

**ANNUAL REPORT**  
**2016-2017**



**APL METALS LIMITED**  
**(Formerly - Associated Pigments Limited)**  
**18/1A, HINDUSTAN ROAD**  
**KOLKATA - 700 029**

**APL METALS LIMITED (Formerly Associated Pigments Limited)****CIN - L24224WB1948PLC017455****BOARD OF DIRECTORS**

**Mr. Ravi Nandan Sahaya** (DIN-00059292), Chairman, Non-Executive  
**Mr. Sanjiv Nandan Sahaya** (DIN-00019420), Managing Director and Chief Executive Officer  
**Mr. Om Prakash Saxena** (DIN-01059659) –Independent Director  
**Mr. Rajendra Sahay** (DIN-02633026) - Independent Director  
**Mrs. Pammi Sahaya** (DIN- 02350838) – Woman Director  
**Mr. Rakesh Verma** (DIN-7102952) - Independent Director  
**Mr. Prakash Kumar Damani** (DIN-1166790) – Additional Director – Non-Executive  
**Mr. Rahul Damani** (DIN-5216197) – Additional Director – Non-Executive  
**Mr. Bijan Roy** (DIN- 02668395) – Additional Independent Director  
**Mr. Kumud Kumar Dubey** (DIN-07733333) – Additional Independent Director

**KEY MANAGERIAL PERSONS (KMP)**

1. **Mr. Sanjiv Nandan Sahaya**, Managing Director
2. **Mr. Rajnish Gambhir**, Executive Director and Chief Financial Officer
3. **Mr. Ram Narayan Prajapati** (FCS-1889) Company Secretary

**BANK**

**Allahabad Bank, IFB**  
17, R. N. Mukherjee Road,  
Kolkata – 700 001

**REGISTRAR & SHARE TRANSFER AGENT**

Niche Technologies Private Limited  
D/511, Bagree Market  
71, Biplabi Rash Behari Bose Road, Kol – 1  
Tel: (033) 2235-7270 / 7271  
email : nichetechpl@nichetechpl.com

**REGISTERED OFFICE**

18/1A, Hindustan Road, Kolkata – 700 029  
Phone – (033) 2465 2433 / 2434  
Fax – (033) 2465 0925  
Email – aplcalcutta@rediffmail.com  
Website –www.associatedpigmentsltd.com

**STATUTORY AUDITORS**

**VPC & ASSOCIATES, Chartered Accountants**  
'E' Block, 4th Floor, Mercantile Bldg.  
9/12, Lal Bazar Street, Kolkata – 700 001

**INTERNAL AUDITORS**

**Sinha Todi Associates , Chartered Accountants**  
2A , Ganesh Chandra Avenue , Kolkata - 700 013

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**FACTORIES**

1. Naranda, Panskura, Dist: Purba Medinipur, WB, Pin - 721139
2. 260, B. T. Road , Sukchar, 24- Pargana (North), Kolkata - 115, Pin - 700 115
3. B-4&5 , UPSIDC Industrial Area, Malwan , Fatehpur (U.P), Pin - 221664

**APL METALS LIMITED**

(Formerly Associated Pigments Limited)

(CIN: L 24224WB1948PLC017455)

Registered Office: 18/1A, Hindustan Road, Kolkata -700029,

E-mail: apcalcutta@rediffmail.com; Website: www.associatedpigmentsltd.com

Telephone : 033 2465 2433/34; Fax : 033 2465 0925

**NOTICE OF 68<sup>TH</sup> ANNUAL GENERAL MEETING (AGM)**

Notice is hereby given that 68<sup>th</sup> Annual General Meeting of the Members of the Company will be held at Kala Mandir (Kalakunj), 48 Shakespeare Sarani, Kolkata – 700 017 on Friday, the 15th September, 2017 at 11:30 AM to transact the following business:

**ORDINARY BUSINESS**

**To Consider and if thought fit, to pass each of the following resolutions separately :-**

**1. As Ordinary Resolution to receive, consider and adopt the Financial Statements for FY 2016-17**

“RESOLVED THAT – the Audited Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2017 and Report of Auditors and Directors thereon be and are hereby received, considered and adopted.”

**2. As Ordinary Resolution to appoint a Director in place of Mr. Ravi Nandan Sahaya (DIN –00059292), who retires by rotation and being eligible, offers for re-appointment.**

“RESOLVED THAT- Pursuant to section 149,152 and other applicable provisions of the Companies Act, 2013 **Mr.Ravi Nandan Sahaya (DIN –00059292)** who retires by rotation and is eligible for re-appointment, be and is hereby re-appointed as a director liable to retire by rotation”.

**3. As Ordinary Resolution to appoint statutory auditors and fix their remuneration**

“RESOLVED THAT pursuant to Section-139 ,142 and other applicable provisions of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014 M/S **Sanjay Maheswary & Co**, Chartered Accountants, (Firm Registration No-329718E), 21, Sarkar Bye Lane Kolkata – 700 007, be and are hereby appointed as Statutory Auditors of the Company in place of retiring Auditors M/S **VPC & Associates**, Chartered Accountants ( Firm Registration No- 313203E), 9/12 Lal Bazar Street, Block-E, Mercantile Building, Kolkata-700 001 from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration as may be determined by the Board of Directors of the Company.”

**SPECIAL BUSINESS**

**To consider and, if thought fit, to pass each of the following Resolutions separately :**

**4. As Ordinary Resolution to appoint Mr. Prakash Kumar Damani as Director**

“RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), **Mr. Prakash Kumar Damani (DIN- 01166790)**, who was appointed as an Additional Director of the Company in terms of Section 161 of the Companies Act, 2013 by the Board of Directors on 12<sup>th</sup> November, 2016 and holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, proposing him for appointment as a director of the company, be and is hereby appointed as a directors liable to retire by rotation.”

**5. As Ordinary Resolution to appoint Mr. Rahul Damani as Director**

**“RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), **Mr. Rahul Damani (DIN- 05216197)**, who was appointed as an Additional Director of the Company in terms of Section 161 of the Companies Act, 2013 by the Board of Directors on 12<sup>th</sup> November, 2016 and holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, proposing him for appointment as a director of the company, be and is hereby appointed as a director liable to retire by rotation.”

**6. As Ordinary Resolution to appoint Mr. Sanjay Sarda as Director**

**“RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), **Mr. Sanjay Sarda (DIN- 00208161)**, who was appointed as an Additional Director of the Company in terms of Section 161 of the Companies Act, 2013 by the Board of Directors on 29<sup>th</sup> May, 2017 and holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, proposing him for appointment as a director of the company, be and is hereby appointed as a director liable to retire by rotation”

**7. As Ordinary Resolution to appoint Mr. Bijan Roy as Independent Director**

**“RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), **Mr. Bijan Roy (DIN- 02668395)**, who was appointed as an Additional Director of the Company in terms of section 161 of the Companies Act, 2013 by the Board of Directors on 13<sup>th</sup> February, 2017 and holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing him for appointment as a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years up to 12<sup>th</sup> February, 2022 and he will not be liable to retire by rotation.”

**8. As Ordinary Resolution to appoint Mr. Kumud Kumar Dubey as Independent Director**

**“RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), **Mr. Kumud Kumar Dubey (DIN- 07733333)**, who was appointed as an Additional Director of the Company in terms of section 161 of the Companies Act, 2013 by the Board of Directors on 13<sup>th</sup> February, 2017 and holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, proposing him for appointment as a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years up to 12<sup>th</sup> February, 2022 and he will not be liable to retire by rotation.”

**9. As Special Resolution to re-appoint Mr. Sanjiv Nandan Sahaya as Managing Director**

**“RESOLVED THAT** - Pursuant to provisions of section 196,197 and 203 read with Schedule –V and all other applicable provisions of the Companies Act, 2013 and the Companies ( Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any amendments to these statutory provisions and subject to such approvals as may be necessary; consent of members be and is hereby accorded to the re appointment of **Mr. Sanjiv Nandan Sahaya ( DIN- 00019420)** as Managing Director in whole time employment of the Company for a period of three years with effect from 1<sup>st</sup> October ,2017 to 30th September, 2020 on salary of Rs 2,00,000/- Per Month plus allowances and other perquisites and on terms and conditions as stated in Statement of Material Facts Concerning Special Business under section -102 of the Companies Act, 2013 attached with the Notice of this Meeting with the liberty to the Board to alter, vary, reduce and enhance such remuneration on recommendation of the Nomination and Remuneration Committee so as not to exceed the limits specified in Schedule -V of the Companies Act, 2013 or any amendment thereto”.

**“RESOLVED FURTHER THAT** –the Board be and is hereby authorized to do all acts and things as shall be necessary to give effect to the above resolution.”

**10. As Ordinary Resolution to approve remuneration of Cost Auditors for Fy 2017-18**

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and such other permissions as may be necessary, the payment of the remuneration of **Rs 62,000/- (Rupees Sixty Two Thousand Only)** plus applicable tax and reimbursement of out of pocket expenses at actuals , to M/s. B. Saha & Associates, Cost Accountants of 8, Bansdronei Ambagan, P.O. – Bansdronei, Kolkata – 700070 for conducting the cost audit for the financial year ending on **31<sup>st</sup> March, 2018**, be and is hereby ratified and confirmed.”

**11. As Special Resolution to reclassify Promoters under Regulation-31A**

**“RESOLVED THAT** pursuant to the Listing Regulation-31A of SEBI (LODR) Regulations,2015 and other applicable provisions of the law and subject to approval/ consent of the Stock Exchange and such other approval/consent as may be required , approval of the shareholders of the company be and hereby given to the Board of Directors of the company to reclassify 447275 number of fully paid equity shares of the company constituting 4.17% of total issued equity shares held by various persons as Promoters Group Shares under the category Shares held by Persons Acting in Concert be reclassified to Shares held by Public since the promoters do not have any Control or influence directly or indirectly over these persons/entities who are independent and the details thereof has been specified in the Explanatory Statement attached to this Notice .”

**“RESOLVED FURTHER THAT** –the Board be and is hereby authorized to do all acts and things as shall be necessary to give effect to the above resolution.”

Kolkata -700029  
Dated: 24<sup>th</sup> July, 2017

By Order of the Board  
For APL Metals Limited

**R. N. Prajapati**  
Company Secretary  
Membership No – FCS-1889

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 3 – Appointment of Auditors (Ordinary Business)**

As per Section-139(2) of the Companies Act, 2013, the auditors of the listed companies existing on the date of the Act coming in to force (1.04.2014) who have completed more than two terms of five years each, cannot be reappointed as auditors on expiry of three years i.e. 31.03.2017 from the commencement of the Act. Hence, the Board of Directors on recommendation of Audit Committee recommended the appointment of M/S Sanjay Maheswary & Co.(Firm Regn. No- 329718E) Chartered Accountants, 21, Sarkar Bye Lane ,Kolkata – 700 007 as Auditors from the conclusion of this meeting till the conclusion of next Annual General Meeting in place of M/S VPC & Associates (Formerly M/S R.K. Vyas & Co till 2005), Chartered Accountants who have been Statutory Auditors of the Company continuously since Financial year 1992-93. M/S Sanjay Maheswary & Co, Chartered Accountants, Kolkata have given written consent to such appointment and confirmed their eligibility to be appointed as Statutory Auditors of the Company indicating that they meet the criteria provided u/s 141 of the Act. The consent letter dated 11th May, 2017 of appointee auditors is available for inspection between 11.00 A.M. to 1.00 P.M. at the registered office on all working days (Monday to Friday) till the date of this Annual General Meeting.

None of the directors, Key Managerial Persons and their relatives is, in any way, concerned or interested in the said resolution. The Board recommends the resolution for the approval by the members.

**SPECIAL BUSINESS**

**Item No. 4, 5 and 6 regarding Appointment of Directors liable to retire by rotation**

Pursuant to the provisions of Section 161 of the Companies Act, 2013, the following persons were appointed as additional directors by Board on recommendation of Nomination and Remuneration Committee;

Sl	Name of Director	DIN	Date of appointment
1	Mr. Prakash Kumar Damani	01166790	12 <sup>th</sup> November,2016
2	Mr. Rahul Damani	05216197	12 <sup>th</sup> November,2016
3	Mr. Sanjay Sarda	00208161	29 <sup>th</sup> May,2017

All the above appointments are valid till the conclusion of this Annual General meeting and are eligible for appointment by Shareholders as Director liable to retire by rotation. The Company has received from all the above three directors consent in writing to act as director in Form DIR 2 pursuant to Rule 8 and intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Prakash Kumar Damani, Mr. Rahul Damani and Mr. Sanjay Sarda, to whom the resolution relates are interested or concerned, financially or otherwise, in the aforesaid resolutions. The Board recommends the resolutions for the approval by the members.

**Item No. 7 and 8 regarding Appointment of Independent Directors not liable to retire by rotation**

In order to strengthen optimum composition of executive, non-executive and Independent directors in terms of Regulation-17, Mr. Bijan Roy (DIN- 02668395) and Mr. Kumud Kumar Dubey (DIN-07733333) were co-opted as Additional Director by the Board on recommendation of Nomination and Remuneration Committee with effect from 13<sup>th</sup> February, 2017 . In terms of Section-161 of the Companies Act, 2013, they hold office up to the date of this AGM. The Company has received separate notice in writing under the provisions of Section 160 of the Companies Act, 2013, from members along with a deposit of Rs. 1, 00,000/-

for each proposing appointment of Mr. Bijan Roy and Mr. Kumud Kumar Dubey as Independent Directors for a period of Five Years up to 12<sup>th</sup> February, 2022 under Section 149 of the Companies Act, 2013. They are not liable to retire by rotation. The Independent directors are entitled for the Fees for each meeting of the Board /Committee and reimbursement of actual expenses for meetings of the company attended by them.

The Company has received from above persons consent in writing to act as director in Form DIR 2 and intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The resolutions seek approval by members for appointment of Mr. Bijan Roy and Mr. Kumud Kumar Dubey as Independent Directors by separate resolution who have given declaration to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. In the opinion of the Board of Directors, Mr. Bijan Roy and Mr. Kumud Kumar Dubey fulfill the criteria of independent director and are eligible for appointment as Independent directors. Brief resume of the Director and other particulars as required by SEBI (LODR) Regulations 2015, Section-149 and Schedule-IV of the Companies Act, 2013 is furnished in the section "**Profile of Directors Seeking Appointment /Reappointment**" in the Corporate Governance Report (Annexure-1) of Directors Report forming part of this Annual Report.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Bijan Roy and Mr. Kumud Kumar Dubey, to whom the resolution relates are interested or concerned, financially or otherwise, in the aforesaid resolution. The Board recommends the resolution for the approval of the members.

#### **Item No 9 regarding Appointment and Remuneration of Mr Sanjiv Nandan Sahaya as Managing Director**

The Shareholders of the Company had approved re-appointment of **Mr Sanjiv Nandan Sahaya as Managing Director** on a remuneration of Rs 1,20,000/- plus Other allowances, commission on profit, increment not exceeding 20% per Annum and other perquisites at the Annual General Meeting held on 26<sup>th</sup> September, 2013. During the period, he voluntarily surrendered part of his salary and did not avail any increment also due to financial position of the company. His current tenure of service will expire on 31<sup>st</sup> March, 2018 i.e. before the next Annual General Meeting in 2018. Hence, on recommendation of Nomination and Remuneration Committee, Board of Directors have at the Meeting held on 29<sup>th</sup> May, 2017 approved his re-appointment for period of three Years from 1<sup>st</sup> October, 2017 to 30<sup>th</sup> September, 2020 on a remuneration and the terms and conditions stated below subject to approval by Shareholders by a Special Resolution. The details of proposed remuneration are given hereunder;

#### **1. Basic Salary**

Rs 2,00,000/- (Rupees Two Lacs ) per month with a provision for Increment not exceeding 20% per annum effective from start of Financial year 2018-19 subject to approval by Board of Directors and recommendation of Nomination and Remuneration Committee

#### **2. Housing/House Rent and Maintenance Allowance**

He will be entitled to furnished rent free accommodation at the cost of the company or House Rent Allowance not exceeding 50% of his basic salary as may be opted by him. This will be over and above actual house maintenance expense not exceeding 10% of his basic salary.

#### **3. Commission**

Commission of 1% of Net Profit Computed in the manner laid down in Section- 197, 198 and Schedule-V of The Companies Act, 2013 payable after adoption of Audited Accounts at the Annual General Meeting.

**4. Gas , Electricity , Water, Furnishing , Maintenance Expense**

The expenditure incurred by company on Gas , Electricity , Water, Furnishing and Repairs actual Expense will be valued as per Income Tax Rules subject to a ceiling of 25% of his basic salary.

**5. Medical/ Leave Travel Concessions**

Reimbursement of actual medical expenses including health insurance Premium and Leave Travel Concession once in a year for self and family subject to a ceiling of one month's salary for each year for Medical Reimbursement and one month's salary for Leave Travel Concession separately. He may claim Leave Travel concession twice in a block of four years instead of every year as permitted under Income Tax Law.

**6. Fees for Clubs**

Actual Fees subject to maximum two clubs excluding Admission/Life Membership Fee.

**7. Retirement Benefits**

He will be entitled to retirement benefits of gratuity, encashment of leave, Provident Fund etc as applicable to other employees as per Rules of the company

**8. Ceiling/Minimum Remuneration**

The remuneration payable to Managing Director shall not exceed 5% of Net Profit Computed in the manner laid down in Section-197, 198 and Schedule-V of The Companies Act,2013 . However, in case of no profit or inadequacy of Profit, the above remuneration will be paid to him as minimum remuneration within the limits as specified in Schedule-V, Section-II read with Explanation-I in Section-IV and Section-196, 197 and other applicable provisions of the Companies Act, 2013.

All perquisites / expenses will be evaluated as per the Income Tax Act, 1961 and rules made there under or at actual cost basis, if there are no provision in the Income Tax law. The retirement benefits to the extent not taxable as per Income Tax law shall not be included for the purpose of overall ceiling of remuneration.

**Relevant Information as per Schedule-V (Part-II) (Section-II) is furnished below:-****I. General Information**

APL Metals Limited (Formerly Associated Pigments Limited) (the company) is more than 68 years old manufacturing company engaged in manufacture of Lead and lead oxides at its plant as under:-

Plant	Item Produced	Installed Capacity	Established
Kanakpur, P.O.- Naranda, Panskura, Dist- Purba Medinipur , West Bengal, Pin- 721139	Refined / Antimonial Lead	48000	March,1992
260, B.T. Road , Sukchar, Kolkata-700 115 , West - Bengal	Red-Lead, Litharge, LSO, White Lead	11280	April,1953
B-4& 5, UPSIDC, Industrial Area Malwan, Fatehpur-212 664	Red-Lead, Litharge, LSO	7500	March,1990

Our final products are industrial products for use in automotive, industrial, sub-marine, telecom & other variants of battery .The Prices of Products fluctuates as per International price largely determined by trading in London



Metal Exchange and exchange value of INR. It is also capital intensive and funds involved in working capital is quite high due to dependence on imports and low value addition. The name of the company has been changed from "Associated Pigments Limited" to "APL Metals Limited." vide Certificate of Incorporation pursuant to change of Name issued by Government of India , Ministry of Corporate Affairs, Office of Registrar of Companies - Kolkata-700020, West Bengal, India on Twenty Fifth day of October two thousand sixteen to ensure that the name represents its present activities.

## **II. Information about Appointee**

Mr. Sanjiv Nandan Sahaya, Managing Director, is a Chemical Engineer from Madras University. He has been in business of manufacturing and trading in Non-Ferrous Metal including Lead and Zinc since 1985. He represents promoters group and is Managing Director of the company since January, 2005. Prior to that he has held various management positions at factory and Head Office and has been director since, 1992. He is the key person behind expansion of Lead Oxide unit in Malwan, UP in 1990 and diversification into lead manufacturing facility at Panskura, Purba Medinipur, in 1992 which now contributes to more than 90% of revenue of the company. He looks after all day to day affairs of the company subject to supervision and control of Board of Directors of the Company.

The Managing Director has voluntarily drawn lower salary than his entitlement for more than last five years and his present monthly basic salary is Rs. 1, 20,000/- plus other allowances/perquisites from January, 2017. He has also not been granted any increment during the period. In view of substantial increase in prices and cost of living during this period and recent improvement in performances, the Board has considered the recommendation of Nomination and Remuneration Committee and approved payment of above remuneration subject to approval by share-holders which is reasonable and commensurate with the market conditions. Foreign Investment, Collaboration or new project except completion of ongoing third rotary at Panskura during the current year, is not involved.

## **III. Other Information**

The company has infused funds to finance working capital in 3<sup>rd</sup> quarter of FY 2016-17 which has helped it to increase production and gross turnover in last four months (Dec, 16 - March, 17) increased by 149 % to Rs. 185.49 crores as compared to Rs 74.60 Crores in preceding four months period (Aug, 16 - Nov, 16). Mr. Sanjiv Nandan Sahaya, Managing Director is the key person behind all technical and commercial aspects of the company and has spearheaded the revival/growth. In past he has drawn lower than his entitled remuneration as approved by the shareholders. It is expected that completion of third rotary under his guidance will further result in cost reduction and improve bottom line of the company. The amount of remuneration recommended is reasonable and commensurate with the responsibility and market conditions.

## **IV. Disclosures:**

The information regarding appointee and other disclosures are also covered in Corporate Governance Report under the heading profile of Directors seeking appointment forming part of the Annual Report.

Mr Sanjiv Nandan Sahaya and his relatives including Mrs. Pammi Sahaya (Women Director) are interested / deemed to be interested financially or otherwise in his re-appointment and remuneration. Save and except them, none of other directors or their relatives or Key Managerial Personnel of the company are financially or otherwise concerned or interested in the above resolutions. The Board recommends the above resolution for approval by shareholders at the AGM.

**Item No. 10**

The Board, on recommendation of the Audit Committee, has recommended appointment of M/s B. Saha & Co., Cost Accountants, Kolkata for the financial Year 2017-18 on remuneration of **Rs 62,000/- (Rupees Sixty Two Thousand Only)** plus applicable tax and reimbursement of out of pocket expenses at actuals for conducting Cost Audit and to report in terms of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014 and any amendment thereto. The remuneration of Cost Auditors is required to be ratified by shareholders of the Company under Section 148 of the Act. Hence, consent of members is sought for appointment and remuneration as set out in Item No.10 of the Notice of the AGM.

None of the Directors or Key Managerial Personnel or their relatives are interested or concerned, financially or otherwise, in the aforesaid resolution. The Board recommends the resolution for approval by the members.

**Item No. 11**

The Company has filed declaration of Promoters Shareholding at the end of financial year to Stock Exchange in compliance to Regulation-30(1) and (2) of SEBI (Acquisition of Shares and takeover) Regulations, 2011 and listing Agreement which remains unchanged for a very long period. In course of time there have been several events and circumstances leading to a change in promoters status of persons/entity holding 447275 number of fully paid up equity shares constituting 4.17 % of total issued shares of the company who are not influenced directly or indirectly by Mr. Sanjiv Nandan Sahaya, the promoter of the company or by any person acting in concert with promoter in respect of any right including voting rights and right to dividend attached to the securities held by them, the details of which is given hereinafter.

**Details of Shareholding of Persons /Entity who directly or indirectly do not act in concert with the Promoter (Mr. Sanjiv Nandan Sahaya ) to be transferred from Promoters to Public**

Sl No	Name of the Shareholder	No of Equity shares held	% of Issued Shares of company	Basis
1	Rajiv Nandan Sahaya s/o Late Keshav Nandan Sahaya	12741	0.12%	Though promoter is brother there is separation each have own independent business and interest , Not a director since more than 10 years
2	Abhinav Sahaya s/o Mr. Rajiv Nandan Sahaya	84763	0.79%	Not a promoter relative and own separate independent business
3	Divya Sahaya d/o Rajiv Nandan Sahaya	12777	0.12%	Not a promoter relative and no business relation with promoters
4	Amita Sahaya w/o Rajiv Nandan Sahaya	11793	0.11%	Not a promoter relative and no business relation with promoters
5	Ravi Nandan Sahaya s/o Late Krishna Nandan Sahaya	10771	0.10%	Not a promoter relative and no business relation with promoters , Non - Executive Chairman for guidance to Board
6	Kumud Nandan Sahaya	2970	0.03%	Not a promoter relative and no business relation with promoters
7	Rajiv Nandan Sahaya -HUF	132419	1.23%	Promoter and Karta not member of any common HUF and independent
8	Mac Services Limited	95600	0.89%	Promoter neither a shareholder nor director nor business interest

Sl No	Name of the Shareholder	No of Equity shares held	% of Issued Shares of company	Basis
9	Pigments & Chemicals Industries Ltd	4575	0.04%	Promoter neither a shareholder nor director nor business interest
10	Indian Lead Products Ltd	15	0.00%	Defunct Company
11	Shree Shivjee – Sebait Krishna Nandan Sahaya	27175	0.25%	Sebait not a relative nor any business interest
12	Shree Shiv - Parvatijee – Sebait R.N. Sahaya	26175	0.24%	Sebait not a relative nor any business interest
13	Ram Janaki – Sebait Krishna Nandan Sahaya	8765	0.08%	Sebait not a relative nor any business interest
14	Guru Granth Sahib , Varanasi	8736	0.08 %	Sebait not a relative nor any business interest
15	Gaj Raj Hospital – Trustee - Sri Nandan Sahaya	8000	0.07%	Trustee not a relative nor any business interest
	<b>TOTAL</b>	<b>447275</b>	<b>4.17%</b>	

The Impact of the above on shareholding Pattern of the company will be as under;

Category	Existing Holding		Holding after Reclassification	
	Numbers	%	Numbers	%
PROMOTERS	2560663	23.87%	2560663	23.87%
PERSONS ACTING IN CONCERT	5221016	48.67%	4773741	44.51%
<b>TOTAL PROMOTERS SHARE HOLDING</b>	<b>7781679</b>	<b>72.55%</b>	<b>7334404</b>	<b>68.38%</b>
PUBLIC	2944708	27.45%	3391983	31.62%
<b>TOTAL ISSUED SHARES OF COMPANY</b>	<b>10726387</b>	<b>100%</b>	<b>10726387</b>	<b>100%</b>

None of the Directors or Key Managerial Personnel or their relatives except the persons whose name appears above are interested or concerned, financially or otherwise, in the aforesaid resolution. The Board recommends the resolution for the approval by the members.

Kolkata  
Dated: 24th July, 2017

By Order of the Board  
For APL Metals Limited  
**R. N. Prajapati**  
Company Secretary, M. No – FCS-1889

**NOTES:**

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY DULY COMPLETED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.**
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.**

- 3. The name of the company has been changed from "Associated Pigments Limited" to "APL Metals Limited"** vide Certificate of Incorporation pursuant to change of Name issued by Government of India , Ministry of Corporate Affairs, Office of Registrar of Companies - Kolkata-700 020, West Bengal, India on Twenty Fifth day of October Two Thousand Sixteen.

*The company has made the application for change of name in the records of NSDL/CDSL and the same is pending with them due to confirmation awaited from the Calcutta Stock Exchange under Regulation-45 of SEBI (LODR) Regulations, 2015. The shareholders holding the shares of the Company in physical mode may opt for recording the change in name of the company on the physical share certificates held by them by sending the same to the Company at its Registered Office or at the Office of the Registrar and Transfer Agent of the Company. However, please note that the existing share certificates shall continue to remain valid in all respect.*

4. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 stating material facts relating to the **Special Business** to be transacted at this AGM is given with the Notice of AGM
5. Corporate Members are required to send to the company signed certified copy of the Board Resolution under section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.
6. Members / Proxies should bring the enclosed Attendance Slip duly filled in for attending the AGM.
7. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. Relevant documents referred to in the accompanying notice including Annual Report for the financial year 2016-17 are open for inspection by members at the registered office of the company on all working days of the Company (Monday to Friday) between 11:00 a.m. and 1:00 p.m. up to the date of AGM.
9. The Register of Members and Share Transfer Books will remain closed under Section 91 of the Companies Act, 2013 from **09th September, 2017 to 15<sup>th</sup> September, 2017 (both days inclusive)**.
10. All requests for physical transfer of Equity Shares, change of address and allied matters by shareholders should preferably be sent directly to the Company's Registrar & Share Transfer Agent – M/s Niche Technologies Pvt. Ltd, D-511, Bagree Market, 71 B.R.B.B. Road, 5<sup>th</sup> Floor, Kolkata–700 001 Email id : nichetechpl@nichetechpl.com Ph. No- 033-2235-7270/7271.
11. Members desiring any information on accounts are advised to write to the company at least seven days before the Meeting to enable the Management to keep the information ready at the Meeting.
12. SEBI has made it mandatory for every participant in Capital Market to furnish Income Tax Permanent Account Number (PAN). Accordingly, all members holding shares in Physical form are also requested to submit self-attested copy of PAN (both sides) to the Registrar & Share Transfer Agents.
13. Ministry of Corporate Affairs (MCA) has launched "Green Initiative in Corporate Governance vide Circular No. 17/2011 dated 21st April, 2011 allowing dispatch of notices, Annual Report and other correspondence through electronic mode via E-Mails. All shareholders – both Physical and DP are requested to send their Email Id to our Registrar & Share Transfer Agent for a faster communication.
14. The Route Map to the venue of the meeting is given separately along with of PROXY FORM for convenience of members to attend the meeting.
15. Members may appoint nomination for Physical Shares held by them by sending completed Form available with the Company's Registrar & Share Transfer Agent and directly with their DP for Shares held in electronic mode. The Nomination Form is available on Company website : [www.associatedpigmentsltd.com](http://www.associatedpigmentsltd.com)

16. Additional Information about the Directors to be appointed and reappointed at the Annual General Meeting as required by Regulation 36(3) of SEBI (LODR) Regulations, 2015 is given in Directors' Profile contained in the Corporate Governance Report forming part of this Annual Report.
17. The Notice of this AGM along with the Annual Report 2016-17 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
18. In terms of Investor Education and Protection Fund ( Uploading of Information regarding Unpaid and Unclaimed Amounts lying with the Companies) Rules, 2012 the Company has uploaded the information of Unpaid Dividend in its website : [www.associatedpigmentsltd.com](http://www.associatedpigmentsltd.com)

**19. VOTING THROUGH ELECTRONIC MEANS**

- I. In compliance to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI ( Listing Obligations and Disclosures Requirements) Regulations ,2015 the Company is pleased to provide members a facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper will be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

**III. The process and manner for remote e-voting are as under:**

- (i) The remote e-voting period commences on 12th September, 2017 (10:00 am) and ends on 14th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 08<sup>th</sup> September,2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on “Shareholders” tab.
- (iv) Now Enter your User ID
- a. For CDSL : 16 digits beneficiary ID,
- b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

**(vii) If you are a first time user follow the steps given below:**

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
(DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>● Please Enter the DOB or Bank Account Number in order to Login.</li> <li>● If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv)</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. **APL Metals Limited** on which you choose to vote.
- (xii) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- (xv) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “**Click here to print**” option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**(xviii) Note for Institutional Shareholders & Custodians :**

- Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.

(xx) Shareholders can also cast their vote using CDSL's mobile app. M-voting available for Android based mobiles. The m-voting app can be down loaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively . Please follow the instructions as prompted by the mobile app while voting on your mobile.

20. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before **14<sup>th</sup> September, 2017**, up to 5:00 pm without which the vote shall not be treated as valid.
21. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of **8<sup>th</sup> September, 2017**.
22. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on **14<sup>th</sup> July, 2017**.
23. The shareholders shall have one vote per equity share held by them as on the cut-off date of **08<sup>th</sup> September, 2017**. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
24. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **8<sup>th</sup> September, 2017**, and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
25. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.

26. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. **08<sup>th</sup> September, 2017** are requested to send the written / email communication to the Company at [aplcalcutta@rediffmail.com](mailto:aplcalcutta@rediffmail.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
27. Mr. Atul Kumar Labh , Practicing Company Secretary, CP No- 3238 has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than two days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
28. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website- [www.associatedpigmentsltd.com](http://www.associatedpigmentsltd.com) and on the website of CDSL. The same will be communicated to the listed Calcutta Stock Exchange.

Kolkata  
Dated: 24th July, 2017

By Order of the Board  
For APL Metals Limited

**R. N. Prajapati**  
Company Secretary,  
M. No – FCS-1889



**APL METALS LIMITED****DIRECTORS' REPORT TO THE SHAREHOLDERS****(INCLUDING MANAGEMENT DISCUSSION AND ANALYSIS REPORT)**

Your Directors hereby present the 68<sup>th</sup> Annual Report and Audited financial statement for the year ended 31<sup>st</sup> March 2017 along with Management Discussion & Analysis Report in compliance to Section-134 of The Companies Act, 2013 and Rules made thereunder (hereinafter referred as 'the Act') and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations). The Regulation number stated hereinafter refers to Regulation under SEBI (LODR) Regulations, 2015.

**Change of Name**

Your directors are pleased to inform that the Company has received Certificate of Incorporation pursuant to change of Name issued by Government of India , Ministry of Corporate Affairs, Office of Registrar of Companies - Kolkata - 700 020, West Bengal, India on Twenty Fifth day of October Two Thousand Sixteen and hence **the name of the company has been changed from "Associated Pigments Limited" to "APL Metals Limited."**

**1. Over-view of Economy**

Against the backdrop of a robust macro-economic stability, the year was marked by two major policy developments in India. The passage of long debated Constitutional amendment paved the road map for implementing a common Goods and Services Tax (GST) Act and in a historical action of de-monetization, two highest denomination Rupee notes of Rs 500/- and 1000/- constituting about 86% of Cash in Circulation (RBI Estimate) ceased to be legal tender except for permitted purposes with effect from 8<sup>th</sup> November, 2016. The GST will promote a common Indian market, improve online tax administration/compliance, transparency, governance and boost investment and growth. Demonetization has had short term costs but holds the potential for long term benefits/being supported by follow up action by way of demand driven remonetisation, tax reforms including bringing land and real estate into the GST ambit, reducing tax rates and stamp duties and so-on.

In the survey conducted by FICCI in March-April, 2017, the GDP growth Rate is expected to be 7.4% in 2017-18 as against expected growth rate of 6.5% for 2016-17 fiscal. The Industry and Service Sectors are expected to grow by 6.9% and 8.4% respectively in 2017-18. This outlook predicts a better economic growth in current year.

**2. Industry Structure and Developments**

Our activities and performance is closely linked with Lead Acid Storage Battery Industry who are the end user of our products and price of Lead in international market which is largely determined by trade in London Metal Exchange (LME) .The expected growth in demand for industrial batteries, sub-marine batteries, home UPS etc. and imports becoming cheaper due to appreciation in Exchange value of Rupee against USD promises a better outlook for lead industry in India.

**3. Performance**

The Production during the year declined marginally by 2518 MT (10%) to 23281 MT as against 25799 MT last year. The gross turn over during the year was slightly lower at Rs 382.88 Crores as against Rs 388.56 Crores last year. The company has infused funds to finance working capital in 3<sup>rd</sup> quarter of FY 2016-17 which has helped the company to recover its production and gross turnover in last four months ( Dec,16-March,17) increased by 149% as compared to preceding four months period ( Aug,16 - Nov,16).

The average selling Price of Refined Lead had increased by about 15% in the fourth quarter as compared to

price in the preceding third quarter. In view of this and improvement in production and revenue in the fourth quarter, the earnings before Interest and Depreciation increased by 37% from Rs 9.81 Crores in 2015-16 to Rs 13.44 Crores in FY 2016-17. As per Section 123 (1) and (2) of the Companies Act, 2013 it is mandatory to provide depreciation including arrear depreciation to make profit available for dividend. Hence, the company has adjusted the entire arrear depreciation for the Financial Year 2013-14 and 2014-15 amounting to Rs 2.30 Crores with the profit during the year and arrear depreciation of Rs 0.05 Cr due to revision of life of assets on 31<sup>st</sup> March, 2014 has been adjusted with General Reserves. The balance depreciation for FY 2015-16 and for the current FY 2016-17 aggregating to Rs 2.18 Crores will be accounted against profit in future and has been explained in the Notes on Accounts.

#### 4. **Dividend**

In view of inadequate profit and uncharged arrear depreciation, the Board of Directors regrets to recommend any dividend for the financial year under report.

#### 5. **Financial Performance**

The Company's financial performance for the year ended 31st march, 2017 has improved which is summarized below:

Particulars	₹ in crores	
	2016-17	2015-16
Total Sales and Other Income	347.03	347.68
Less: Operating Expenses	333.59	337.87
Profit / (Loss) before Depreciation, Interest and Tax	13.44	9.81
Less: Finance Cost	10.43	9.17
Profit / (Loss) before Depreciation and Tax	3.01	0.64
Less: Depreciation	2.30	-
Profit / (Loss) Before Tax	0.71	0.64
Tax Income / (Expenses) (including Deferred Tax)	0.22	0.20
Net Profit / (Loss) after Tax	0.49	0.44

The Auditors have qualified their Report stating that the reported net profit of Rs 0.49 crore for the year is lower by Rs 0.84 crores (Net of deferred tax of Rs 0.37 crores) due to charging of Arrear depreciation of Rs 2.30 crores in place of current year depreciation of Rs 1.09 crores . This has been explained in the Notes on Accounts (Note-2) on of the Audited Accounts for the year ended 31<sup>st</sup> March, 2017 forming part of this report.

#### 6. **Future Out-look**

The company has significantly increased its volume of operations since December, 16 and realized gain from economy of scale which has already shown improvement in the last four months of FY 2016-17 and the momentum is continued till date of reporting. The company also proposes to commission the 3rd Rotary to maximize its production through rotary smelting against direct refining which is expected to boost performance further.

The company will approach bank/financiers for a need based adequate funding of higher operations. Your Board proposes to continue the momentum of growth in current year also.

**7. Change in the nature of business, if any**

There is no change in the nature of the business of the Company.

**8. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There were no significant and material orders passed by regulators or courts or tribunals during the year impacting the going concern status and Company's operations in future.

**9. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

The company has decided to adopt Indian Accounting Standard, 2015 from current financial year starting on 1<sup>st</sup> April, 2017 with transition period from 1.04.2016. The company has also approached NBFC for settlement of disputed dues. There is no other matter to report in respect of material changes or commitments which have occurred between the end of the financial year of the company and the date of this report affecting the financial position of the company.

**10. Subsidiary / Joint Ventures / Associates**

The Company has no subsidiary or joint venture or associate company on which company has a significant influence as per Section-2(6) of the Companies Act, 2013 and hence disclosure in Form- AOC is not provided in this Report.

**11. Safety and Environment**

Ensuring safety and monitoring health of employees at work places is integral to company's business process. The Safety, Health and Environment performance is regularly monitored by the management. Your company gives greater thrust to cleanliness to minimize adverse impact of operations on environment with focus on waste, heat and energy management, water conservation, afforestation, dust prevention, affluent discharge and reduction in emission from furnaces.

**12. Internal Financial Control**

The Company has a well established internal control system designed to assess and ensure an effective and efficient financial and operational controls. Internal Audit Team conducts audit of financial transactions on quarterly basis to ensure checks and compliances which are reported, discussed and implemented after discussion with Statutory Auditors, the Audit Committee and at Board Meetings. The Audit Committee reviews the adequacy of internal control systems and suggests the areas for improvement from time to time.

The internal control system has been designed to provide reasonable assurances with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding of assets, proper authorization and compliance with corporate decisions and policies. The Audit Committee and Directors regularly review the effectiveness of internal controls, compliance, controls, financial and operational risks, and related party transactions in the Board Committee meetings.

**13. Share Capital and Reserves**

The paid up Share Capital as on March 31, 2017 was Rs. 22,92,08,930/- comprising of Equity Shares of Rs. 10,72,08,930/- and 5% Non-Convertible Preference Shares of Rs. 12,20,00,000/ only. During the year under review the company has neither issued nor redeemed any shares or any convertible instrument. The deficit balance of Rs. 13,45,00,322/- in the last year has reduced by Rs. 48,51,442/- to Rs. 12,96,48,880/- due to profit for the year and adjustment of old depreciation and prior period tax.

**14. Risks and Concerns**

Business risks associated to your company are towards supply chain management, stringent environmental and pollution control norms for manufacturing and hazardous materials, fluctuating raw material prices, processing costs, Foreign Exchange Fluctuations, Changes in Govt policies and financial risks of high capital intensive and servicing of liabilities.

The Management regularly reviews and monitors these risks in Board/Audit Committee Meetings for better and timely control within the best available resources. Foreign Currency risk is usually hedged to mitigate the possible loss from fluctuation.

**15. Risk Management**

The Board has formulated Risk Management Committee to ensure stability and sustainable business growth and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objectives, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. The details of Risk Management Committee are given in the Report on Corporate Governance.

**16. Opportunities and Threats**

Your company has a proven manufacturing capability which enjoys locational advantage. It is one of few dependable manufacturers of quality recycled lead in bulk in organized sector in eastern India. The industry being capital intensive, it calls for substantial working capital finance due to involvement in raw material imports and processing thereof.

**17. Board of Directors**

On recommendation of Remuneration and Nomination Committee; the composition of Board was reconstituted twice during the year. Mr Prakash Kumar Damani and Mr. Rahul Damani were inducted as Additional Director at the Board Meeting held on 12<sup>th</sup> November, 2016 and Mr. Rajnish Gambhir resigned from the Board at the same meeting. However, Mr. Rajnish Gambhir has continued in full time employment and designated as Executive Director and Chief Financial Officer of the company. In the Board Meeting held on 13<sup>th</sup> February, 2017, Mr. Bijan Roy and Mr. Kumud Kumar Dubey were inducted as Additional (Independent) Directors and Mr. Sanjay Sarma resigned from the Board in order to ensure optimum composition of Independent Directors as per Section-149 of the Companies Act, 2013 and Regulation-17 of SEBI (LODR) Regulations, 2015. Mr Prakash Kumar Damani and Mr. Rahul Damani , Mr. Bijan Roy and Mr. Kumud Kumar Dubey individually hold office as additional director till the date of forthcoming Annual General Meeting in September, 2017 and are eligible for re-appointment. There is no other change during FY 2016-17.

All Independent directors have made disclosure under Section-149(7) at the first meeting of Board held after the end of the financial year and at such first meeting in which he participated confirming that they meet the criteria of Independence under section-149(6).

Mr. Sanjay Sarma has disclosed that he ceased to meet criteria of Independence under section-149(6) in the Board Meeting held on 12<sup>th</sup> November, 2016 and later on resigned on 13<sup>th</sup> February, 2017.

**18. Key Managerial Personnel**

The company has following three Key Managerial Personnel within the meaning of Section-2(51) in compliance with the provisions of Section 203 of the Companies Act, 2013:

- a) Mr. Sanjiv Nandan Sahaya, Managing Director

- b) Mr. Rajnish Gambhir, Executive Officer and Chief Financial Officer
- c) Mr. Ram Narayan Prajapati, Company Secretary and Compliance Officer

**19. Meetings of Board**

The details of number and dates of meetings held by the Board and attendance of Directors is given separately in the Corporate Governance Report attached to this Report.

**20. Evaluation of Board, Committees and Individual Directors**

The Nomination & Remuneration Committee laid down the policy and process of evaluation of Board of Directors based on a set of parameters as per Schedule -IV read with Section-149(7) as under:

- i. Self-evaluation of the Board Members
- ii. Evaluation of Non- Independent Directors' performance by Independent Directors.
- iii. Evaluation of Chairman's performance by Independent Directors taking views of directors
- iv. Assessment of quantity, quality and timeliness of information to the Board.
- v. Performance of Independent directors by Board as a whole excluding the director being evaluated

Using the parameters mentioned above the evaluation of the Independent directors were carried out by the Board as a whole at their Meeting held on 12<sup>th</sup> November, 16. One exclusive separate meeting of Independent Directors was held on 12<sup>th</sup> November, 16 and performance evaluation of the Chairman of the Board and the Board as a whole was carried out.

**21. Remuneration Policy**

Nomination and Remuneration Committee has formulated the Nomination, Remuneration and Evaluation Policy for Directors, Key Managerial Personnel (KMPs) and other employees in terms of the provisions of Section 178(3) of the Companies Act, 2013 and SEBI (LODR) Regulations. The said policy which has been approved by the Board outlines the appointment criteria and qualifications, the term/ tenure of the Directors on the Board of Company and the matters related to remuneration of the Directors. The details of composition of Nomination and Remuneration Committee and its meeting are provided in the Corporate Governance Report attached to this Report.

**22. Audit Committee**

The details of composition of Audit Committee as per Regulation-18 and its meeting are provided in the Corporate Governance Report attached to this Report.

**23. Vigil Mechanism**

Vigil Mechanism as per Regulation 22 is covered in Report on Corporate Governance.

**24. Contracts and Arrangements with Related Party**

The company has formulated policy for approval of all related Party transactions as per Regulation-23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Omni-bus prior approval is given by Board for non-material routine nature of transactions and reported in quarterly meetings.

The Company follows a policy of disclosure of Related Party Transactions in each Meeting of the Audit Committee and also of the Board of Directors. All the related party transactions were in the ordinary course of business and on arms length basis and were outside the purview of Section-188 (1) of the Act; hence Form-AOC-2 is not applicable to the company.

**25. Loans, guarantees and investments**

The Company has not given any loans or guarantees under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014. However, investment in Govt. securities made in past are disclosed in the financial statements.

**26. Disclosure under Section 197 (12) and Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc as stipulated under the above rules is given separately in the Annexure and forms part of this Report.

**27. Particulars of Employees**

During the year there was no employee drawing remuneration beyond the limit prescribed in Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence same is not provided.

**28. Extract of the Annual Return**

The extract of the Annual Return in Form No. MGT - 9 is given in Annexure and forms part of this Report.

**29. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Information as per Section 134(3)(m) of the Companies Act, 2013, read with Rule-8 of the Companies (Accounts) Rules, 2014 for the year ended 31<sup>st</sup> March, 2017 is furnished below:****A. Conservation of Energy:****i. Steps taken or Impact on Conservation of Energy:**

- (a) The entire factory lighting system has been changed to LED . This is expected to substantially reduce the consumption of electricity.
- (b) Major steps have been taken to stop ingress of air in the existing system of Rotary Furnace. This is expected to bring down per tonne consumption of furnace oil in lead production.

**ii. Steps taken by the company for utilizing alternative sources of energy:**

The company is in the process of assessing and identifying how alternative sources of energy could be utilized in the plants.

**iii. Capital Investments on Energy Conservation Equipments:**

The company has spent Rs 2.58 Lacs during the current year on LED lighting.

**B. Technology Absorption:****i. Efforts made towards technology absorption**

No technology has been imported in recent times. The company has already absorbed technology imported in the year 1992 for production of Leads and Lead Alloys.

**ii. Benefits derived like Product improvement, Cost reduction, product development or Import substitution**

The company is one of leading manufacturer of Lead and Lead Alloys and constantly endeavours to improve its quality and introduces new lead alloys as per international specification.

**iii. Report in respect of technology imported during the last three year:**

No technology has been imported in last three years.

**iv. Expenditure incurred on Research and Development:**

No specific expenditure incurred separately for R&D which is an ongoing process.

**C. Foreign Exchange Earnings and Outgo**

Sl	Particulars	Current Year (Rs)	Previous Year (Rs)
<b>1</b>	<b>Actual Inflow during the year</b>		
	FOB Value of Exports	28,20,30,914/-	NIL
<b>2</b>	<b>Actual Outgo during the year</b>		
	i. For Import of Raw Material	111,35,91,479/-	123,95,06,315/-
	ii. For Interest & Bank Charges	38,82,449/-	33,31,633/-
	iii. For Foreign Travel	66,752/-	Nil
	<b>Total Outgo for the year</b>	<b>111,75,40,780/-</b>	<b>124,28,38,948/-</b>

**30. Directors' Responsibility Statement**

Pursuant to Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 the Directors of your Company confirm that -:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) the Directors have 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 and of the profit of the Company for that period;
- (iii) the Directors have 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 have prepared the annual accounts on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) There is a proper system to ensure compliance with the provisions of all applicable laws and those such systems are adequate and operating effectively.

**31. Deposits**

The Company has not accepted any deposits from the public, and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

**32. Corporate Social Responsibility (CSR)**

CSR initiatives are integrated with strategic management and corporate governance compliances. It is adopted and ensured through policies, programs, procedure & process by maintaining an equitable balance between competing claims of customers, vendors, employees, community vis-a-vis maximization of shareholders value. The provisions of Sections 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company.

**33. Listing**

The Equity Shares of the Company continues to be listed with The Calcutta Stock Exchange and annual listing fees has been paid up to date. Your Company has already executed new listing Agreement with Calcutta Stock Exchange as per SEBI(LODR) Regulations,2015.

**34. Corporate Governance**

Corporate Governance Report in terms of Regulation 34 of SEBI (LODR) Regulations, 2015 read with Schedule-V of these regulations covering disclosures and compliance as per Regulations - 16 to 27 is given separately as Annexure - 1 and forms part of this Report of the Directors. The Managing Director and Auditor's Certificate confirming compliance with the conditions of Corporate Governance are also attached with this report.

**35. Auditors and Auditors Qualifications**

The Auditors M/s VPC & Associates, the Statutory Auditors of the Company, retire at the ensuing Annual General Meeting **and are not eligible for re-appointment**. Your **Board recommends appointment of M/S Sanjay Maheswary & Company**, Chartered Accountants, Kolkata (Firm Registration No - 329718E) for appointment as Auditors at the forth coming Annual General Meeting of the company in September, 17. They have already given their consent and confirmed eligibility vide letter dated 13<sup>th</sup> May, 17.

The Auditors have qualified their Report stating that the reported net profit of Rs. 0.49 crore for the year is lower by Rs. 0.84 crores (Net of deferred tax of Rs. 0.37 crores) due to charging of Arrear depreciation of Rs. 2.30 crores in place of current year depreciation of Rs. 1.09 crores. This has been explained in the Notes - 2 of the Audited Accounts.

**36. Secretarial Audit**

A Secretarial Audit was conducted during the year by the Secretarial Auditor, Mr. B. N. Khandelwal, Company Secretary in Practice, (ACS-1614, CP No-1148) in accordance with the provisions of section 204 of the Companies Act, 2013. The Secretarial Auditor's Report is attached as Annexure and forms a part of this Report of the Directors. There are no qualifications or observations or remarks made by the Secretarial Auditor in his Report.

**37. Cost Audit**

The Board has appointed B. Saha & Associates, Kolkata as Cost Auditors for cost audit of records for the financial year 2016-17.

**38. Internal Audit & Controls**

In terms of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, M/S Sinha Todi & Associates, Chartered Accountants, Kolkata (Firm Registration No-019755C) had carried out the Internal Audit of accounts and operations of the company during the current financial year.

Internal Auditors' findings are discussed and suitable corrective actions are taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

**39. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013**

Your Company has constituted an Internal Complaints Committee in accordance with the requirements under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which ensures implementation and compliance with the Law as well as the policy at every unit. There were no cases/ complaints reported in this regard during the year.



**40. Cautionary Statement**

The statements in the Directors Report including the Management Discussion and Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. As these statements are based on certain assumptions and expectations of future events, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global or domestic demand and supplies, political and economic developments in India or other countries, government regulations and taxation policies, prices and availability of raw materials and finished goods. The Company assumes no responsibility in respect of forward looking statements that may be revised or modified in the future on the basis of subsequent developments, information or events.

**41. Acknowledgement**

Your Directors express their sincere appreciation of the assistance and co-operation and assistance extended by banks, Government authorities, customers, vendors and employees of the company

**Place: Kolkata**

**Dated: 29/05/2017**

**For and on behalf of Board of Directors**

**Ravi Nandan Sahaya , Chairman**

**Sanjiv Nandan Sahaya , Managing Director**

**REPORT ON CORPORATE GOVERNANCE - FY 2016-17****ANNEXURE -1**

(In compliance to Regulations of SEBI (LODR) Regulations, 2015 hereinafter referred as Regulation)

**1. Company's Philosophy on Code of Governance**

Company's policy towards Corporate Governance is guided by better co-ordination, creation of trust, transparency and fairness while dealing with all stakeholders. The efforts of the company are directed towards compliance of regulatory framework, customer's satisfaction as to price, quality and service, meeting commitment and assurance to vendors, investors, bankers, authorities, business associates and surrounding communities and sustaining long term growth for maximizing shareholders value.

**2. Board of Directors (as per Regulation-17)****2.1 Composition, Attendance, Directorship/Committee Membership, Attendance in Meeting**

The company has optimum composition of Executive and Non-Executive Directors as per Regulation-17. The Board of Directors on 31<sup>st</sup> March, 2017 consisted of ten directors out of which five (50%) were Independent directors and 9 (90 %) were Non-Executives including Non-executive Chairman. All independent directors are professionals with substantial experience in business, finance, law and corporate management and meet the criteria of independence as per law. The attendance of Board members at the four Board Meetings held on 28<sup>th</sup> May, 16, 11<sup>th</sup> August, 16, 12<sup>th</sup> November, 16 and 13<sup>th</sup> Feb, 17 during Financial Year 2016-17 was as under:-

Sl No	Name of Director	Status	No of Board Meetings		Attendance in last AGM	Director in Other Public companies	Chairman/Committee Member in other companies
			Held	Attended			
1	Mr. Ravi Nandan Sahaya (DIN-00059292)	Chairman Non-Executive	4	3	Yes	1	Nil
2	Mr Sanjiv Nandan Sahaya (DIN-00019420)	Managing Director	4	4	Yes	Nil	Nil
3	Mr. Rajnish Gambhir (DIN-00459644)	Executive Director & CFO	3	2	Yes	1	Nil
4	Mr Om Prakash Saxena (DIN-01059659)	Independent Director	4	4	Yes	5	Nil
5	Mr. Sanjay Sarda (DIN-00208161)	Independent Director	4	4	Yes	1	Nil
6	Mr. Rajendra Sahay (DIN-02633026)	Independent Director	4	2	Yes	Nil	Nil
7	Mrs. Pammi Sahaya (DIN-02350838)	Woman Director Non-Executive	4	4	No	NIL	Nil
8	Mr. Rakesh Verma (DIN-7102952)	Independent Director	4	2	Yes	Nil	Nil
9	Prakash Kumar Damani (DIN-1166790)	Additional Director	2	1	N.A	1	Nil
10	Rahul Damani (DIN-5216197)	Additional Director	2	1	N.A	1	Nil
11	Bijan Roy (DIN-02668395)	Additional Independent Director	Nil	Nil	N.A	2	Nil
12	Kumud Kumar Dubey (DIN-07733333)	Additional Independent	Nil	Nil	N.A	Nil	Nil

Mr. Prakash Kumar Damani and Mr. Rahul Damani were appointed Additional Directors by the Board on 12<sup>th</sup> November, 16 and holds office till the forthcoming Annual General Meeting. Mr. Rajnish Gambhir has resigned from the Board in the same meeting. However, he has continued to work in full time employment in capacity of Executive Director and Chief Financial Officer .

Mr. Bijan Roy and Mr. Kumud Kumar Dubey were appointed Additional (Independent) director by the Board on 13<sup>th</sup> February, 2017 and holds office till next AGM. Mr. Sanjay Sarada had resigned from the Board in the same meeting. However Board has inducted Mr. Sanjay Sarada as an Additional Director at the Meeting held on 29<sup>th</sup> May, 2017 and holds office till next AGM. Mrs. Pammi Sahaya, has resigned from the Board on 29<sup>th</sup> May, 2017.

All Directors in other companies stated above are in Indian Companies only and does not include Private Companies and companies under section -8 of the Act. A chairmanship/Committee member refers to Audit Committee and Stakeholders Committee of public limited companies only.

The Board is entrusted with overall responsibility, of the day to day management, directions, policy, control and performance of the company as per Act and SEBI (LODR), Regulations, 2015

## **2.2 Relationship between Directors Interest**

The following directors are relatives under Section- 2(77) of the Act read with the Companies( Specification of definition) Rules, 2014

- (i) Mr. Sanjiv Nandan Sahaya and Mrs Pammi Sahaya as Spouse.
- (ii) Mr. Prakash Kumar Damani and Mr. Rahul Damani as Father and Son.
- (iii) Mr. Rahul Damani as Daughters husband of Mr. Sanjay Sarada .

## **2.3 Changes in Board of Directors/Independent Directors during the year**

Mr. Rajnish Gambhir (DIN-00459644) resigned and Mr. Prakash Kumar Damani (DIN-1166790) and Rahul Damani (DIN-5216197) were appointed as Additional Directors on 12<sup>th</sup> of November, 2016. Mr. Sanjay Sarada (DIN-00208161) resigned from the Board on 13<sup>th</sup> February, 2017 and had disclosed that he had ceased to be an Independent director. However he has been co-opted as Additional Director by the Board on 29<sup>th</sup> May, 2017. Mr. Bijan Roy (DIN-02668395) and Mr. Kumud Kumar Dubey (DIN-07733333) were co-opted as Additional Independent Directors on 13<sup>th</sup> February, 2017 who fulfilled the criteria of Independence. All changes were duly recommended to the Board by the Nomination and Remuneration Committee in their separate meetings. All the newly appointed additional directors hold office till forthcoming Annual General Meeting and are eligible for appointment by the shareholders.

## **2.4 Board Procedure**

The Meetings of the Board of Directors are usually held at the Registered Office of the Company. The Directors are intimated well in advance by giving at least 7 days' notice. The Board reviews and discusses at each quarterly meeting the Operating Performance, Compliance of Statutory Payments, Internal Audit Reports and steps to rectify/improve upon observations, quarterly and year to date results, changes in shareholdings and other matters brought to the notice of Board by the Management. Four Board Meetings were held during the financial year ending on 31<sup>st</sup> March 2017 - on 28<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 12<sup>th</sup> November, 2016 and 13<sup>th</sup> February, 2017.

## **2.5 Profile of Directors Seeking Appointment /Reappointment is given below:-**

### **1. Mr Ravi Nandan Sahaya (DIN-00059292)**

Mr Ravi Nandan Sahaya (Date of Birth- 3<sup>rd</sup> August, 1942) aged about 75 years has been associated

with the company as member, director, Deputy Chairman, Vice-Chairman and as Chairman for a very long period. He is Non-Executive Chairman of the Board and also chairman of Member's Stakeholders Relationship Committee of the company. He holds Master Degree in English from Delhi University and has more than 49 years of experience in lead and zinc industry. He is not a director in any other limited company. He holds 10771 number of Equity shares and there is no change in his shareholding during the year. He retires by rotation at the forthcoming Annual General Meeting and is eligible for reappointment. He is not related to any director. The Board has recommended his reappointment

**2. Mr. Prakash Kumar Damani (DIN- 1166790)**

Mr Prakash Kumar Damani (Date of Birth- 28<sup>th</sup> June, 1962) aged about 55 years was co-opted as Additional Director on 12<sup>th</sup> November, 2016. He holds the degree of B.Com from St. Xavier's College Calcutta University. He has more than 35 years of experience in management of commercial, financial, accounting and legal aspect and director in various companies. He has vast exposure in servicing to telecom infrastructure, water, Oil, gas, Pipeline and wireless services, equipment rental and engineering services to Idea, Aircel, Vodafone, Airtel, GTL, Indus Tower, Alcatel Lucent, Nokia, Nortel, LoopTech etc. He is interested as director of one other limited company in Asia Filatex Limited. He does not hold any Shares of the Company. He is related inter-se with Mr. Rahul Damani.

He holds office till conclusion of forthcoming Annual General Meeting and is eligible for re-appointment. The Board has recommended his reappointment.

**3. Mr. Rahul Damani (DIN-5216197)**

Mr Rahul Damani (Date of Birth- 03rd April, 1987) aged about 30 years was co-opted as Additional Director on 12<sup>th</sup> November, 2016. He holds the degree of MBA Finance from De Montfort University, UK. He has more than six years of experience in Finance, accounting and commercial aspects. He is interested as director of one other limited company in Bengal Infrabuilder Limited. He does not hold any Shares of the Company. He is related inter-se with Mr. Prakash Damani and Mr. Sanjay Sarma.

He holds office till conclusion of forthcoming Annual General Meeting and is eligible for re-appointment. The Board has recommended his reappointment.

**4. Mr. Bijan Roy (DIN-02668395)**

Mr. Bijan Roy (Date of Birth- 13<sup>th</sup> May, 1947) aged about 70 years was co-opted as Additional Independent Director on 13<sup>th</sup> February, 2017. He holds the degree of B.Com (Hons) F. C. A.; C. A. I. I. B. He is a fellow of The Institute of Chartered Accountant of India. He has more than forty six years of experience in Banking, Finance, Accounts and Audit. He is interested as director of two other limited companies as Director in (i) EMC Towers Ltd., (ii) EMC Limited and partner in M/s Kay & Kay Associates, Chartered Accountants, Kolkata. He holds 500 Shares of the Company. He is not related to any director. He holds office till conclusion of forthcoming Annual General Meeting and is eligible for re-appointment. The Board has recommended his reappointment.

**5. Mr. Kumud Kumar Dubey (DIN-07733333)**

Mr. Kumud Kumar Dubey (Date of Birth- 19<sup>th</sup> May, 1949) aged about 68 years was co-opted as Additional Independent Director on 13<sup>th</sup> February, 2017. He is a matriculate and has more than 40 years of experience in public relations. He is not a director in any other limited company. He does

not hold any Share of the Company. He is not related to any director. He holds office till conclusion of forthcoming Annual General Meeting and is eligible for re-appointment. The Board has recommended his reappointment.

Terms and Conditions for Appointment letters of Independent Directors are given in the company's website: [www.associatedpigmentsltd.com](http://www.associatedpigmentsltd.com)

**6. Mr. Sanjay Sarda (DIN-00208161)**

Mr Sanjay sarda (Date of Birth- 19<sup>th</sup> September, 1960) aged about 57 years was co-opted as Additional Director by the Board on 29<sup>th</sup> May, 2017. He holds the degree of B.Tech (Chemical) from Madras University. He has more than thirty years of experience in business. He is interested as director of one other limited company namely M/S Sparrow Electronics Limited. He holds 1000 equity Shares of the Company. He is related inter-se with Mr. Rahul Damani.

He holds office till conclusion of forthcoming Annual General Meeting and is eligible for re-appointment. The Board has recommended his reappointment.

**7. Mr. Sanjiv Nandan Sahaya (DIN- 00019420)**

Mr. Sanjiv Nandan Sahaya, Managing Director, (Date of Birth- 19<sup>th</sup> September, 1960) aged about 57 years is a Chemical Engineer from Madras University. He has vast experience and technical as well as commercial expertise of more than 30 years (since 1985) in manufacturing and trading of Lead and Lead Oxides. He represents promoters group and is Managing Director of the company since January, 2005. Prior to that he has held various management positions in the company and has been director since, 1992. He is the key person behind expansion of Lead Oxide unit in Malwan, UP in 1990 and diversification into lead/lead alloys manufacturing at Panskura, Purba Medinipur, in 1992 which now contributes to more than 90% of revenue of the company. He is promoter director not liable to retire by rotation. The Board has considered the recommendation of Nomination and Remuneration Committee and decided to re-appoint him as Managing Director for a period of three years with effect from 1<sup>st</sup> October, 2017 to 30<sup>th</sup> September 2020 on remuneration the details whereof and information as per Schedule-V of the Act is given in the Explanatory Statement to the Notice of this 68<sup>th</sup> Annual General Meeting forming part of this Annual Report.

**2.6 Directors Familiarization Programme as per Reg-25(7)**

At the time of appointment a formal letter of appointment is issued setting out in brief rights, duties and responsibilities as a director. All directors newly joining including Independent directors are provided with the company profile, Company Policies, business model; latest Annual Report containing company's manufacturing facilities, performance and other host of information on operations and control. They are also updated and informed about disclosure compliances at quarterly meetings Board/ Committee.

**2.7 Code of Conduct and Ethics for Board of Directors and Senior Management Personnel**

The Code of Conduct laid down by the Company, binds all the Board Members and Senior Management of the Company. A declaration by the Managing Director to this effect is appended to this report.

**Committees of Board**

**3. Audit Committee (as per Regulation- 18)**

The role, duties, responsibility and powers of the Audit Committee is as per Section-177 of the Act and Schedule-II, Part-C of the SEBI(LODR) Regulations, 2015. The Audit Committee consists of four directors out of

which three (75%) are Independent and Non Executives and have relevant finance and audit exposure. Four Meetings of Audit Committee were held on 28<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 12<sup>th</sup> November, 2016 and 13<sup>th</sup> February, 2017. The attendance thereof is given below.

SI No	Name of Director	Status	No of Meetings	
			Held	Attended
1	Mr. Rajendra Sahay	Chairman Independent Director	4	2
2	Mr Sanjiv Nandan Sahaya	Managing Director	4	4
3	Mr. Om Prakash Saxena	Independent Director	4	4
4	*Mr. Sanjay Sarda	Independent Director	4	4
5	*Mr. Bijan Roy	Independent Director	Nil	Nil

\* Mr. Bijan Roy has been appointed as a member on 13<sup>th</sup> February, 2017 and no Audit committee Meeting has been held thereafter. Mr. Sanjay Sarda had disclosed on 12<sup>th</sup> November, 2016 that he had acquired pecuniary interest and ceased to be an Independent director. He resigned from Board on 13<sup>th</sup> Feb, 2017 and hence was not a member of Audit Committee on 31<sup>st</sup> March, 2017.

The Committee is headed by an Independent Director. The representatives of Internal Auditors and Statutory Auditors do attend and participate in the meetings regularly on invitation. Minutes of the Audit Committee Meetings are read, discussed and noted by the Members of the Board and Audit Committee. The terms of reference of the Audit Committee are as per requirement of Section- 177 of the Act and revised Regulation 19 of SEBI (LODR) Regulation, 2015 such as Oversight of financial reporting process and disclosure, appointment and remuneration of Auditors, Cost Auditors, Secretarial Auditors, Internal Auditors and Chief Financial Officer, review of quarterly, half yearly, and annual financial results and Report of Auditors thereon / evaluation of internal Financial Controls and risk management System and functioning of Whistle Blower Policy, all matters connected with Finance, Accounts, Audits and Investigations and others specified therein.

#### 4. **Nomination and Remuneration Committee (as per Regulation- 19)**

The role, duties, responsibility and powers of the Nomination and Remuneration Committee is as per Section-178 of the Act and Schedule-II, Part-D of the SEBI (LODR) Regulations, 2015.

The Committee consisted of three Independent directors on 31<sup>st</sup> March, 2017. Two Committee meetings were held on 12<sup>th</sup> November, 2016 and 13<sup>th</sup> February, 2017 in which attendance was as below :-

SI NO	Name of Director	Status	No of Nom & Rem. Committee Meetings	
			Held	Attended
1	Mr. Om Prakash Saxena	Chairman- Independent Director	2	2
2	Mr. Rajendra Sahay	Independent Director	2	1
3	Mr. Sanjay Sarda	Independent Director	2	2
4	*Mr. Kumud Kumar Dubey	Independent Director	Nil	Nil

\*In view of resignation of Mr. Sanjay Sarda from Board on 13<sup>th</sup> February, 2017, Mr. Kumud Kumar Dubey has been appointed by Board on that date and no meeting of Nomination and Remuneration Committee has been held thereafter.

#### 5. **Remuneration to Directors and their Relatives**

The remuneration paid to whole time directors and their relatives; if any; is decided by Board of Directors on recommendation of the Nomination and Remuneration Committee and also approved by Shareholders in General Meeting wherever required. While deciding remuneration factors like experience, qualifications, industry trends, financial position of the company, and other relevant factors are considered. Directors interested do not participate in discussion and voting of resolution approving remuneration.

Schedule - V of the Companies Act, 2013 is adhered for remuneration. The non-executive directors are entitled to sitting fees. Presently, the company does not have any scheme for grant of stock options to directors or the employees. The details of remuneration paid are given below:-

##### (a) **Remuneration to Executive Directors and Relatives during FY 2016-17**

<b>Name of the Director</b>	<b>Rupees</b>
Sri Sanjiv Nandan Sahaya, Managing Director	13,50,000/-
Sri Rajnish Gambhir, Executive Director	3,70,000/-
<b>Total</b>	<b>17,20,000/-</b>

The above remuneration does not include Rs. 2,30,000/- paid to Mr. Rajnish Gambhir as KMP otherwise than as a whole time director due to resignation from the Board.

##### (b) **Remuneration paid to Relative of Directors**

No relative of any director was employed during FY 2016-17. However, arrear salary of Mrs Saloni Sahaya Rs 2,18,178/- a relative of Mr Sanjiv Sahaya was paid off"

##### (c) **Remuneration to Non-Executive Directors during FY 2016-17**

The non-executive directors were paid fees @ Rs. 4000/- for each meeting of the Board /Committee as decided at the Board Meeting held on 12th November, 2013. Details of Remuneration paid to the non-executive directors during the financial year 2016-17 are given below:

<b>Name of the Directors</b>	<b>Sitting Fees (Rupees)</b>
Sri Ravi Nandan Sahaya	16000
Sri Om Prakash Saxena	40000
Sri Rajendra Sahay	20000
Sri Sanjay Sarda	40000
Smt. Pammi Sahaya	20000
Sri Rakesh Verma	12000
<b>Total</b>	<b>1,48,000</b>

#### 6. **Stakeholder's Relationship Committee (as per Regulation- 20)**

**This Committee considers and resolves all grievances of share-holders of the company including complaint related to transfer of shares, non-receipt of Annual Reports, non receipt of share dematerialized/ certificates, non-receipt of dividend etc.**

The Stakeholders' Relationship committee consisted of Sri Ravi Nandan Sahaya (Non- Executive Chairman), Sri Sanjiv Nandan Sahaya, Smt Pammi Sahaya, and Mr. Rakesh Verma For any clarification / complaint, shareholders may contact Stakeholders' Relationship committee.

Two complaints were received during the year and were resolved in time. The Committee met once on 13/02/2017 in which all members were present. The committee has delegated the authority for transfer/transmission and other routine share-work for timely service to investors which are reported in quarterly meeting of Board of Directors.

**7. Risk Management (as per Regulation- 21)**

Regulation-21 is not applicable to the company since it is not among top 100 listed companies. However, the company has formed Risk Management Committee comprising of six members out of which three are directors and three are senior level employees. Mr. Prakash Kumar Damani has been co-opted as member/chairman by Board in place of Mrs. Pammi Sahaya who ceased to be member from 13<sup>th</sup> February, 2017.

Business risk evaluation and measures to mitigate the same is an ongoing process. The risk management process of the company involves risk identification, measurement, prioritization, monitoring, and mitigation as discussed in the Directors Report. The Committee periodically holds informal meetings with Executives/Management team.

**8. Vigil Mechanism and Whistle Blower (as per Regulation- 22)**

The Company has in place a vigil mechanism and Whistle Blower Policy for directors and employees to report their genuine concerns in line with Regulation-22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Scheme provides (i) safeguards against victimization to person availing the mechanism and (ii) no personnel is denied direct access to the chairman of Audit Committee

**9. Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee on 31<sup>st</sup> March, 2017 consisted of three members namely Smt Pammi Sahaya (Chairman), Shri Kumud Kumar Dubey (appointed on 13.02.2017 in place of Shri Sanjay Sarda who had resigned) and Sri Rajendra Sahay. The provisions of the Act are not as per section 135 (1) of the Act and hence no meeting was held.

**10. Related Party Transactions - Regulation-23**

The company has formulated policy on dealing with Related Party Transaction which is placed on the website of the company. Moreover, the material related party contracts or arrangements entered to the coming in force of The SEBI (LODR) Regulations, 2015. All transactions with Related Parties in compliance to Accounting Standard-18 are disclosed in Note-2 in the Audited Financial Statement forming part of this Annual Report which are at arm's length price and do not attract Section-188 of the Companies Act, 2013. However approval of the Audit Committee and Board has been obtained for all such transactions during the year as per Regulation-23 of The SEBI (LODR) Regulations, 2015.

**11. Significant related party transactions that may have potential conflict with the interest of the company at large.**

The members of senior management have made disclosure to the Board relating to all material, financial and other transactions stating that they did not have personal interest that could result in a conflict with the interest of the company at large.



**12. Disclosure of non-compliance by the company, penalties, strictures imposed on the company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years**

During the year under review, there was no penalty or stricture imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets.

The company has complied with applicable mandatory requirements in terms of SEBI (LODR), Regulations, 2015. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

**13. Disclosure of Commodity Price risks and Commodity hedging activities.**

During the year, the company was not engaged in any type of Commodity hedging for fluctuation of raw-material and other Input costs due to financial constraints. However, it ensures hedging of Foreign Exchange Exposure involved in Imports and exports through bank.

**14. Audit of Share Capital**

Mr. B.N. Khandelwal (ACS-1614, CP-1148) practicing company secretary carried out the secretarial audit on a quarterly basis to reconcile the total admitted capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.

**15. General Body Meetings**

The last three years annual general meetings were held at Kala Mandir (Kalakunj), 48, Shakeseare Sarani, Kolkata - 700017 on (i) 25<sup>th</sup> September, 2014. At 3.00 P.M. (ii) 26<sup>th</sup> September, 2015 at 12.00 Noon and (iii) 26<sup>th</sup> September, 2016 at 3.00 PM.

**16. Special Resolutions passed in the Three Annual General Meetings****(1) Financial Year 2013-14 special resolutions passed at AGM held on 25/09/2014**

(i) Authority for Borrowing Power to Board upto Rs. 400 crores pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder including any amendment thereto.

(ii) Authority for Mortgage/Charge of Property against Borrowing up to 400 Crores pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder

**(2) Financial Year 2014-15 special resolutions passed at AGM held on 26/09/2015**

(i) Omnibus approval under Section-188 of the Act for availing Loans /Repaying Loans and Advances from Related Parties upto Rs 200 Crores on Interest

**(3) Financial Year 2015-16 special resolutions passed at AGM held on 26/09/2016**

(i) Approval for change of name of the company from Associated Pigments Limited to APL Metals Limited as per Section-4, 13, and applicable provisions of the Companies Act, 2013

(ii) Adoption of a new set of Articles of Association of the company as per Section - 5 and 14 and other applicable provisions of the companies Act, 2013

None of the subjects placed in the last three Annual General Meeting required approval by a postal ballot.

**17. The Management Discussion and analysis report is already covered in Directors Report.****18. Means of Communication**

The unaudited quarterly, Half yearly and Audited financial results and other Notices/disclosures as per SEBI(LODR) Regulations were published in the newspapers, The Eco of India (English) and The Aarthik Lipi (Bengali) and were also placed on the company's website www.associatedpigmentsltd.com. The company did not issue any official news release nor given any presentation to analysts/investors during financial Year 2016-17.

**19. GENERAL SHAREHOLDER INFORMATION****19.1 Annual General Meeting**

Date & Time: 15th September, 2017 at 11.30 AM

Venue: Sangit Kala Mandir Trust' ( Kala Kunj ) 48, Shakespeare Sarani, Kolkata - 700 017

Book Closure: 9th September, 2017 to 15th September, 2017 (both days inclusive).

**19.2 Financial Calendar 2017-18 (Tentative)**

Annual General Meeting for FY 2017 -18

September, 2018

**19.3 Financial reporting for the quarter ending****Date of Board Meeting**

30th June 2017

Between 1st to 14th August, 2017

30th September 2017

between 1st to 15th November, 2017

31st December 2017

Between 1st to 15th February, 2018

31st March 2018

Between 1st to 30th May, 2018

**19.4 Dividend Payment Date-** No dividend declared in FY 2016-17

**19.5 Listing of Shares**

Name of Stock Exchange : The Calcutta Stock Exchange Association Limited

Stock Code : 11026

ISIN allotted by Depositories : INE 578E01019

(Company ID Number)

Annual listing fees up to March, 2018 has been paid to the Stock Exchange.

**19.6 Market Price Data / Stock Price Performance**

There has been no trading of the company's equity shares during the year under review at The Calcutta Stock Exchange Association Ltd.

**19.7 Shareholding pattern as on 31<sup>st</sup> March 2017**

Particulars	No. of Shares of Rs. 10/- each	% to total
Promoters & Promoters Group	77,81,679	72.55
Bodies Corporate - Non Promoters	1,10,651	1.03
Public Shareholding	28,32,947	26.41
Others	1,110	0.01
Total	10726387	100.00

**Distribution of Shareholding as on 31<sup>st</sup> March 2017**

Shareholding (Range)	No. of Shares	Percentage	NO.of Members	Percentage
Upto 500	11,95,102	11.14	10760	97.71
501 to 1,000	97,218	0.91	136	1.24
1,001 to 5,000	1,46,038	1.36	72	0.65
5001 to 10,000	75,535	0.70	10	0.09
10,001 to 50,000	2,46,948	2.30	15	0.14
50,001 to 1,00,000	6,69,223	6.24	9	0.08
1,00,001 & above	82,96,323	77.35	11	0.09
Totals	107,26,387	100.00	11013	100

**19.8 Dematerialization of shares and liquidity**

The shares of the company are in compulsory demat segment and are available for trading in the depository systems of both NSDL and CDSL. Out of 29,44,708 equity shares of Rs. 10/- each held by the persons other than promoters, 17,13,453 equity shares ( 58.19%) have been dematerialized and balance 12,31,255 (41.81%) are in physical form as on 31st March 2017. The equity shares of the company are listed with Calcutta Stock Exchanges and listing fees up to FY 2017-18 has been paid. Other Stock Exchanges have been derecognized by SEBI. Company could not proceed with Bombay Stock Exchange for listing due to erosion of net worth.

**19.9 Share Transfer System and RTA**

With a view to rendering prompt and efficient service to the investors, M/S Niche Technologies Private Limited has been appointed as the Registrar and Share Transfer Agent of the company. The Transfer of Shares is affected by the Registrars after necessary approval of the Committee of the Board. The process of Share Transfer is generally completed within two weeks.

Shareholders are therefore requested to correspond with the share transfer agent for transfer and transmission of shares, change of address and queries pertaining to their shareholding etc. at their address given in this report.

The company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have impact on the company's equity.

**19.10 Address for investor correspondence****For transfer / dematerialization of shares and any other query relating to the shares Of the company**

Niche Technologies Private Limited, D - 511, Bagree Market,  
71, Biplabi Rashbehari Bose Road , Kolkata - 700001, Tel: 2235-7270/7271  
E-mail: nichetechpl@nichetechpl.com

**For any query on annual report / investors' Grievance**

Investors@aplgroupco.com

**19.11 Plant locations**

- |               |  |
|---------------|--|
| 1. B. T. Road | 260, Barrackpore Trunk Road Sodepur, Kolkata -700 115  |
| 2. Malwan     | Plot No. B-4 & B-5 UPSIDC Industrial Areas Malwan, Fatehpur (U.P) Pin - 212664               |
| 3. Panskura   | Vill: Kanakpur, P.O.- Naranda (Panskura) Dist: Purba Medinipore (West Bengal)<br>Pin -721139 |

**20. DISCLOSURE OF DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNTS- NIL****21. Annual Certification under Regulation-26 of The SEBI (LODR) Regulations, 2015;**

As required under Regulation 26.3 of the SEBI (LODR) Regulations, 2015; I hereby confirm that all the board members and senior management personnel of the company have affirmed compliance with the code of conduct of the company during the year ended 31<sup>st</sup> March, 2017.

Place: Kolkata

Dated: 29th May, 2017

S.N.Sahaya ( Managing Director & CEO )

**Certificate by Chief Executive Officer & Chief Financial Officer under Reg- 33(2) and 17(8)**

While placing quarterly financial results CEO and CFO of the company; certify to the Board under Reg33(2) that the financial results do not contain (i) any false or misleading statement or figures and (ii) do not omit any material fact which makes the statements misleading. The Annual Certificate by CEO/CFO under Reg-17(8) is furnished below:-

**The Board of Directors****APL Metals Limited**

**18/1A, Hindustan Road, Kolkata - 700029**

To the best of our knowledge and belief, we certify that-

- (a) We have reviewed the financial statements and the cash flow statement for the year ended on 31<sup>st</sup> March 2017 and based on our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- (b) There are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the same over the financial reporting of the Company and we have not come across any reportable deficiencies in the design or operation of internal controls.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee-
  - (i) significant changes, if any, in the internal control over financial reporting during the year
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) There are no instances of significant fraud of which we have become aware.

Dated-Kolkata

Kolkata- 29th May, 2017

Rajnish Gambhir

Executive Director & Chief Financial Officer

Sanjiv Nandan Sahaya

Managing Director & Chief Executive Officer

**Auditor's Certificate on Corporate Governance****To****The Members of****APL Metals Limited**

We have examined the compliance of the conditions of Corporate Governance by APL Metals Limited (Formerly Associated Pigments Limited from 1.04.2016 to 24<sup>th</sup> October, 2016) as per Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2017.

**Management's responsibility**

The Company's management takes full responsibility of the compliance of the conditions of corporate governance as stipulated in the regulations mentioned above.

**Auditors' responsibility**

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our engagement in accordance with the 'Guidance Note on Audit Reports and Certificates for 'Special Purposes' issued by the Institute of Chartered Accountants of India. Our responsibility is to certify based on the work done.

**Conclusion**

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Restrictions on use**

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**Place: Kolkata****Date: 29<sup>TH</sup> May, 2017**

**For VPC & Associates**  
**Chartered Accountants**  
**Firm Registration No: 313203E**  
**(R.K.Vyas)**  
**(Partner)**  
**Membership No. 51386**

**ANNEXURE - 2****PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) & (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR FY 2016-17**

Name of the Director / CEO / CFO / Company Secretary / Manager	Designation	(i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2014-15	(ii) Percentage increase in Remuneration during 2016-17
Mr. Sanjiv Nandan Sahaya	Managing Director/CEO	9.40:1	25%
Mr. Rajnish Gambhir	Executive Director/CFO	4.18:1	No Increment
Mr. Ram Narayan Prajapati	Company Secretary	5.18:1	24%

Sl. No.	Description	Remarks
iii.	the percentage increase in the median remuneration of employee in the financial year;	35% over last year
iv.	the number of permanent employees on the rolls of company;	94 (Average of two values taken as Median Salary)
v.	the explanation on the relationship between average increase in remuneration and company performance;	Increase in remuneration is in accordance with the Remuneration Policy of the Company.
vi.	comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Remuneration is in accordance with the Remuneration policy of the Company and is justified keeping in view the performance and size of the Company.
vii.	variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.	The Company has not made any Public issue or Right issue, so comparison has not been made of current share price with public offer price. The Company's shares are listed in The Calcutta Stock Exchange Limited.

Sl. No.	Description	Remarks
viii.	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average Percentile Increase in Remuneration of Non-ManAGERIAL Remuneration – 16.40%. Average Percentile Increase in Remuneration of Managerial Remuneration – 21.64%. The Increase is normal and based on performances.

No employee was in receipt of remuneration exceeding the minimum threshold limit prescribed for reporting under Rule-5(2) and hence same is not furnished. List of top ten employees in terms of Remuneration for the year ended 31<sup>st</sup> March, 2017 as per Rule-5(2) are as under :-

Sl	Name/Age in years /Qualification	Designation	Gross Remuneration (Rupees)
1	Mr. Sanjiv Nandan Sahaya /58/B.Tech	Managing Director and Chief Executive Officer (KMP)	1350000/-
2	Mr. Rajnish Gambhir /56/ B.Com	Executive Director/Chief Financial Officer (KMP)	600000/-
3	Mr. Ram Narayan Prajapati /65/ B.Com, FCA, FCS. LLB	Company Secretary and Compliance Officer (KMP)	744000/-
4	Mr. Sanjay Prasad /53/ B.Com(Hons)	Senior Manager ( Accounts )	600000/-
5	Mr. Pushpendu Das / 57/B.Sc	Factory Manager	600000/-
6	Mr. Kunal Gupta/60/B.A (Hons)	Deputy General Manager (Sales)	565640/-
7	Mr. Anil Kumar Verma /69/ MBA	Regional Sales Manager	480000/-
8	Mr. Chitaranjan Sahaya/60/B.Com(Hons)	Regional Sales Manager	456000/-
9	Mr. Rajib Chandra /30/B.Tech	Production Manager	360000/-
10	Mr. Tarun Kumar Manna/50/ B.Com (Hons)	Senior Accounts Officer	328200/-

All appointments are contractual and remuneration is for entire financial year. Shareholding of Key Managerial Persons (KMP) is given in MGT- 9- Extract of Annual Return and forming part of this Annual Report. Others hold negligible quantity (less than 1000) of equity shares. It is hereby affirmed that the remuneration to managerial personnel referred above is as per the remuneration policy of the Company. Other details can be furnished to the shareholders on request.

## FORM No. MGT-9

## ANNEXURE-3

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March, 2017

[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 :- **L24224WB1948PLC017455**
- (ii) Registration Date **22/12/1948**
- (iii) Name of the Company **APL Metals Limited  
(Formerly Associated Pigments Ltd.)**
- (iv) Category/Sub-Category of the Company **Public Company Limited by shares**
- (v) Address of the Registered office  
& Contact details **18/1A, Hindustan Road,  
Kolkata-700029  
Tel: 91 33 2465 2433/2465 2434,  
Fax: 91 33 24650925  
E-mail: apcalcutta@rediffmail.com  
Web site:www.associatedpigmentsltd.com**
- (vi) Whether Listed company **Yes**
- (vii) Name, Address and Contact details of  
Registrar and Transfer Agent **Niche Technologies Private Limited  
D-511, Bagree Market  
71, B. R. B. Bose Road  
Kolkata – 700 001  
Tel: 2235-7270/7271  
E-mail: nichetechpl@nichetechpl.com**

## 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.	Refined Lead/ Lead Alloys	2420	92.94%
2.	Others		7.06%
	Total		100 .00 %

## 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
Nil	Nil	Nil	Nil	Nil	Nil



## 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	6824603	362136	7186739	67.00	6824603	362136	7186739	67.00	Nil
(b) Central Govt.									
(c) State Govt.(s)									
(d) Bodies Corp	494750	100190	594940	5.55	494750	100190	594940	5.55	Nil
(e) Banks/FI									
(f) Any Other									
<b>Sub -total (A) (1): -</b>	<b>7319353</b>	<b>462326</b>	<b>7781679</b>	<b>72.55</b>	<b>7319353</b>	<b>462326</b>	<b>7781679</b>	<b>72.55</b>	<b>Nil</b>
<b>(2) Foreign</b>									
(a) NRIs Individuals -									
Other Individuals -									
Bodies Corp									
Banks/FI									
Any Other									
<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>7319353</b>	<b>462326</b>	<b>7781679</b>	<b>72.55</b>	<b>7319353</b>	<b>462326</b>	<b>7781679</b>	<b>72.55</b>	<b>Nil</b>

**Category –wise Share Holding contd....**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public</b>									
<b>1. Institutions</b>									
(a) Mutual Funds									
(b) Banks/FI									
(c) Central Govt									
(d) State Govt(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIs									
(h) Foreign Venture Capital Funds									
(i) Other (Specify)									
<b>Sub-total (B)(1):-</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>2.Non - Institutions</b>									
(a) Bodies Corp									
(i) Indian	14027	96624	110651	1.03	13927	96624	110551	1.03	0.000
(ii) Overseas									
(b) Individuals									
(I) Individuals holding nominal share capital upto Rs.1 Lakh.	267389	1074438	1341827	12.51	323220	1130211	1453431	13.55	+1.040
(iii) Individuals holding capital in excess of Rs. 1 Lakh	1430927	60193	1491120	13.90	1379316	0	1379316	12.86	(-)1.040
(c) Others NRI/OCBs	510	-	510	0.01	510	-	510	0.01	NIL
(d) Others – Clearing House Members	500	-	500	0.00	700	-	700	0.00	0.000
(e) Trusts	100	-	100	0.00	200	-	200	0.00	0.000
<b>Sub-Total(B)(2)</b>	<b>1713453</b>	<b>1231255</b>	<b>2944708</b>	<b>27.45</b>	<b>1717873</b>	<b>1226835</b>	<b>2944708</b>	<b>27.45</b>	<b>Nil</b>
Total Public shareholding of Promoter (B)=(B)(1)+(B)(2)	<b>1713453</b>	<b>1231255</b>	<b>2944708</b>	<b>27.45</b>	<b>1717873</b>	<b>1226835</b>	<b>2944708</b>	<b>27.45</b>	<b>Nil</b>
C. Shares of Custodian for GDRs & ADRs									
<b>Grand Total (A+B+C)</b>	<b>9032806</b>	<b>1693581</b>	<b>10726387</b>	<b>100.00</b>	<b>9032806</b>	<b>1693581</b>	<b>10726387</b>	<b>100.00</b>	<b>Nil</b>

**(ii) Shareholding of Promoters**

SL. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	
1.	Indian Lead Products Ltd.	15	0.000	Nil	15	0.000	Nil	Nil
2.	K.L. Commercial Pvt. Ltd.	494750	4.612	"	494750	4.612	"	"
3.	MAC Services Pvt. Ltd.	95600	0.891	"	95600	0.891	"	"
4.	Pigments & Chemicals Inds Pvt. Ltd.	4575	0.043	"	4575	0.043	"	"
5.	Abhinav Sahaya	84763	0.790	"	84763	0.790	"	"
6.	Amita Sahaya	11793	0.110	"	11793	0.110	"	"
7.	Divya Sahaya	12777	0.119	"	12777	0.119	"	"
8.	Gajraj Hospital Trustee Srinandan Sahaya	8000	0.075	"	8000	0.075	"	"
9.	Gurugranth Sahib Varanashi	8736	0.081	"	8736	0.081	"	"
10.	Kumud Nandan Sahaya	2970	0.028	"	2970	0.028	"	"
11.	Pammi Sahaya	2402350	22.397	"	2402350	22.397	"	"
12.	Rajiv Nandan Sahaya	12741	0.119	"	12741	0.119	"	"
13.	Rajiv Nandan Sahaya (HUF)	132419	1.235	"	132419	1.235	"	"
14.	Ramjanki Sebait Krishna Nandan Sahaya	8765	0.082	"	8765	0.082	"	"
15.	Ravi Nandan Sahaya	10771	0.100	"	10771	0.100	"	"
16.	Saloni Sahaya	1876641	17.496	"	1876641	17.496	"	"
17.	Sanjiv Nandan Sahaya	2163657	20.171	"	2163657	20.171	"	"
18.	Sanjiv Nandan Sahaya (HUF)	397006	3.701	"	397006	3.701	"	"
19.	Shree Shiv Parvatijee Sebait R.N. Sahaya	26175	0.244	"	26175	0.244	"	"
20.	Shree Shivjee Sebait Keshri Nandan Sahaya	27175	0.253	"	27175	0.253	"	"
	<b>Total</b>	<b>7781679</b>	<b>72.547</b>		<b>7781679</b>	<b>72.547</b>		

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

SL. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Nos of Shares	% of total shares of the company	Nos of Shares	% of total shares of the company
	At the beginning of the year	7781679	72.55%	7781679	72.55%
	Date wise Increase/ Decrease in promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment /transfer bonus/sweat equity etc.):	No Change	No Change	No Change	No Change
	At the End of the Year	7781679	72.55%	7781679	72.55%

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

Sl No	Name	Holdings	% of Holdings	Address
1	CHETAN CHANDAK	280000	2.610	FLAT-Q/4 CLUSTER-X,PURBACHAL HOUSING ESTATE,SALT LAKE,KOLKATA- 700 097
2	UMESH KUMAR SOMANI	175000	1.631	FLAT NO . 303 SAPPHIRE MOON,PLONT NO D. 263 DURGA MARG,BANI PARK,JAIPUR-302 023
3	KALPANA SOMANI	157500	1.468	F.N. 303 SAPPHIRE MOON,D-263 DURGA MARG,BANI PARK,JAIPUR-302 023
4	RENU CHOWDHARY	112000	1.044	198 LAKE TOWN,BLOCK- B,KOLKATA - 700 089
5	SRI GOPAL VYAS	105000	0.979	CD - 73 SALT LAKE,KOLKATA- 700 064
6	BAIJNATH CHOWDHARY	70000	0.653	198 LAKE TOWN,BLOCK- B,KOLKATA - 700 089
7	MANJU AGARWAL	70000	0.653	RAMESHWARAM APRTMENT,32A RAMAKRISHNA SAMADHI ROAD,BLOCK-B 2ND FLOOR FLAT NO 2D,KOLKATA- 700 054
8	MOHIT AGARWAL	70000	0.653	32A RAMKRISHNA SAMADHI ROAD,RAMESHWARAM APARTMENT,BLOCK- B 2ND FLOOR FLAT- 2D,KOLKATA - 700 054
9	NEENA AGARWAL	70000	0.653	32A RAMKRISHNA SAMADHI ROAD,RAMESHWARAM APARTMENT,BLOCK- B 2ND FLOOR FLAT-2D,KOLKATA - 700 054
10	NITIN AGARWAL	70000	0.653	20 MAHARSHIDEBENDRA ROAD,2ND FLOOR ROOM NO 33/1,KOLKATA - 700 007
	<b>GRAND TOTAL</b>	<b>1179500</b>	<b>10.996</b>	

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

(Date wise increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus sweat equity etc.)

SI No.	Name of Directors / KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		At the close of the year	
		No. of Shares	% of total shares of Company	change during the year	% of total shares of company	No. of Shares	% of total shares of Company
	<b>For Each of the Directors and KMP</b>						
1	Mr. Ravi Nandan Sahaya	10771	0.10%	Nil	Nil	10771	0.10%
2	Mr. Sanjiv Nandan Sahaya (KMP)	2163657	20.17%	Nil	Nil	2163657	20.17%
3	Mr. Om Prakash Saxena	1601	0.02%	Nil	Nil	1601	0.02%
4	Mr. Rajendra Sahay	500	0.01%	Nil	Nil	500	0.01%
5	Mrs. Pammi Sahaya	2402350	22.40%	Nil	Nil	2402350	22.40%
6	Mr. Rakesh Verma	300	0.00%	Nil	Nil	300	0.00%
7	Mr. Prakash Kumar Damani	Nil	Nil	Nil	Nil	Nil	Nil
8	Mr. Rahul Damani	Nil	Nil	Nil	Nil	Nil	Nil
9	Mr. Bijan Roy	500	0.00%	Nil	Nil	500	0.00%
10	Mr. Kumud Kumar Dubey	Nil	Nil	Nil	Nil	Nil	Nil
11	Mr. Rajnish Gambhir (KMP)	500	0.00%	Nil	Nil	500	0.00%
12	Mr. R. N. Prajapati (KMP)	100	0.00%	Nil	Nil	100	0.00%
	<b>Total at the beginning</b>	<b>4580279</b>	<b>42.70%</b>	<b>Nil</b>	<b>Nil</b>	<b>4580279</b>	<b>42.70%</b>

- 1) Date-wise changes not given due to nil changes during the year.
- 2) During the year Mr. Prakash Kumar Damani, Mr. Rahul Damani, Mr. Bijan Roy and Mr Kumud Kumar Dubey were Co-opted as additional director and their shareholding has accordingly been included. Mr. Sanjay Sarda and Mr. Rajnish Gambhir were not a director on 31<sup>st</sup> March, 2017.

**(VI) INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (In Rupees)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the Beginning of the financial year</b>				
(i) Principal Amount	85,1092,930	1,86,61,669	2,50,00,000	89,47,54,599
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total( i+ii+iii)</b>	<b>85,10,92,930</b>	<b>2,49,18,669</b>	<b>2,50,00,000</b>	<b>89,47,54,599</b>
Change in Indebtedness during the Financial year				
• Addition	Nil	19,81,39,344	Nil	19,81,39,344
• Reduction	18,15,88,720	Nil	Nil	18,15,88,720
<b>Net Change</b>	<b>(18,15,88,720)</b>	<b>19,81,39,344</b>	<b>Nil</b>	<b>1,65,50,624</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	66,95,04,210	21,06,18,819	2,50,00,000	90,51,23,029
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	61,82,194	Nil	61,82,194
	Nil	Nil	Nil	Nil
<b>Total (i+ ii + iii)</b>	<b>66,95,04,210</b>	<b>21,68,01,013</b>	<b>2,50,00,000</b>	<b>91,13,05,223</b>

**Note:** Debts includes Borrowings against Bills Discounted and unsecured Security Deposit but does not include commitments of Guarantee/Buyers Credit.

**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager: ( In Rupees)**

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
		S. N. Sahaya (MD)	R. Gambhir (ED)*	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income - tax Act, 1961	13,50,000	3,70,000	17,20,000
	(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	-	-	-
2.	Stock Option	-	-	-
3.	Sweat equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify....	-	-	-
5.	Others, please specify	-	-	-
	<b>Total(A)</b>	<b>13,50,000</b>	<b>3,70,000</b>	<b>17,20,000</b>
	<b>Ceiling as per the Act</b>	<b>42,00,000</b>	<b>25,90,000</b>	<b>67,90,000</b>

\* From 1<sup>st</sup> April, 2016 to 12<sup>th</sup> November, 2016 due to resignation from the Board thereafter.

**B. Remuneration to the other directors (In Rupees)**

Particulars of Remuneration	Name of MD/WTD/ Manager						Total Amount Rupees
	Ravi Nandan Sahaya	Om Prakash Saxena	Rajendra Sahay	Sanjay Sarda	Pammi Sahaya	Rakesh Verma	
1. Independent Directors							
• Fee for attending board committee meetings	N.A.	40,000	20,000	40,000	N.A.	12,000	1,12,000
• Commission	N.A.	Nil	Nil	Nil	N.A.	Nil	Nil
• Others, please specify	N.A.	Nil	Nil	Nil	N.A.	Nil	Nil
<b>Total (1)</b>	N.A.	40,000	20,000	40,000	N.A.	12,000	1,12,000
1. Other Non-Executive Directors							
• Fee for attending board /committee meetings	16,000	N.A.	N.A.	N.A.	20,000	Nil	36,000
• Commission	Nil	N.A.	N.A.	N.A.	Nil	Nil	Nil
• Others, please specify	Nil	N.A.	N.A.	N.A.	Nil	Nil	Nil
<b>Total (2)</b>	16,000	N.A.	N.A.	N.A.	20,000	Nil	36,000
<b>Total (B)=(1+2)</b>	16,000	40,000	20,000	40,000	20,000	12,000	1,48,000
<b>Total Managerial Remuneration</b>	-	-	-	-	-	-	<b>1,86,80,000</b>
<b>Overall Ceiling as per the Act</b>							<b>1,06,90,000</b>

Note: - In view of Loss /Inadequacy of profit, overall ceiling on Managerial Remuneration has been computed as per Section-197 of the Act read with Schedule – V and Rule- 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD ( In Rupees)**

Sl. No.	Particulars of Remuneration	R.N. Prajapati Co-Secretary	Rajnish Gambhir- Executive Director/CFO	Total
1.	Gross Salary	7,44,000	2,30,000	9,74,000
	(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	Nil	Nil	Nil
	(c) Profits in lieu of salary under section17(3) Income-tax act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat equity	Nil	Nil	Nil
4.	- Commission - as % of profit - Others specify....	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	
	<b>Total</b>	<b>7,44,000</b>	<b>2,30,000</b>	<b>9,74,000</b>

**Secretarial Audit Report**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the**  
**Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**ANNEXURE- 4**

To,  
The Board of Directors  
APL METALS LIMITED  
(Formerly Associated Pigments Limited)  
18/1A, Hindustan Road,  
Kolkata – 700 029

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by APL Metals Limited (hereinafter called "the Company"). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by APL Metals Limited for the financial year ended on March 31, 2017 according to the provisions of -

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - a) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, and dealing with client;
  - f) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
  - g) The Securities and Exchange Board of India (Buyback of securities) Regulations, 2008;
  - h) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock purchase Scheme) Guidelines, 1999;
  - i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- vi) Other Applicable Acts:
  - a. The Employees Provident fund and Miscellaneous Provisions Act, 1952
  - b. Employees' State insurance Act, 1948



- c. Factories Act, 1948
- d. Indian Contract Act, 1872
- e. Income Tax Act, 1961 and Indian Tax Laws
- f. Industrial dispute Act, 1947
- g. The Payment of Bonus Act, 1965
- h. The Payment of Gratuity Act, 1972
- i. The Payment of Wages Act, 1936 and other applicable Labour Laws.
- j. Sexual harassment of woman at workplace (prevention, Prohibition and Redressal) Act, 2013

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1 and SS-2) issued by the institute of Company Secretaries of India.
- (ii) The Listing Agreements entered in to by the Company with Stock Exchanges.

During the period under review, the company has complied with provisions of the Act, Rules, Regulations, Guidelines and Standards etc. mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and related notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate system and process in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Kolkata  
Date: 29<sup>th</sup> May, 2017

**B.N. KHANDELWAL**  
Company Secretary in Practice  
ACS NO - 1614  
CP NO - 1148

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APL METALS LIMITED

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

We have audited the accompanying financial statements of **APL METALS LIMITED (Formerly – Associated Pigments Limited)**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended, in which are incorporated the accounts of company's manufacturing units at Panskura (West Bengal), BT road (Kolkata) and Malwan (Uttar Pradesh), Malwan branch was not visited by us.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk 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 circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Director's, as well as evaluating the overall presentation the financial statements.

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

#### **Basis for Qualified Opinion**

- Non-provision of depreciation aggregating to ₹ 2,18,28,981/- including ₹ 1,09,13,124/- for the year and provisioning of ₹ 2,30,05,123 being depreciation for earlier years as fully described in note No. 2.02 leading to net reduction in profit for the year under review by ₹ 83,55,571/- (net of deferred tax ₹ 37,36,428/-) with consequential effect on the retained earnings of the company by ₹ 1,50,83,826/- as on 31<sup>st</sup> March, 2017.

#### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 31<sup>st</sup> March, 2017, its Profit and its cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the order.
- 2) As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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. 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.
  - c. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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.
  - d. The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2017 from being appointed as director in terms of Section 164 (2) of the Act.
- f. Report on the Internal Financial Control under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 is enclosed as annexure to this report.
- 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 has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note No. 2.11 to the financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note No. 2.11 & 2.13 to the financial statements.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. On the basis of information and explanations given to us, the Company has maintained proper records in respect of holding and /or dealings in Specified Bank Notes (SBN) during the period from November 8<sup>th</sup> 2016 to December 30<sup>th</sup> 2016 and has made adequate disclosures in these financial statements. (Please refer note no 2.14)

**For VPC & Associates**

**Chartered Accountants**

**Firm Registration No: 313203E**

**(R.K. Vyas)**

**(Partner)**

**Membership No. 51386**

**Place: Kolkata**

**Date: 29<sup>th</sup> May, 2017**

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date)

- 1.01 The Company has maintained proper records to show full particulars, including quantitative details and situation of Fixed Assets.
- 1.02 The Company has a regular program of verification in a phased manner to cover all its Fixed Assets at all locations, which in our opinion, is reasonable having regards to the size of the company and nature of assets. No material discrepancies have been noticed on such verification
- 1.03 The title deeds of immovable properties are held in the name of the company.
2. The inventory except Materials in Transit has been physically verified at reasonable intervals during the year by the management and as explained to us no material discrepancies were noticed.
3. As per information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firm or other parties, covered in the register maintained under section 189 of The Companies Act, 2013. Therefore, the provisions of the clause 3(iii)(a), (b) and (c) of the said order are not applicable to the company.
4. In respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
6. We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of records.
- 7.01 According to the records of the company undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty and other material statutory dues have been generally regularly deposited with the appropriate authorities except in the under mentioned cases. According to information and explanations given to us, following undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2017 for a period of more than six months from the date they became payable.

<b>Nature of Statutory Dues</b>	<b>Period for which they relate</b>	<b>Amount (₹)</b>
Excise Duty	2016-17	92,78,834

7.02 According to the information and explanation given to us and the records of the company examined by us, there are no dues of wealth tax and customs duty which have not been deposited on account of any dispute. The particulars of any dues of income tax, sales tax, service tax and excise duty as at 31<sup>st</sup> March, 2017 which have not been deposited on account of a dispute, are as under:

Name of Statute	Nature of the Dues	Amount (₹)	Period to which the Amount relates	Forum where dispute is pending
West Bengal Sales Tax Act, 1994	Purchase Tax	21,085	1994-95	The West Bengal Commercial Tax Appellate & Revisional Board
-Do-	Central Sales Tax	61,699	1994-95	-Do-
-Do-	West Bengal Sales tax Interest Purchase Tax Penalty	3,27,200 20,731 99,981 10,000	2004-05	The West Bengal Commercial Tax Taxation Tribunal
Central Sales Tax Act, 1956	Central Sales Tax Penalty	2,30,940 15,000	2004-05	-Do-
Central Excise Act, 1944	Central Excise Penalty	11,56,939	2004-05	CESTAT EZB KOLKATA
West Bengal Value Added Tax Act, 2003	VAT Late fee Interest	4,97,443 4,000 31,674	2007-08	Revisional Board
Central Sales Tax Act, 1956	Central Sales Tax Late Fee Interest	72,427 4,000 2,758	2007-08	-Do-
Central Excise Act, 1944	Central Excise	11,80,796	2004-05	Commissioner of Central Excise
Central Excise Act, 1944	Interest on interunit transfer	1,15,024	2007-08	Commissioner of Central Excise
Central Excise Act, 1944	Service Tax	71,982	2007-08	-Do-
Central Excise Act, 1944	Central Excise	22,48,441	2007-08	-Do-
Central Excise Act, 1944	-Do-	53,60,875	2008-09	-Do-
Central Excise Act, 1944	Central Excise Penalty	53,60,875	2008-09	-Do-
Central Excise Act, 1944	Service Tax Demand Penalty	4,21,303 4,21,303	2009-10	Commissioner (Appeals)

West Bengal Value Added Tax Act, 2003	Penalty	57,95,635	2013-14	Taxation Tribunal
West Bengal Value Added Tax Act, 2003	VAT P. Tax ITC Interest	9,41,250 12,979 18,49,310 6,38,335	2013-14	Additional Commissioner Commercial Taxes
Central Excise Act, 1944	Central Excise	3,22,532	2015-16	Appeal Commissioner of Central Excise
Central Excise Act, 1944	Central Excise	1,18,982	2015-16	Assistant Commissioner of Haldia
Central Excise Act, 1944	Central Excise	14,38,000	2015-16	-Do-
Central Excise Act, 1944	Service Tax Demand Penalty	11,25,841 10,000	2015-16	Joint Commissioner of Service Tax
Central Excise Act, 1944	Service Tax Demand Penalty	16,49,314 10,000	2016-17	Joint Commissioner of Service Tax

8. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion, that the company has not defaulted in repayment of dues to financial institutions, banks, Government or dues to debenture holders.
9. The company has not raised money by the way of initial public offer or further public offer (including debt instruments). However, the money raised by way of term loans were applied for the purpose for which the loans were obtained.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
11. Managerial Remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
12. The company is not a Nidhi Company hence this clause is not applicable.
13. Based upon the audit procedures performed and according to the information and explanations given to us, All transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The company has not entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Kolkata  
Date : 29th May, 2017

For VPC & Associates  
Chartered Accountants  
Firm Registration No: 313203E  
(R.K. Vyas)  
(Partner)  
Membership No. 51386

## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF APL METALS LIMITED.**

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 **APL METALS LIMITED (Formerly – Associated Pigments Limited)** as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31<sup>st</sup> March, 2017

For VPC & Associates  
Chartered Accountants  
Firm Registration No: 313203E

(R.K. Vyas)  
(Partner)

Membership No. 51386

Place : Kolkata  
Date: 29<sup>th</sup> May, 2017

## BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March 17 ₹	As at 31st March 16 ₹
<b>I. Equity &amp; Liabilities</b>			
<b>Shareholders' Fund</b>			
(a) Share Capital	3	229,208,930	229,208,930
(b) Reserve & Surplus	4	(129,648,880)	(134,500,322)
		<b>99,560,050</b>	<b>94,708,608</b>
<b>Non- Current Liabilities</b>			
(a) Long Term Borrowings	5	389,363,853	209,307,137
(b) Other Long Term Liabilities	6	25,000,000	25,000,000
(c) Long Term Provisions	7	12,380,338	10,619,402
		<b>426,744,191</b>	<b>244,926,539</b>
<b>Current Liabilities</b>			
(a) Short Term Borrowings	8	172,210,498	343,095,374
(b) Trade Payables		548,080,038	484,374,118
(c) Other Current Liabilities	9	148,786,913	205,485,645
		<b>869,077,449</b>	<b>1,032,955,137</b>
<b>Total :</b>		<b>1,395,381,690</b>	<b>1,372,590,284</b>
<b>II. Assets</b>			
<b>Non Current Assets</b>			
(a) Fixed Assets	10		
(i) Tangible Assets		137,561,609	152,461,385
(ii) Intangible Assets		12,060,081	16,111,205
(iii) Capital Work-in-Progress		7,679,680	7,679,680
(b) Non Current Investments	11	10,150	10,150
(c) Deferred Tax Asset	12	129,451,408	131,664,408
(d) Long-Term Loans & Advances	13	11,741,303	12,223,223
		<b>298,504,231</b>	<b>320,150,051</b>
<b>Current Assets</b>			
(a) Inventories	14	776,154,051	863,857,915
(b) Trade Receivables	15	143,865,353	5,373,293
(c) Cash & Cash Equivalents	16	7,553,889	6,252,003
(d) Short - Term Loans & Advances	17	169,304,166	176,957,022
		<b>1,096,877,459</b>	<b>1,052,440,233</b>
<b>Total :</b>		<b>1,395,381,690</b>	<b>1,372,590,284</b>

Significant Accounting Policies 1

Notes on Accounts 2

The accompanying notes 1 to 26 are an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board

For VPC & Associates  
Chartered Accountants  
Firm Registration No. : 313203E  
(R.K. Vyas)  
Partner

Rajnish Gambhir  
Chief Financial Officer  
DIN No. - 00459644

Ravi Nandan Sahaya  
Chairman  
DIN No. - 00059292

Membership No. 51386  
Place : Kolkata  
Date : 29th May, 2017

Ram Narayan Prajapati  
Company Secretary &  
Compliance Officer  
Membership No. - FCS 1889

Sanjiv Nandan Sahaya  
Managing Director  
DIN No. - 00019420

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Note No.	For the Year	For the Year
		Ended 31.03.17	Ended 31.03.16
		₹	₹
<b>Income</b>			
Revenue From Operations	18	3,828,779,463	3,885,621,262
Less: Excise Duty		372,199,239	409,083,128
		3,456,580,224	3,476,538,134
Other Operative Income		12,946,450	(149,557)
		3,469,526,674	3,476,388,577
Other Income	19	799,091	396,789
<b>Total</b>	<b>(I)</b>	<b>3,470,325,765</b>	<b>3,476,785,366</b>
<b>Expenses</b>			
Cost of Materials Consumed	20	2,858,380,418	3,035,656,404
Purchases of Traded Goods	21	4,320,869	2,573,648
(Increase)/Decrease in Inventories of Finished Goods			
Work-in-Progress and Stock-in-Trade	22	89,893,378	(7,831,317)
Employee Benefits Expenses	23	47,950,199	42,500,316
Power & Fuel		61,678,604	45,096,222
Stores & Spares Consumed		58,959,540	34,630,084
VAT / Sales Tax /Service Tax		170,821,250	184,328,915
Depreciation (Please refer Note-2.02)		23,005,123	39,991
Finance Cost	24	104,269,286	91,652,717
Other Expenses	25	43,886,103	41,781,536
<b>Total</b>	<b>(II)</b>	<b>3,463,164,771</b>	<b>3,470,428,516</b>
<b>Profit / (Loss) before Exceptional &amp; Extraordinary Items &amp; Taxes</b>	<b>(I)-(II)</b>	<b>7,160,994</b>	<b>6,356,850</b>
<b>Profit / (Loss) before Tax</b>		<b>7,160,994</b>	<b>6,356,850</b>
<b>Tax Expense</b>			
Current		-	-
Deferred Tax	12	2,213,000	1,971,000
<b>Surplus/ (Deficit) for the Period</b>		<b>4,947,994</b>	<b>4,385,850</b>
<b>Earnings per share (of ₹ 10/- each)</b>	<b>26</b>		
<b>Basic &amp; Diluted before Extraordinary Items</b>		<b>0.46</b>	<b>0.41</b>
<b>Basic &amp; Diluted after Extraordinary Items</b>		<b>0.46</b>	<b>0.41</b>

Significant Accounting Policies

1

Notes on Accounts

2

The accompanying notes 1 to 26 are an integral part of the Financial Statements

As per our attached report of even date

For VPC & Associates  
Chartered Accountants  
Firm Registration No. : 313203E

(R.K. Vyas)

Partner

Membership No. 51386

Kolkata

Date : 29th May, 2017

Rajnish Gambhir  
Chief Financial Officer  
DIN No.- 00459644

Ram Narayan Prajapati  
Company Secretary &  
Compliance Officer  
Membership No.- FCS 1889

For and on behalf of the Board

Ravi Nandan Sahaya  
Chairman  
DIN No.- 00059292

Sanjiv Nandan Sahaya  
Managing Director  
DIN No.- 00019420

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2017

	Particulars	31st March 17	31st March 16
		₹	₹
<b>A</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit/ (Loss) Before Tax & Extraordinary items	7,160,994	6,356,850
	Adjustments :		
	(Profit)/Loss on Sale of Assets	74,568	(31,500)
	Finance cost	104,269,286	91,652,717
	Depreciation	23,005,123	39,991
	Interest Income	(237,878)	(357,789)
	Prior Period Tax	427,177	-
	<b>Operating profit Before Working Capital Changes</b>	<b>134,699,270</b>	<b>97,660,269</b>
	Increase/(decrease) in Long Term Provisions	1,760,936	1,160,524
	Increase/(decrease) in Trade Payables	63,705,920	104,408,739
	Increase/(decrease) in Other Current Liabilities	(56,698,732)	5,576,084
	Decrease/(Increase) in Long - term loans and advances	481,920	(1,881,745)
	Decrease/(Increase) in Inventories	87,703,864	79,029,306
	Decrease/(Increase) in Trade & Other Receivables	(138,492,060)	70,438,034
	Decrease/(Increase) in Short Term loans & Advances	7,652,856	(94,504,375)
	<b>Cash Generated from Operating Activities</b>	<b>100,813,974</b>	<b>261,886,836</b>
	Taxes paid ( including earlier year taxes )	-	-
	<b>Net Cash flow from/(used in) Operating Activities (A)</b>	<b>100,813,974</b>	<b>261,886,836</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of Fixed Assets(including Capital Work-in-Progress)	(4,692,520)	(1,347,062)
	Proceeds from Sale of Fixed Assets	40,000	35,000
	Interest received	237,878	357,789
	<b>Net Cash From Investing Activities (B)</b>	<b>(4,414,642)</b>	<b>(954,273)</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>		
	Proceeds From / (Repayment of) Long Term Borrowings	180,056,716	(5,147,508)
	Proceeds From / (Repayment of) Short Term Borrowings	(170,884,876)	(161,056,904)
	Interest paid	(104,269,286)	(91,652,717)
	<b>Net Cash From Financing Activities (C)</b>	<b>(95,097,446)</b>	<b>(257,857,129)</b>
	<b>Net Increase/(Decrease) in cash and cash equivalents(A+B+C)</b>	<b>1,301,886</b>	<b>3,075,434</b>
	Opening Cash and Cash Equivalent	6,252,003	3,176,569
	Closing Cash and Cash Equivalent	7,553,889	6,252,003

**NOTE:**

- 1) The above "Cash Flow Statement" has been prepared under "Indirect Method".
- 2) Previous year's figures have been re-arranged/regrouped wherever considered necessary.
- 3) Cash and cash equivalents includes ;

**Balance with Scheduled Banks**

On Current Accounts	3,526,781	557,283
On Unpaid Dividends	765,534	836,300
Cash in hand (As Certified)	143,159	1,705,281
<b>Total</b>	<b>4,435,473</b>	<b>3,098,864</b>

**Other bank balances**

Fixed Deposits	3,118,416	3,153,139
<b>Total</b>	<b>7,553,889</b>	<b>6,252,003</b>

As per our attached report of even date

For and on behalf of the Board

For VPC &amp; Associates

Chartered Accountants

Firm Registration No. : 313203E

Rajnish Gambhir  
Chief Financial Officer  
DIN No.- 00459644

Ravi Nandan Sahaya  
Chairman  
DIN No.- 00059292

(R.K. Vyas)

Partner

Membership No. 51386

Kolkata

Date : 29th May,2017

Ram Narayan Prajapati  
Company Secretary &  
Compliance Officer  
Membership No.- FCS 1889

Sanjiv Nandan Sahaya  
Managing Director  
DIN No.- 00019420

**APL METALS LIMITED****(Formerly known as Associated Pigments Limited)****NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017****NOTE NO. 1****CORPORATE INFORMATION**

The name of the company was changed from **ASSOCIATED PIGMENTS LIMITED** to **APL METALS LIMITED** w.e.f. 25<sup>th</sup> October, 2016, for which the required certificate of even date from Registrar of Companies, West Bengal has been received. The Company is engaged in producing Refined Lead and Lead Alloys at its plant at Panskura, (West Bengal) and Lead Oxides at its plants at B. T. Road (Kolkata), Malwan (UP). The Company's registered office is at Kolkata West Bengal.

**1.01. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

In terms of policies followed from the past, the Financial Statements have been prepared under Historical Cost Convention in accordance with the generally accepted Accounting Principles and the provisions of the Companies Act, 2013. The company generally follows Mercantile System of accounting and recognizes significant items of income and expenditure on an accrual basis as far as practicable.

**1.02. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a) Use Of Estimates**

The preparation of Financial Statements requires estimates and assumptions that affect the reported amount of Assets and Liabilities on the Balance Sheet date, Income and Expenses during the reporting period. Difference between the actual and estimates is recognized in the period in which it actually materializes / crystalized.

**b) Revenue Recognition**

The income of the company is derived from the manufacturing and sale of goods. Sale is recognized at the point of delivery of product from factory / godown to customer. Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sales tax, vat and excise duty. Inter unit transfer are treated as sale/purchase and recorded on delivery of goods. Interest is recognized on time proportion basis. Consistence with the practice followed from past, advance license entitlements are reduced from the cost of raw materials.

**c) Governments Grants and Incentives**

Government Grant and Incentives are recognized when there is reasonable assurance that the company would be able to comply with the conditions for receipt of the same.

**d) Fixed Assets and Depreciation**

- i. Fixed Assets are stated at their original cost including all expenses attributable to bring the assets to its intended use less CENVAT Credit / Capital Subsidy availed on acquisition.
- ii. Depreciation is accounted for on a straight line method at the rates prescribed under Schedule-II of the Companies Act, 2013 on the basis of useful life of the Assets. Uncharged Arrear depreciation due to loss/inadequate profit is disclosed by way of Notes.
- iii. Intangible assets are stated at cost of acquisition less depreciation thereon.

**e) Inventories**

Inventories are valued at lower of cost and net realizable value as detailed below after providing for obsolescence:-

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017**

- i. Raw Materials, Stores and spare parts are taken on weighted average cost excluding taxes and duties for which credit is available.
  - ii. Work-in-Progress is taken at weighted average basis.
  - iii. Finished Goods is taken on weighted average cost inclusive of Excise Duty paid on Ex-Factory Stock. However, no provisions are made for Excise Duty payable on stock lying inside the factory which has no impact on the Profit and Loss of the company.
- f) **Foreign Currency Transactions**  
Foreign currency transactions are recorded at the exchange rate on the date of transaction. The Foreign Exchange fluctuation on account of difference due to the exchange rate between the date of transaction and date of settlement including on translation of monetary items at the year-end on revenue transactions are charged to the Statement of Profit & Loss and in case of Forward Exchange Contracts, the premium/ discount is recorded as and when the contract is settled. However, in case of assets such items are adjusted in the cost of acquisition.
- g) **Employees Benefits**
  - i. **Provident Fund**  
Contributions payable to the Provident Fund are charged to the Statement of Profit & Loss.
  - ii. **Gratuity**  
The company has a Defined Benefit Plan comprising of Gratuity Fund. The liability for the gratuity is determined on the basis of independent actuarial valuation. Liability for gratuity is partly funded with a recognized Gratuity Fund managed by Bajaj Allianz Life Insurance Co. Ltd. Liability paid / payable to the employee retiring during the year is charged to the Statement of Profit & Loss.
  - iii. **Leave Encashments**  
Leave encashment benefit on retirement is determined on the basis of independent actuarial valuation done at the year-end as per the requirements of Accounting Standard-15 on 'Employee Benefits' and such liability is provided for in the accounts.  
  
Actuarial gains and losses, where applicable, are determined and recognized in the Statement of Profit and Loss. The Company recognizes gains and losses on curtailment or settlement of a defined benefit plan in the Statement of Profit & Loss as and when the curtailment or settlement occurs.
- h) **Accounting For Taxes On Income**  
As per Accounting Standard 22, the Deferred Tax Assets and Liabilities are recognized on timing difference between taxable and accounting income applying the tax rate and laws enacted or substantially enacted on Balance Sheet date. Deferred tax income/assets are recognized to the extent there is virtual certainty to realize the same.
- i) **Impairment of Assets**  
Loss arising on impairment ( if any) is recognized when the carrying amounts of the assets of cash generating unit is less than the recoverable amount of those assets and charged to the Statement of Profit & Loss. The impairment loss recognized earlier is reversed in the year in which there is change in recoverable amount of impaired assets.
- j) **Provisions, Contingent Liabilities & Contingent Assets**  
Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimate, provided for when :
  - i. The Company has a present obligation as a result of a past event /experience.
  - ii. A probable outflow of resources is expected to settle the obligation and

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

- iii. The amount of the obligation can be reliably estimated. The reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be feasible.
- iv. Contingent Liability is disclosed by way of notes in respect of:
- (a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- (b) A present obligation where no reliable estimate is feasible.
- (c) A possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognized, nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed periodically and at each Balance Sheet date.

**k) Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

**NOTE NO. 2**

**Notes on Accounts**

- 2.01** The Company is in the process of identifying the Micro Small and Medium Enterprises within the meaning of Micro Small and Medium Enterprises (Development) Act, 2006 and as such no provision of interest has been provided in the books of accounts.
- 2.02** In terms of Schedule-II of The Companies Act, 2013 depreciation for the year has been calculated on the basis of useful life of the fixed assets. Unabsorbed depreciation for earlier years aggregating to ₹ 2,30,05,123 has been charged to profit and loss account. However, due to paucity of profit no further depreciation of the year ended 31.03.16 and 31.03.17 has been provided in the books of accounts. As a result of which the net profit for the year is under stated by ₹ 83,55,571/- (Net of Deferred Tax ₹ 37,36,428/-)

		₹
PROVIDED		
i) Depreciation for FY 2013-14	120,21,291	-
ii) Depreciation for FY 2014-15	109,83,832	-
<b>Total</b>	<b>230,05,123</b>	<b>-</b>
NOT PROVIDED		
iii) Depreciation for FY 2013-14	-	(120,21,291)
iv) Depreciation for FY 2014-15	-	(109,83,832)
v) Depreciation for FY 2015-16	109,15,857	(109,15,857)
vi) Depreciation for FY 2016-17	109,13,124	-
<b>Sub Total</b>	<b>218,28,981</b>	<b>(339,20,980)</b>
vii) Arrear Depreciation on 1st April, 2014 due to revision of the life of assets as per schedule II	-	(5,23,729)
<b>Total</b>	<b>218,28,981</b>	<b>(344,44,709)</b>

Arrear Depreciation as on 1st April, 2014 of ₹ 5,23,729/-, due to revision of life of assets have been adjusted against General Reserve.



**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

**2.03** Other Long Term Liabilities (Security Deposit) includes ₹ 2.5 crores (₹2.5 crores) received in earlier year from a Body Corporate in terms of joint development agreement, adjustable against execution of long term contract as per terms of the agreement.

**2.04** The Irrecoverable/Overdue balances are provided net of write back for ₹ 2,56,616/- (Nil)

**2.05 CIF Value of Imports**

	₹	₹
Raw Materials	111,35,91,479	(123,95,06,315)

**2.06 FOB Value of Exports**

	₹	₹
Export Sales	28,20,30,914	(-)

**2.07 Expenditure in Foreign Currency**

	₹	₹
Interest and Bank Charges	38,82,449	(33,31,633)
Travelling Expenses	66,752	(-)

**2.08 Managerial Remuneration (Salary paid to) Key Managerial Personnel**

	₹	₹
Managing Director	13,50,000	(10,80,000)
Executive Director	6,00,000	(6,00,000)
Company Secretary	7,44,000	(6,00,000)
<b>Total</b>	<b>26,94,000</b>	<b>(22,80,000)</b>

**2.09 Value of Imported & Indigenous Raw Materials, Stores & Spare Parts Consumed**

Particulars	₹	%	Particulars	₹	%
<b>Raw Materials</b>			<b>Stores &amp; Spares</b>		
<b>Imported</b>	1,192,126,592	41.70	<b>Imported</b>	NIL	NIL
	(1,431,204,607)	(47.15)		NIL	NIL
<b>Indigenous</b>	1,666,253,826	58.30	<b>Indigenous</b>	58,959,540	100%
	(1,604,451,797)	(52.85)		(34,630,084)	100%
<b>Total</b>	<b>2,858,380,418</b>		<b>Total</b>	<b>58,959,540</b>	
	(3,035,656,404)			(34,630,084)	

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

**2.10 Related Party Transactions (AS-18)**

**I. List of parties who have control over the company and with whom transactions have taken place and their relationships.**

**a) Name of the Related Parties**

Names	Relationship
Mr. Sanjiv Nandan Sahaya	Key Management Personnel (KMP)
Mr. Rajnish Gambhir	-do-
Mr. Ram Narayan Prajapati	-do-
Mrs. Pammi Sahaya	Relative of KMP
Mrs. Saloni Sahaya	-do-
Mr. Prakash Kumar Damani	Director
Mr. Rahul Damani	Director
Mr. Sanjay Sarda	Director
K.L.Commercial Pvt. Ltd.	Associate
Mac Services Pvt. Ltd.	-do-
Sahaya Properties & Investments (P) Ltd.	-do-
Damani Finvest Private Limited	-do-
Arrowlink Steels Private Limited	-do-

**b) Transactions during the year with related parties**

(₹)

Nature of Transaction	Associates	KMP / Directors	Relatives of KMP / Directors	Total
Unsecured Loan Received	890,00,000	12,00,00,000	-	20,90,00,000
	(2,50,000)	(-)	(-)	(2,50,000)
Interest & Remuneration Paid / Provided	28,79,546	64,03,610	2,38,178	95,21,334
	(-)	(31,13,603)	(1,10,600)	(32,24,203)
Unsecured Loan Repaid	150,42,850	20,00,000	-	1,70,42,850
	(57,000)	(-)	(-)	(57,000)

**c) Closing Balance as on 31.03.2017 of related parties**

(₹)

Nature of Transaction	Associates	KMP / Directors	Relatives of KMP / Directors	Total
Liabilities Outstanding	28,79,546	33,02,648	-	61,82,194
	(-)	(750,243)	(-)	(750,243)
Unsecured Loan Taken	745,68,819	12,10,50,000	-	19,56,18,819
	(6,11,669)	(30,50,000)	(-)	(36,61,669)

**NOTE:** There are no related parties on whom the company has any control.

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

**2.11 Contingent Liabilities not provided for in respect of : (₹)**

Unredeemed Bank Guarantee	36,38,398	(30,21,483)
Claims against the Company not acknowledged as Debts	3,16,48,654	(3,80,88,890)
Bills Discounted with Banks but not matured	29,97,22,963	(29,99,33,498)
Interest payable on Security Deposit if Long Term Contract not fulfilled	1,35,53,556	(1,05,53,556)
Interest payable for long term financial arrangement not acknowledged as Debts	1,49,74,569	(1,66,95,083)

**2.12 Commercial Commitments not provided in respect of : (₹)**

Contract for Import	22,49,90,808	(9,48,86,247)
---------------------	--------------	---------------

**2.13 Derivative Contracts entered into by the company outstanding as on 31<sup>st</sup> March 2017**

(₹)

<b>Hedging Currency Related Risks</b>		
Forward Contracts	20,06,76,386	(17,41,70,207)

Foreign Currency Exposures that are not hedged by derivative instruments as on 31.03.17 amount to ₹ 16,66,61,462 (₹ 6,41,61,754/-)

**2.14 Demonetisation**

In compliance to Notification G.S.R. 308 (E) dated 30th March,2017 by Ministry of Corporate Affairs, New-Delhi Details of Specified Bank Notes (SBN) ( Denomination of Rs. 500/- and Rs. 1000/-) held and transacted from 8th December, 2016 to 30th December, 2016 is given below in the specified format :

(₹)

	SBNs	Other Denomination Notes	Total
Closing Cash in hand on 08.11.16	10,00,000.00	23,14,890.68	33,14,890.68
Add: Permitted Receipts	-	19,35,864.00	19,35,864.00
Total	10,00,000.00	42,50,754.68	52,50,754.68
Less: Permitted Payments		23,25,568.00	23,25,568.00
Less: Amount Deposited into Bank	10,00,000.00		10,00,000.00
Closing Cash in hand on 30.12.16	-	19,25,186.68	19,25,186.68

**2.15** The company has made counter claim of ₹ 21.52 Crores against the outstanding of a NBFC of ₹ 12.83 Crores (₹ 13.43 Crores) and the matter is under negotiation.

**2.16** In view of carry forward of losses and/or unabsorbed depreciation, provisions for income tax liability for the year under review is not required.

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

- 2.17** The company has single reportable segment of Lead products.
- 2.18** For better presentation and reporting the previous year figures have been rearranged / regrouped wherever considered necessary and has been shown in brackets.

**2.19 Retirement Benefit (AS-15)**

The details of the Company's defined benefit plans for its employees are as under :

**AMOUNT RECOGNISED IN THE BALANCE SHEET IN RESPECT OF  
GRATUITY(FUNDED BY THE COMPANY):**

Expense Recognized in Statement of Profit / Loss :	(₹)	(₹)
	As at 31/03/2017 Gratuity	As at 31/03/2016 Gratuity
Current Service Cost	652,956	561,901
Past Service Cost	-	-
Interest Cost	536,111	532,328
Expected Return on Plan Asset	174,000	192,000
Curtailement cost	-	-
Settlement Cost	-	-
Actuarial gain/loss recognized in the year	859,369	(124,203)
Expense Recognized in Statement of Profit/Loss	1,874,436	778,026

**Funded Status :**

	As at 31/03/2017 Gratuity	As at 31/03/2016 Gratuity
Present Value of Obligation at end Year	9,306,565	7,432,129
Fair Value of Plan Asset at end Year	2,400,000	2,400,000
Funded Status	(6,906,565)	(5,032,129)
Unrecognized actuarial gain/loss at end of the year	-	-
Net Asset(Liability)Recognized in Balance Sheet	(6,906,565)	(5,032,129)

**Movements in the Liability Recognized in Balance Sheet :**

	As at 31/03/2017 Gratuity	As at 31/03/2016 Gratuity
Opening Net Liability	5,032,129	4,254,103
Expenses as above	1,874,436	778,026
Contributions	-	-
Closing Net Liability	6,906,565	5,032,129
Closing Fund/Provision at end of Year	9,306,565	7,432,129

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

Changes in Present Value of Obligations :	(₹)	(₹)
	<b>As at 31/03/2017 Gratuity</b>	<b>As at 31/03/2016 Gratuity</b>
Present Value of Obligation at Beginning of year	7,432,129	6,654,103
Acquisition Adjustment	-	-
Interest Cost	536,111	532,328
Past Service Cost	-	-
Current Service Cost	652,956	561,901
Curtailment Cost	-	-
Settlement Cost	-	-
Benefits Paid	75,000	-
Actuarial gain/loss on Obligations	760,369	(316,203)
Present Value of Obligation at end of Year	9,306,565	7,432,129

Changes in Fair Value of Plan Assets :	<b>As at 31/03/2017 Gratuity</b>	<b>As at 31/03/2016 Gratuity</b>
Fair Value of Plan Asset at Beginning of year	2,400,000	2,400,000
Acquisition Adjustment	-	-
Expected Return on Plan Asset	174,000	192,000
Contributions	-	-
Benefits Paid	75,000	-
Actuarial gain/loss on Plan Asset	(99,000)	(192,000)
Fair Value of Plan Asset at End of year	2,400,000	2,400,000

Actuarial Assumptions :	<b>As at 31/03/2017 Gratuity</b>	<b>As at 31/03/2016 Gratuity</b>
Mortality Table	IALM ( 2006-2008) ULTIMATE	IALM ( 2006-2008) ULTIMATE
Superannuation Age	58	58
Early Retirement & Disablement	5	5
Discount Rate	7.25%	8
Inflation Rate	5%	5
Return on Asset	7.25%	8
Remaining Working Life	8	8
FORMULA USED	PROJECTED UNIT CREDIT METHOD	PROJECTED UNIT CREDIT METHOD

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

**AMOUNT RECOGNIZED IN THE BALANCE SHEET IN RESPECT OF  
LEAVE ENCASHMENT (ACCRUED BUT NOT FUNDED) :**

**Present value of the funded defined benefit obligation**

**Expense Recognized in Statement of Profit / Loss :**

	(₹)	(₹)
	<b>As at 31/03/2017 Leave Encashment</b>	<b>As at 31/03/2016 Leave Encashment</b>
Current Service Cost	428,769	690,990
Past Service Cost	-	-
Interest Cost	222,071	206,903
Expected Return on Plan Asset	-	-
Curtailement cost	-	-
Settlement Cost	-	-
Actuarial gain/loss recognized in the year	(404,872)	(78,428)
Expense Recognized in Statement of Profit/Loss	245,968	819,465

**Funded Status :**

	<b>As at 31/03/2017 Leave Encashment</b>	<b>As at 31/03/2016 Leave Encashment</b>
Present Value of Obligation at end Year		
Fair Value of Plan Asset at end Year		
Funded Status	Not applicable as	Not applicable as
Unrecognized actuarial gain/loss at end of the year	Scheme is unfunded	Scheme is unfunded
Net Asset(Liability)Recognized in Balance Sheet		
Opening Net Liability	-	-
Expenses as above	245968	819465
Contribution	-	-
Closing Net Liability	245968	819465
Closing Fund/Provision at end of Year	3184793	3187273

**Changes in Present Value of Obligations :**

	<b>As at 31/03/2017 Leave Encashment</b>	<b>As at 31/03/2016 Leave Encashment</b>
Present Value of Obligation at Beginning of year	3187273	2804775
Acquisition Adjustent	-	-
Interest Cost	222071	206903
Past Service Cost	-	-
Current Service Cost	428769	690990
Curtailement cost	-	-
Settlement Cost	-	-

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	(₹)	(₹)
	<b>As at 31/03/2017 Leave Encashment</b>	<b>As at 31/03/2016 Leave Encashment</b>
Benefits Paid	248448	436967
Actuarial gain/loss on Obligations	(404872)	(78428)
Present Value of Obligation at end of Year	3184793	3187273

**Changes in Fair Value of Plan Assets :**

	<b>As at 31/03/2017 Leave Encashment</b>	<b>As at 31/03/2016 Leave Encashment</b>
Fair Value of Plan Asset at Beginning of year		
Acquisition Adjustment		
Expected Return on Plan Asset		
Contributions	Not applicable as	Not applicable as
Benefits Paid	Scheme is unfunded	Scheme is unfunded
Actuarial gain/loss on Plan Asset		
Fair Value of Plan Asset at End of year		

**Actuarial Assumptions :**

	<b>As at 31/03/2017 Leave Encashment</b>	<b>As at 31/03/2016 Leave Encashment</b>
Mortality Table	IALM ( 2006-2008) ULTIMATE	IALM ( 2006-2008) ULTIMATE
Superannuation Age	58	58
Early Retirement & Disablement	5	5
Discount Rate	7.25%	8
Inflation Rate	5%	5
Return on Asset	7.25%	8
Remaining Working Life	8	8
FORMULA USED	PROJECTED UNIT CREDIT METHOD	PROJECTED UNIT CREDIT METHOD

As the scheme is unfunded, charges to Profit/Loss Account has been based on following assumptions :

1. Previous obligation was provided for at last accounting date.
2. Benefit to exits has been paid to debit of above provision.
3. Current obligation will be provided for at current accounting date.
4. The company has made provision for gratuity and leave encashment during the year amounting to ₹ 21,20,404/-

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	As at 31st March 17	As at 31st March 16
	₹	₹
<b>Note No. 3</b>		
<b>Share Capital</b>		
<b>Authorised shares</b>		
110,00,000 ( 110,00,000) Equity Shares of ₹10 each	110,000,000	110,000,000
122,00,000 (122,00,000) Non convertible Redeemable Preference Shares of ₹ 10 each	122,000,000	122,000,000
18,00,000 (18,00,000) Unclassified Shares of ₹ 10 each	18,000,000	18,000,000
	<b>250,000,000</b>	<b>250,000,000</b>
<b>Issued, Subscribed and Paid -Up</b>		
1,07,26,387 ( 1,07,26,387) Equity Shares of ₹10 each	107,263,870	107,263,870
Less : Calls in Arrear	54,940	54,940
	107,208,930	107,208,930
122,00,00 (122,000,00) 5% Non Convertible Redeemable Preference Shares ₹ 10 each	122,000,000	122,000,000
	<b>229,208,930</b>	<b>229,208,930</b>

**Rights, Preferences and Restrictions attached to Shares**

- The Company has one class of Equity Shares with equal rights for voting, dividend and equal right over surplus in case of winding up.
- 5% Redeemable Non Convertible (Non- Cumulative) Preference Shares having preferential right over dividend and over surplus in case of winding up and these shares are Redeemable at the expiry of a term of 15 years i.e in the year 2028-29 from the year of issue in 2013-14 with an option to the Board of Directors to redeem at a premium.
- The Unclassified Shares are subject to the terms and conditions as may be attached there to by the Board/ General Body at the time of Issue, hence, rights, preference and verifications attached therof cannot be stated.

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:-**

Particulars	As at 31st March 17		As at 31st March 16	
	No.s	Amount (Rs)	No.s	Amount (Rs)
<b>Issued &amp; Paid -Up Capital</b>				
<b>Equity Shares of Rs. 10 each</b>				
At the Beginning/End of the year	10,726,387	107,263,870	10,726,387	107,263,870
Less: Calls in arrear	-	54,940	-	54,940
Outstanding at the Beginning/ end of the year	<b>10,726,387</b>	<b>107,208,930</b>	<b>10,726,387</b>	<b>107,208,930</b>
<b>5% Non-Convertible Redeemable Preference Shares</b>				
At the Beginning/End of the year	<b>12,200,000</b>	<b>122,000,000</b>	<b>12,200,000</b>	<b>122,000,000</b>
<b>Total paid Up Capital</b>	<b>22,926,387</b>	<b>229,208,930</b>	<b>22,926,387</b>	<b>229,208,930</b>



**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

There was no change in capital structure of the company during the year and hence no amount is shown for addition and reduction within the year.

**b) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company.**

	As at 31st March 17		As at 31st March 16	
	No.	% of holding	No.	% of holding
<b>Equity Shares</b>				
Mr. Sanjiv Nandan Sahaya	2,163,657	20.17	2,163,657	20.17
Mrs. Pammi Sahaya	2,402,350	22.40	2,402,350	22.40
Ms Saloni Sahaya	1,876,641	17.50	1,876,641	17.50
<b>5% Non Convertible Redeemable Preference Shares</b>				
Mac Services Private Limited	1,425,000	11.68	1,425,000	11.68
K. L. Commercial Private Limited	6,655,000	54.55	6,655,000	54.55
Sparrow Electronics Limited	800,000	06.56	800,000	06.56
Mrs Pammi Sahaya	1,100,000	09.02	1,100,000	09.02
Gemex International Private Limited	970,000	07.95	970,000	07.95
Sahaya Properties & Investment Private Limited	1,000,000	08.20	1,000,000	08.20

	As at 31st March 17	As at 31st March 16
	₹	₹
<b>Note No. 4</b>		
<b>Reserves &amp; Surplus</b>		
<b>Capital Reserve (As per last Account)</b>	<b>43,214,391</b>	<b>43,214,391</b>
<b>Securities Premium Account (As per last Account)</b>	<b>8,128,635</b>	<b>8,128,635</b>
<b>General Reserve (As per last Account)</b>	<b>120,713,000</b>	<b>120,713,000</b>
Less : Reduction in value of Depreciable Assets ( Please refer Note No-10)	(523,729)	-
	<b>120,189,271</b>	<b>120,713,000</b>
<b>Surplus in Statement of Profit and Loss</b>		
<b>As per Last Account</b>	(306,556,348)	(310,942,198)
Add : Profit for the Year	4,947,994	4,385,850
Add : Provison of Income Tax of the earlier years written back	427,177	-
<b>Closing Balance</b>	<b>(301,181,177)</b>	<b>(306,556,348)</b>
<b>Grand Total</b>	<b>(129,648,880)</b>	<b>(134,500,322)</b>

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	As at 31st March 17	As at 31st March 16
	₹	₹
<b>Note No. 5</b>		
<b>Long Term Borrowings</b>		
<b>Secured Loans</b>		
<b>Term Loan From a Bank</b>	61,670,569	66,445,072
(Secured by Personal Guarantee of a Director and Mortgage of right over property of Joint Borrower & Repayable in 105 equal monthly instalments starting April 2015) (Net of current maturities Rs. 6,654,590/-)		
<b>Working Capital Term Loan From NBFC</b>	116,576,449	123,288,008
(Secured by second charge over entire block of Fixed Assets of Panskura Unit & BT Road Unit in West Bengal. Also Exclusive Charge with Sub Registrar of Mortgages/Registrar for 2 prime properties located at Kolkata a) Plot NO. 15 NB, Block A, Alipore and b) 38/1, Alipore Road, Kolkata, and guaranteed by a Director) The Working Capital Term Loan is repayable in 108 equated monthly instalments starting from September-2015) ( Net of current maturities Rs. 11,756,753/-)		
<b>Term Loan From Banks for Vehicle/Equipments</b>	498,016	912,388
(Secured by vehicle procured there against Repayable with interest over a period of 60 months from the date of Borrowings). (Net of current maturities Rs. 414372/-)		
	<b>178,745,034</b>	<b>190,645,468</b>
<b>Unsecured Loans</b>		
<b>a) Loan from Related parties</b>		
From Directors and Relatives	121,050,000	3,050,000
From Bodies Corporate (not bearing interest)	568,819	611,669
<b>b) Others Loans</b>		
From Bodies Corporate	89,000,000	15,000,000
	<b>210,618,819</b>	<b>18,661,669</b>
	<b>389,363,853</b>	<b>209,307,137</b>

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	As at 31st March 17	As at 31st March 16
	₹	₹
<b>Note No. 6</b>		
<b>Other Long Term Liabilities</b>		
Security Deposit against Joint development of Property	25,000,000	25,000,000
	<b>25,000,000</b>	<b>25,000,000</b>
<b>Note No. 7</b>		
<b>Long Term Provisions</b>		
Provision for Employee Benefits	12,380,338	10,619,402
	<b>12,380,338</b>	<b>10,619,402</b>
<b>Note No. 8</b>		
<b>Short Term Borrowings</b>		
<b>From Bank for Working Capital</b>		
(Secured by Hypothecation of Stocks, Book-Debts & Other Movable Assets and Equitable Mortgage by Deposit of title deeds of Immovable Properties of units located at Sodepur (WB), Panskura (WB) & Malwan (UP) and guaranteed by two Directors)	172,210,498	343,095,374
	<b>172,210,498</b>	<b>343,095,374</b>
<b>Note No. 9</b>		
<b>Other Current Liabilities</b>		
Current maturities of Long Term Borrowings	18,825,715	17,418,590
For Expenses	22,504,515	23,023,231
Interest Accrued & Due on Borrowings	6,182,194	-
Other Finance	979,813	59,632,965
Duties and Taxes	99,529,142	104,574,559
Unpaid Dividends	765,534	836,300
	<b>148,786,913</b>	<b>205,485,645</b>
<b>Note No. 10 - Fixed Assets Attached separately</b>		
<b>Note No. 11</b>		
<b>Non-Current Investments</b>		
<b>Long Term, Unquoted at cost In Government Securities</b>		
(Certificates with Government Departments)		
Investment in 12 Years National Defence Certificates	7,100	7,100
Investment in National Savings Certificates	3,050	3,050
	<b>10,150</b>	<b>10,150</b>

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

Note 10  
FIXED ASSETS

₹

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION					NET BLOCK		
	As at 1st April '2016	Additions	Sold/ Adjustments	As at 31st March '2017	As at 1st April '2016	Depreciation during the year (*)	On Assets Sold/ Adjustments	Arrear Depreciation	As at 31st March '2017	Reduction in Value*	As at 31st March '2016
<b>(a) TANGIBLE ASSETS</b>											
Freehold Land & Site Development	23,811,670	267,252	-	24,078,922	-	-	-	-	24,078,922	-	23,811,670
Buildings	2,516,790	-	-	2,516,790	648,876	-	-	69,970	1,606,861	(191,083)	1,867,914
Factory Godowns & Shed	41,616,598	170,777	-	41,787,375	20,876,040	-	-	2,577,402	18,416,047	82,114	20,740,568
Plant & Machinery	194,038,980	3,946,959	-	197,985,939	98,675,453	-	-	13,222,245	86,577,647	489,406	95,363,527
Water Tank & Tubewells	1,238,345	-	-	1,238,345	299,836	-	-	82,919	185,248	(670,342)	938,509
Electric Installations	8,009,926	258,157	-	8,268,083	6,049,791	-	-	761,513	1,689,042	232,263	1,960,135
Air Conditioners & Refrigerators	443,354	-	-	443,354	23,591	-	-	177,071	232,004	(10,688)	419,763
Computers	1,591,772	26,500	-	1,618,272	544,911	-	-	410,347	167,925	(495,089)	1,046,861
Furniture & Fittings	560,778	8,700	-	569,478	138,676	-	-	115,990	314,812	-	422,102
Office Equipments	406,570	14,175	-	420,745	79,039	-	-	118,169	116,062	(107,475)	327,531
Motor Car & Vehicles	9,931,313	-	(560,661)	9,370,652	4,368,499	-	(446,093)	1,418,373	4,177,038	147,165	5,562,814
<b>TOTAL (a)</b>	<b>284,166,096</b>	<b>4,692,520</b>	<b>(560,661)</b>	<b>288,297,955</b>	<b>131,704,712</b>	<b>-</b>	<b>(446,093)</b>	<b>18,953,999</b>	<b>137,561,609</b>	<b>(523,729)</b>	<b>152,461,385</b>
<b>(b) INTANGIBLE ASSETS</b>											
Technical Knowhow	19,916,900	-	-	19,916,900	3,805,695	-	-	4,051,124	12,060,081	-	16,111,205
<b>TOTAL (b)</b>	<b>19,916,900</b>	<b>-</b>	<b>-</b>	<b>19,916,900</b>	<b>3,805,695</b>	<b>-</b>	<b>-</b>	<b>4,051,124</b>	<b>12,060,081</b>	<b>-</b>	<b>16,111,205</b>
<b>(c) CAPITAL WORK-IN-PROGRESS</b>											
<b>TOTAL (c)</b>	<b>7,679,680</b>	<b>-</b>	<b>-</b>	<b>7,679,680</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,679,680</b>	<b>-</b>	<b>7,679,680</b>
<b>GRAND TOTAL (a+b+c)</b>	<b>311,762,676</b>	<b>4,692,520</b>	<b>(560,661)</b>	<b>315,894,535</b>	<b>135,510,407</b>	<b>-</b>	<b>(446,093)</b>	<b>23,005,123</b>	<b>157,301,370</b>	<b>(523,729)</b>	<b>176,252,270</b>
Previous Year (a+b+c)	310,485,614	1,347,062	(70,000)	311,762,676	135,556,914	39,991	(66,498)	-	176,252,270	-	174,948,701

(\* ) Reduction in value of assets due to re-computation of useful life of assets set-off made against General Reserve during the year.

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	As at 31st March 17	As at 31st March 16
	₹	₹
<b>Note No. 12</b>		
<b>Deferred Tax Assets / Liabilities (Net)</b>		
Deferred Tax Liabilities comprises of following:		
Fixed Assets	(18,101,030)	(20,510,955)
Conversion of Land	(25,696,750)	(25,696,750)
Deferred Tax Assets comprises of following:		
Provision for Statutory Dues	30,655,705	25,664,826
On unabsorbed Business Loss and Depreciation	142,593,483	152,207,287
	<b>129,451,408</b>	<b>131,664,408</b>
<b>Note No. 13</b>		
<b>Long-Term Loans &amp; Advances</b>		
<b>Security Deposits (Unsecured, Considered Good-Non Interest Bearing)</b>		
Deposits with Central Excise Department	2,318,080	2,200,000
Deposits with W.B. Commercial Tax Department	2,000,000	2,000,000
Other Deposits	7,423,223	8,023,223
	<b>11,741,303</b>	<b>12,223,223</b>
<b>Note No. 14</b>		
<b>Inventories</b>		
Raw Materials	140,691,908	75,846,539
Raw Material in Transit	16,352,651	50,498,968
Work-in-Progress	461,470,446	540,087,476
Finished Goods	21,424,697	33,355,009
Traded goods	1,609,701	955,737
Stock-in-Trade (Land)	124,822,000	124,822,000
Stores and Spare Parts	9,782,648	38,292,186
	<b>776,154,051</b>	<b>863,857,915</b>
<b>Note No. 15</b>		
<b>Trade Receivables (Net of Discounting -Rs.29.97 Crs. (Rs.29.99 Crs.))</b>		
Unsecured due for a period exceeding six months Considered good	409,557	1,037,525
Other Receivables (unsecured, considered good)	143,455,796	4,335,768
	<b>143,865,353</b>	<b>5,373,293</b>

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	As at 31st March 17	As at 31st March 16
	₹	₹
<b>Note No. 16</b>		
<b>Cash &amp; Cash Equivalents</b>		
Balance with Scheduled Banks		
On Current Accounts	3,526,781	557,283
On Unpaid Dividends	765,534	836,300
Cash in hand (As Certified)	143,159	1,705,281
	4,435,473	3,098,864
<b>Other bank balances</b>		
Fixed Deposits with Bank (Margin money against Bank Guarantee, Receipts are lodged with bank under lien)	3,118,416	3,153,139
	<b>7,553,889</b>	<b>6,252,003</b>
<b>Note No. 17</b>		
<b>Short Term Loans &amp; Advances</b>		
Advances recoverable in cash or kind (Unsecured, Considered Good)	157,130,984	160,975,240
Balances with - Govt. Departments	12,173,182	15,981,782
	<b>169,304,166</b>	<b>176,957,022</b>
<b>Note No. 18</b>		
<b>Revenue From Operations</b>		
<b>Sale of products &amp; Others</b>		
Finished goods	3,260,176,269	3,271,852,257
Traded goods	3,906,683	4,046,928
Raw Materials	9,790,420	8,770,910
<b>Sale of Services</b>		
Jobwork Charges	12,336,571	7,757,023
	3,286,209,943	3,292,427,118
Add: Taxes & Duties	542,569,520	593,194,144
Gross Revenue from operation	3,828,779,463	3,885,621,262
Less: Excise duty paid	372,199,239	409,083,128
<b>Revenue from operation (net)</b>	<b>3,456,580,224</b>	<b>3,476,538,134</b>
<b>Other Operative Income</b>		
Foreign Exchange Fluctuation	12,946,450	(149,557)
	<b>12,946,450</b>	<b>(149,557)</b>

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	For the year Ended 31.03.17	For the year Ended 31.03.16
	₹	₹
<b>Details of products sold</b>		
<b>Finished goods sold</b>		
Refined Lead	1,379,226,279	1,464,054,341
Lead Alloy	1,659,186,190	1,606,228,506
Lead Oxides	221,763,800	201,569,410
	<b>3,260,176,269</b>	<b>3,271,852,257</b>
<b>Sale of Stock in Trade</b>		
Lead/Lead Alloy	3,858,483	2,806,254
VRLA Batteries	48,200	1,240,674
	<b>3,906,683</b>	<b>4,046,928</b>
<b>Note No. 19</b>		
<b>Other Income</b>		
Interest on Banks Deposits	237,878	357,789
Interest on Income Tax Refund	561,213	-
Profit on Sale of Fixed Assets	-	31,500
Miscellaneous Income & Rent	-	7,500
	<b>799,091</b>	<b>396,789</b>
<b>Note No. 20</b>		
<b>Cost of Materials Consumed</b>		
Inventory at the beginning of the year	75,846,539	144,990,510
Add:Purchases	2,923,225,787	2,966,512,433
Less:Inventory at the end of the year	140,691,908	75,846,539
Cost of raw materials consumed	<b>2,858,380,418</b>	<b>3,035,656,404</b>
<b>Details of Raw Materials consumed</b>		
Lead	2,353,710,675	2,040,552,384
Lead concentrate	3,006,137	31,448,818
Lead scraps etc	501,663,606	963,655,202
	<b>2,858,380,418</b>	<b>3,035,656,404</b>
<b>Details of Inventory of Raw Materials</b>		
Lead	20,931,454	30,184,724
Lead scraps etc.	119,760,454	45,661,815
	<b>140,691,908</b>	<b>75,846,539</b>

**Note:-**

- (I) Cost of Raw Material Consumed includes purchase cost of raw material sold amounting to Rs.87,70,910/- (Rs.2,49,00,090/-) and it includes interunit transfer aggregating to Rs.2,86,68,228/- (Rs 1,17,96,000/-) for captive consumption. However, this accounting treatment has no impact on Profit / (Loss) of the Company.

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	For the year Ended 31.03.17	For the year Ended 31.03.16
	₹	₹
<b>Note No. 21</b>		
<b>Purchases of Traded Goods</b>		
Lead/Lead Alloy	3,668,155	2,573,648
VRLA Batteries	652,714	-
	<b>4,320,869</b>	<b>2,573,648</b>
<b>Note No. 22</b>		
<b>(Increase) / Decrease in Inventories of Finished Goods, Work in Progress &amp; Traded Goods</b>		
<b>(a) Inventory at the beginning of the year</b>		
Stock in Trade	955,737	2,531,893
Finished Goods	33,355,009	49,514,836
Work-in-Progress	540,087,476	514,520,176
	<b>574,398,222</b>	<b>566,566,905</b>
<b>(b) Inventory at the end of the year</b>		
Stock in Trade	1,609,701	955,737
Finished Goods	21,424,697	33,355,009
Work-in-Progress	461,470,446	540,087,476
	<b>484,504,844</b>	<b>574,398,222</b>
(Increase)/Decrease In Inventories (a-b)	<b>89,893,378</b>	<b>(7,831,317)</b>
<b>Inventories of Finished Goods, Stock in Trade and Work-in-Progress</b>		
<b>Finished Goods</b>		
Lead / Lead Oxide	21,424,697	33,355,009
<b>Stock in Trade</b>		
Lead/Lead Alloy	1,609,701	955,737
<b>Work-in-Progress</b>		
Lead	461,470,446	540,087,476
<b>Total Inventories</b>	<b>484,504,844</b>	<b>574,398,222</b>



**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	For the Year Ended 31.03.17	For the Year Ended 31.03.16
	₹	₹
<b>Note No. 23</b>		
<b>Employees' Benefits Expenses</b>		
Salaries, Wages, Bonus, Other allowances etc.	43,240,356	38,751,049
Gratuity	1,874,436	778,026
Contribution to Provident and Others Funds	1,281,056	1,133,564
Workmen and Staff Welfare Expenses	1,554,351	1,837,677
	<b>47,950,199</b>	<b>42,500,316</b>
<b>Note No. 24</b>		
<b>Finance Costs</b>		
Interest to Banks and Others	95,649,109	85,847,269
Bank Charges	8,620,177	5,805,448
	<b>104,269,286</b>	<b>91,652,717</b>
<b>Note No. 25</b>		
<b>Other Expenses</b>		
Repairs and Maintenance		
Building	263,208	364,163
Machinery	14,106,604	11,162,117
Others	716,528	1,273,508
Packing Expenses	1,560,154	1,557,981
Pollution Control Expenses	1,340,968	657,283
Hire Charges of Machineries	35,000	30,000
Lease Rent for Machineries	-	308,000
Freight and Delivery Charges	10,224,409	12,038,890
Brokerage & Commission	-	31,778
<b>Auditors Remuneration</b>		
Statutory Audit Fees	400,000	400,000
Tax Audit	100,000	100,000
Other Professional Work	39,000	30,000
	<b>539,000</b>	<b>530,000</b>
Cost Audit Fees	62,000	124,000
Internal Audit Fees	100,000	110,000
Directors Fees	148,000	144,000
Export Expenses	3,149,559	-
Insurance	380,676	387,687

**NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR  
ENDED 31ST MARCH, 2017**

	For the Year Ended 31.03.17	For the Year Ended 31.03.16
	₹	₹
Legal and Professional Expenses	951,391	6,62,058
Miscellaneous Expenses	5,186,863	4,463,911
Bad Debts Written Off	-	2,459,085
Discount on sales	13,608	17,217
Motor Car Expenses	811,510	1,180,577
Printing, Postage & Telephone	1,140,253	1,096,759
Rent, Rates & Taxes	2,223,532	2,128,189
Travelling & Conveyance	932,840	1,054,333
	<b>43,886,103</b>	<b>41,781,536</b>
<b>Note No. 26</b>		
<b>Earnings Per Share (EPS)</b>		
<b>1 Basic/Diluted EPS before Extraordinary Item</b>		
a. Net Profit / (Loss) after Tax	4,947,994	4,385,850
b. Paid Up Capital (Rs 10 each)	107,263,870	107,263,870
c. Basic EPS (a*10/b)	0.46	0.41
<b>2 Basic/Diluted EPS after Extraordinary Item</b>		
a. Net Profit / (Loss) after Tax as per Accounts	4,947,994	4,385,850
b. Paid Up Capital (Rs 10 each)	107,263,870	107,263,870
c. Diluted EPS (a*10/b)	0.46	0.41

## Signatures to notes no. 1 to 26

As per our attached report of even date

For VPC &amp; Associates

Chartered Accountants

Firm Registration No. : 313203E

(R.K. Vyas)

Partner

Membership No. 51386

Kolkata

Date : 29th May, 2017

Rajnish Gambhir  
Chief Financial Officer  
DIN No.- 00459644

Ram Narayan Prajapati  
Company Secretary &  
Compliance Officer  
Membership No.- FCS 1889

For and on behalf of the Board

Ravi Nandan Sahaya  
Chairman  
DIN No.- 00059292

Sanjiv Nandan Sahaya  
Managing Director  
DIN No.- 00019420



**APL METALS LIMITED**

(Formerly Associated Pigments Limited) (CIN: L 24224WB1948PLC017455)

Registered Office: 18/1A, Hindustan Road, Kolkata -700029,

E-mail: apalcutta@rediffmail.com; Website : www.associatedpigmentsltd.com

Telephone : 033 2465 2433/34; Fax : 033 2465 0925

**ATTENDANCE SLIP**

**(To be handed over at the entrance of the Meeting Hall)**

**(68th Annual General Meeting – 15<sup>th</sup> September. 2017 at 11.30 A.M.)**

I hereby record my presence at the **68th ANNUAL GENERAL MEETING** of the company on Friday, the 15<sup>th</sup> Sept,17 at 11.30 A.M. at "Kalakunj (Kala Mandir)", 48, Shakespeare Sarani, Kolkata - 700 017.

Full Name of Member (In BLOCK LETTERS).....

Registered Address : .....

Folio No. .... DP ID No. .... Client ID No.: .....

Full Name of Proxy (s) (In BLOCK LETTERS) .....

Nos of Shares held..... Member/Proxy(s) Signature: .....

.....**Tear off here**.....

**Form No. MGT – 11**

**PROXY FORM**

*[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the Company: **APL METALS LIMITED** CIN: L24224WB1948PLC017455

Registered Office : 18/1A, Hindustan Road, Kolkata -700029

Name of Member/(s) .....

Registered Address : .....

E-mail Id : .....Folio No. .... DP ID No. ....

Client ID No.: .....

I/We, being a member(s) holding ..... Equity Shares of above named Company hereby appoint:

1. Name..... Address.....

E-mail Id.....Signature.....or failing him/her

2. Name..... Address.....

E-mail Id.....Signature.....or failing him/her

3. Name..... Address.....

E-mail Id .....Signature.....

As my/our Proxy to attend and vote on ( poll) for me / us, on my / our behalf at the **68th Annual General Meeting** of the Company to be held on Friday, 15th September, 2017 at 11.30 AM at Kalakunj (Kala Mandir), 48, Shakespeare Sarani, Kolkata - 700 017 and at any adjournment thereof in respect of such resolution(s) as are indicated overleaf :

.....Tear off here.....

Sl. No	Resolutions	Type	Vote For	Vote Against
<b>A. ORDINARY BUSINESS</b>				
1	To adopt Audited Financial Statements, Report of Board of Directors and Auditors thereon for FY 2016-17	Ordinary		
2	To re-appoint Mr. Ravi Nandan Sahaya as director liable to retires by rotation	Ordinary		
3	To appoint Sanjay Maheswari & Co as Auditors & fix their remuneration	Ordinary		
<b>B. SPECIAL BUSINESS</b>				
4	To appoint Mr. Prakash Kumar Damani as director liable to retire by rotation	Ordinary		
5	To approve Mr. Rahul Damani as director liable to retire by rotation	Ordinary		
6	To approve Mr. Sanjay Sarda as director liable to retire by rotation	Ordinary		
7	To approve Mr. Bijan Roy as Independent Director for five years	Ordinary		
8	To approve Mr. Kumud Kumar Dubey as Independent Director for five years	Ordinary		
9	To reappoint and approve remuneration of Managing Director for three years	<b>Special</b>		
10	To confirm appointment & remuneration of Cost Auditor for FY 2017-18	Ordinary		
11	To approve reclassification of Promoters under Regulation - 31A	<b>Special</b>		

Signed this .....day of .....2017

Signature of Member.....

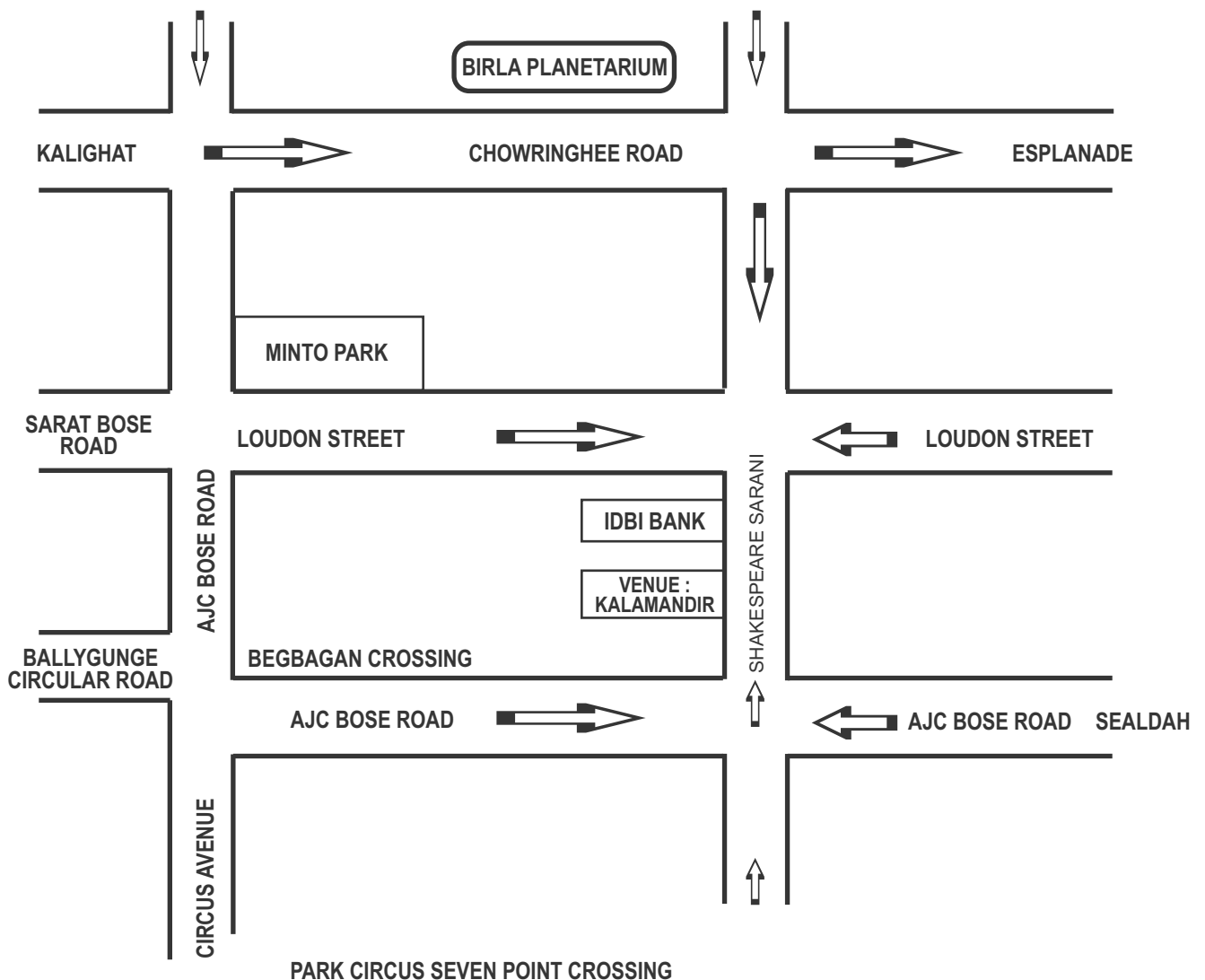
Affix Revenue  
Stamp

Signature of Proxy:.....

**NOTE: The Form of Proxy duly completed must be deposited at the Regd Office of the company not later than 48 hours before time of commencement of the meeting.**

**APL METALS LIMITED**  
(Formerly - Associated Pigments Limited)

ROUTE MAP for 68th AGM on 15th September, 2017, at 11.30 AM  
VENUE - Kalamandir (Kalakunj), 48, Shakespeare Sarani, Kolkata - 700 017



NOTE : Shareholders coming to the venue should follow applicable one way Traffic system

REGISTERED POST/COURIER  
PRINTED MATTER

*If undelivered, please return to :*  
APL METALS LIMITED  
(Formerly - Associated Pigments Limited)  
18/1A, Hindustan Road (1st Floor)  
Kolkata - 700 029  
Phone : 2465 2433/34