturity. Since then 318 depositors have claimed or renewed their deposits amounting to Rs.32.77 lakhs.

8. HOUSING LOANS

Your Company has sanctioned housing loans amounting to Rs.840.87 lakhs to 381 loanees and disbursed Rs.746.60 lakhs during the year under review.

9. REGISTERED OFFICE OF THE COMPANY

The Registered Office of your Company has been shifted with effect from 12th August, 1996 to 75C, Park Street, 7th Floor, Calcutta 700 016, which is also the Head Office of the Company.

10. FUTURE OUTLOOK

Prices of real estate have fallen substantially as a result of uncertainty of the future and expectation that prices could not possibly rise any further. Though the market for housing is very large, increase in cost of funds put a constant pressure on the margins. As the banking segment is flushed with funds, prime lending rate is being reduced periodically together with a steady reduction in the rate of deposits offered to the investing public by public sector banks and central term lending institutions. In order to maintain a comparative position vis-a-vis other lending agencies your Company has reduced rate of interest on loans with effect from 1st July, 1997 and also contemplating to reduce rate of interest on



PEERLESS ABASAN FINANCE LIMITED

deposits to whatever extent possible without affecting flow of funds by way of public deposits. It is expected that profitability will improve during the current financial year by gradual concentration on quality assets.

11. CREDIT RATING

Your Company was awarded a "CARE A(FD)" in September, 1995 which has been revised to "CARE A-(FD)" in October, 1996 which signifies deposit schemes as upper medium grade instruments with many favourable investment attributes.

12. DIRECTORS

In accordance with the Articles of Association of the Company Mr. A.N. Sen & Mr. Salil Dutta, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

13. AUDITORS

The Auditors M/s. De & Bose, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

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

Particulars regarding conservation of energy and technology absorption are not furnished as the same are not applicable. There has been no foreign exchange income and outgo during the period.

15. PARTICULARS OF EMPLOYEES

The particulars required under Section 217(2A) of the Companies Act, 1956 are annexed hereto.

16. APPRECIATION

The Board of Directors sincerely thank the National Housing Bank, Shareholders, Depositors, The Peerless General Finance & Investment Company Limited (Promoters) as well as the Customers at large and look forward to their continued valuable support. The Directors also wish to place on record their appreciation of the dedication and commitment of the staff at all levels.

On behalf of the Board of Directors

Justice A.N. SEN

Chairman

Calcutta

June 27, 1997