

**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 Sarada.

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**