

APPU MARKETING & MANUFACTURING LTD.

1, Old Court House Corner, 1st Floor, Room No. 15, Kolkata-700 001
CIN: L51495WB1983PLC035864 Dial: +919681634539, +918013214500

E-Mail ID: admin@appumkt.com Website: www.appumkt.com

September 26, 2017

To,
The Dept. of Corporate Services,
BSE Ltd.,
Floor 25, P.J.Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 538653

To,
The Secretary,
The Calcutta Stock Exchange Ltd.,
7, Lyons Range,
Kolkata-700 001
Scrip Code: 011225

Sir,

Sub. :- Submission of the 34th Annual Report 2016-17

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find herewith the 34th Annual Report 2016-17.

Thanking you,

Yours faithfully

For Appu Marketing & Manufacturing Ltd.



Sudip Laha
Managing Director
DIN: 06417007

Encl. As above

34th Annual Report

&

Accounts

2016 - 2017

APPU MARKETING AND MANUFACTURING LIMITED

===== APPU MARKETING & MANUFACTURING LIMITED =====

Corporate Identity No. : L51495WB1983PLC035864

34th Annual Report & Accounts 2016-2017

Board of Directors:

| | |
|-----------------------|---|
| Mr. Sudip Laha | Executive-Non-Independent-Managing Director |
| Mr. Bhagwan Das Soni | Non- Executive- Independent |
| Mr. Tanumay Laha | Non- Executive- Independent-Chairperson |
| Ms. Babita Shah | Additional, Non- Executive- Independent |
| Mr. Chandan Choudhary | Additional-Whole time- Executive- Non Independent |

Audit Committee:

| | |
|----------------------|---|
| Mr. Bhagwan Das Soni | Non- Executive- Independent-Chairperson |
| Ms. Babita Shah | Additional, Non- Executive- Independent |
| Mr. Tanumay Laha | Non- Executive- Independent |
| Mr. Sudip Laha | Executive-Non-Independent-Managing Director |

Nomination and Remuneration Committee:

| | |
|----------------------|--|
| Mr. Bhagwan Das Soni | Non- Executive -Independent- Chairperson |
| Ms. Babita Shah | Additional, Non- Executive- Independent- |
| Mr. Tanumay Laha | Non- Executive- Independent |

Stakeholders' Relationship Committee:

| | |
|----------------------|---|
| Mr. Tanumay Laha | Non- Executive- Independent-Chairperson |
| Mr. Bhagwan Das Soni | Non- Executive -Independent |
| Ms. Babita Shah | Additional, Non- Executive- Independent |

Risk Management Committee

| | |
|----------------------|---|
| Ms. Babita Shah | Additional, Non- Executive- Independent-Chairperson |
| Mr. Bhagwan Das Soni | Non- Executive -Independent |
| Mr. Tanumay Laha | Non- Executive- Independent |

Chief Financial Officer:

Lokesh Pasari

Registered Office:

1, Old Court House Corner
1st Floor, Room No. 15
Kolkata - 700 001

Bankers :

Corporation Bank
Laxmi Vilas Bank

Auditors :

M/s. S.C. Swaika & Co.
Chartered Accountants
30/1, S.M. Ali Road, Barrackpore,
Kolkata - 700 120

Registrar and Transfer Agent:

Niche Technologies Pvt. Ltd.
D-511, Bagree Market, 5th Floor,
71, B.R.B.Basu Road,
Kolkata – 700 001

APPU MARKETING & MANUFACTURING LIMITED

27, Weston Street, 5th Floor, Room No.526, Kolkata-700 012

Phone: 9681634539, E-Mail: admin@appumkt.com,

Website: www.appumkt.com, CIN: L51495WB1983PLC035864

DIRECTORS' REPORT

Dear Members,

The Director of the Company are delighted to present the thirty fourth (34th) Annual Report on the business and operations of the Company along with the Audited Financial Accounts for the year ended March 31, 2017.

1. Financial Summary or Highlights

The highlights of the financial performance of the Company for the financial year ended March 31, 2017 as compared to the previous financial year are as under:-

(Rs. in Lacs)

| Particulars | 2016-17 | 2015-16 |
|---|---------|----------|
| Total Revenue | 55.52 | 373.42 |
| (Less):Total Expenditure | (30.38) | (364.05) |
| Profit before Exceptional & Extraordinary Items | 25.14 | 9.37 |
| Add/(Less): Exceptional Items | - | - |
| Add/(Less): Extraordinary Items | - | - |
| Profit Before Tax | 25.14 | 9.37 |
| Add/(Less): Provision for Current Tax | (7.77) | (2.90) |
| Net Profit after Tax | 17.37 | 6.47 |
| (Less): Income Tax For earlier years | - | (0.86) |
| Profit/Loss for the year | 17.37 | 5.61 |
| Add/(Less): Brought forward from previous year | 25.71 | 20.10 |
| (Less): Proposed Dividend | (14.58) | - |
| (Less): Income Tax on Proposed Dividend | (2.52) | - |
| Balance carried to Balance Sheet | 25.98 | 25.71 |

2. Financial Review

During the performance under review, the total income of the Company was recorded Rs. 55.52 lacs as compared to Rs. 373.42 lacs for the previous financial year. Whereas, the Profit before tax increased to Rs. 25.71 in the reporting year 2016-17 as compared to Rs. 9.37 in the financial year 2015-16.

3. Dividend

The Board of Directors of the Company in its meeting held on May 30, 2017 has recommended a dividend of Re. 0.10/- per equity share having face value of Rs.10/- each for the Financial Year ended on March 31, 2017. The Final Dividend, subject to the approval of Members at the Annual General Meeting to be held on September 25, 2017, will be paid on or after September 25, 2017 to the Members whose names appear in the Register of Members, as on the record date i.e., September 18, 2017.

If the dividend, as recommended above, is declared by the Members at the Annual General Meeting, the total outflow towards dividend on Equity Shares for the year would be Rs. 17.10 lacs (including dividend tax).

4. Transfer to reserves

During the year, considering the operating performance of the Company, your Company has not transferred any amount in any Reserve.

5. Share Capital

During the year under review, the Authorised Share Capital of the Company stands at Rs. 150,000,000/- divided into 150,00,000 Equity Shares of Rs. 10 each. The Paid-up Share Capital of the Company is Rs. 145,765,000 /- divided into 1,45,76,500 Equity Shares of Rs. 10/- each. There has been no change in the Authorised or Paid-up Share Capital.

6. In terms of Rule 8(5)(iv) of the Companies (Accounts) Rules 2014, the disclosure on subsidiaries companies is made hereunder :

➤ The names of companies which have become its subsidiaries.

There was no such instance during the Financial Year under review.

➤ The names of companies which have ceased to be its subsidiaries.

During the Financial Year under review following companies ceased to be its subsidiaries:-

- a) AMM Textiles Limited
- b) AMM Irons Limited
- c) AMM Housing Limited
- d) AMM Commercial Limited
- e) Arcilla Developers Limited
- f) Arcilla Constructions Limited
- g) Arcilla Consultants Limited
- h) Arcilla Designers Limited
- i) Arcilla Housing Limited
- j) Arcilla Marketing Limited
- k) Arcilla Projects Limited
- l) Arcilla Real Estates Limited
- m) Arcilla Residency Limited
- n) Hamilton Tradecomm Limited

The details of the same has been provided in Form AOC-1, which is annexed to the Directors' Report in **Annexure-I**.

7. Listing

The equity shares of the company are continues to be listed on the Calcutta Stock Exchange Ltd. & BSE Ltd. which has nation-wide terminals. Further, the suspension of trading of equity shares of the Company in the BSE Ltd. was revoked w.e.f. November 21, 2016 by BSE Ltd. and same was informed vide their Notice No. 20161116-32 dated 16th November 2016.

8. Extract of the Annual Return

The details forming part of the extract of the Annual Return as on the financial year ended on March 31, 2017, in form MGT-9 as required under section 92 of the Companies Act, 2013 (hereinafter referred to as the "Act") and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 as **Annexure-II** and forms integral part of the report.

9. Directors & Key Managerial Personnel

a. Non-Executive & Executive Directors - Non-independent.

In accordance with the provisions of section 152 of the Companies Act, 2013, Mr. Sudip Laha (DIN-06417007), being Executive Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment as Managing Director without any variation in the terms of his appointment.

Pursuant to Section 149 of the Companies Act, 2013 read with the Rules made thereunder and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations/Regulations”), the Independent Directors shall hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 years each.

In this connection, all the Independent Directors of the Company, viz: Mr. Bhagwan Das Soni (DIN: 02308414), Mr. Tanumay Laha (DIN: 05338827), were appointed for a term of five consecutive years or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines commencing from the conclusion of 31st Annual General Meeting of the Company.

During the year under review, Ms. Namrata Chakraborty, independent director resigned from the office w.e.f 04.02.2017.

Further, Mr. Chandan Choudhary (having DIN-07840597) was appointed as an Additional and Whole-Time Director of the Company for a period of three years effective from June 28, 2017, subject to the approval of the shareholders of the Company at the forthcoming General Meeting. Ms. Babita Shah (having DIN: 07771685) appointed as Additional Director w.e.f. 08.04.2017 and she is entitled to hold office as Additional Director up to the date of ensuing AGM. She has not given her consent to regularize her appointment as a director after the conclusion of the ensuing AGM. The Board of Directors appreciated her valued contribution to the company.

b. Number of Meetings of the Board

The Board of Directors of the Company met seven (7) times during the Financial Year under review, i.e. on: 27/04/2016, 30/05/2016, 12/08/2016, 01/09/2016, 12/11/2016, 25/01/2017 and 21/03/2017.

Further, one exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and sub-regulation 3 of Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”) was held on 21/03/2017.

The Meetings were held in accordance with the provisions of the Act and the Listing Regulations, 2015.

The details of the Meetings of the Board of Directors during the Financial Year 2016-17 is encompassed in the Corporate Governance Report which is annexed to the said Report.

c. Chief Financial Officer.

Mr. Lokesh Pasari continues to hold office as the Chief Financial Officer of the Company.

d. Company Secretary.

Mr. Sankar Mukherjee resigns from the office of the company w.e.f. 23.01.2017. The Company is looking for a suitable candidate and had given an advertisement to fill the vacancy of the Company Secretary. So far the Company have not received any positive response for the same.

10. Disclosure pursuant to Section 177(8) of the Companies Act, 2013

a. Composition of the Audit Committee.

The Audit Committee of the Company comprises of two Non-Executive Independent Directors and one Executive Non Independent Director as on March 31, 2017. The Committee is chaired by a non-Executive Independent Director, Mr. Bhagwan Das Soni (DIN- 02308414).

The details of the same are morefully provided in the Corporate Governance Report.

During the Financial Year under review, the Committee met five (5) times and all such meetings were held in accordance with the provisions of the Act, and regulation 18 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015.

Further, the Board of Directors has accepted all the recommendations of the Audit Committee in the Financial Year 2016-17.

b. Composition of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprises of two Non-Executive Independent Directors and one executive Non-Independent Director as on March 31, 2017.

The details of the same are morefully provided in the Corporate Governance Report.

c. Composition of the Stakeholders Relationship Committee

The Stakeholders Relationship Committee consists of two Non-Executive Independent Directors and one executive Non-Independent Director as on March 31, 2017.

The details of the same are morefully provided in the Corporate Governance Report.

11. Directors' Responsibility Statement

Pursuant to the provisions of section 134 (5) of the Act, the Directors hereby confirm and state that:

- a. In the preparation of Annual Accounts for the financial year ended March 31, 2017, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any.
- b. The Directors have selected such accounting policies and have 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 as on the Financial Year ended on March 31, 2017 and of the profit and loss of the company for the year ended on March 31, 2017;
- c. The Directors have taken proper and sufficient care for the 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 fraud and other irregularities.
- d. The Directors have prepared the annual accounts on a going concern basis.
- e. The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. Declaration by the Independent Directors

Section 149(7) of the Act requires every independent director to give a declaration that he/she meets the criteria of Independence, at the first Board Meeting of every financial year.

Accordingly, the Company has taken on record, the Statement of Declaration of Independence, as submitted by all the Independent Directors.

13. Policy on Directors' Appointment & Remuneration

Pursuant to the provisions of Section 178(4) of the Act read with the Rules made thereunder and Listing Regulation 2015, the Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of a director and has further formulated a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees, which has been duly approved by the Board of Directors.

While formulating the Policy, the Nomination and Remuneration Committee has assured that:

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- b. The relationship of remuneration to performance is clear and meets appropriate benchmarks; and
- c. The remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Nomination and Remuneration Policy is available on the website of the Company at <http://www.appumkt.com/Nomination-And-Remuneration-Policy.html>. Further, The Nomination and Remuneration Policy of the Company is appended to the Directors' Report in **Annexure-III**.

14. Corporate Governance Report

The Company has been voluntarily complying with all the requirements of the code of Corporate Governance, as specified by the Securities and Exchange Board of India the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations").

A separate report on Corporate Governance is furnished as a part of the Directors' Report and the certificate from a Practicing Chartered Accountant regarding compliance of condition of Corporate Governance is annexed to the said Report.

15. Auditors & Auditors' report

A. Statutory Auditors

The appointment of M/s. S.C. Swaika & Co, Chartered Accountants (Firm Registration No. 322137E), of 30/1, S.M. Ali Road, Barrackpore, Kolkata - 700 120, is subject to ratification by the members at the ensuing Annual General Meeting.

In this connection, M/s. S.C. Swaika & Co has furnished a Certificate of Eligibility pursuant to Section 141 of the Act read with the Rules framed thereunder.

Based on the recommendation of the Audit Committee, the Board of Directors recommends their ratification to the shareholders.

B. Independent Auditors' Report

The Self Explanatory Independent Auditors' Report does not contain any adverse remarks or qualification.

C. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with the Rules made thereunder, Mr. Abbas Vithorawala (C.P. No. 8827, Membership No. 23671), Company Secretary in whole-time Practice, was appointed for the issuance of the Secretarial Audit Report for the Financial Year ended March 31, 2017.

D. Secretarial Audit Report

The Secretarial Audit Report is appended to the Directors' Report in **Annexure-IV**. The Report of the Secretarial Audit Report does not contain any adverse remark

16. Particulars of Loans, guarantees or investments under section 186.

Detail of Loans and Investment covered under Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

17. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form.

All related party transactions, contracts or arrangements that were entered into, during the financial year under review, were on an arms-length basis and in the ordinary course of business. The Company has adhered to its "Policy on Related Party Transactions and Materiality of Related Party Transactions" while pursuing all Related Party transactions.

Further, during the year, the Company had not entered into any contract/ arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

18. State of Company Affairs & Future Outlook

The total income of the Company during the Financial Year 2016-17 was Rs. 55.52 lacs as compared to Rs. 373.42 lacs for the previous financial year. The total expenses for the year reduced to Rs. 30.38 lacs as compared to Rs. 364.05 lacs in previous year. In view of the same, Rs. 9.37 lacs profit before tax was recorded by the Company in the reporting year.

The Company's short term outlook remains subject to a range of challenges including: market conditions; the cost of its continued conservative approach to funding and capital; and potential regulatory changes and tax uncertainties.

19. 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.

No Material Changes and commitments affecting the financial position of the Company, have occurred between the end of the financial year of the company to which the financial statements relate and the date of this Directors' Report.

20. Disclosure in terms of Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo.

In terms of Section 134 (3) (m) of the Act read with the Rules made there under, the Company has no activity relating to Conservation of Energy, Technology Absorption.

Further, during the year there was no Foreign Exchange Earnings And Outgo.

Therefore, the Company is not required to make any disclosure as specified in Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

21. Risk Management Policy

In compliance with Section 134(3)(n) of the Act, the Company has a Risk Management Policy which provides for the identification therein of elements of risk which in the opinion of the Board may threaten the existence of the Company.

Pursuant to Schedule IV(II)(4) of the Act, the Independent Directors, inter-alia amongst others, review the system from time to time to ensure that Risk Management is robust and satisfactory.

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Although not mandatory, as a measure of good governance, the Company has constituted a Risk Management Committee of the Board.

Further, in terms of Regulation 17(9)(b) of Listing Regulations, the Board of Directors is responsible for framing, implementing and monitoring the Risk Management Plan of the Company and have delegated the power of monitoring and reviewing of the risk management plan to the Risk Management Committee.

The Risk Management Committee is responsible for laying down procedures to inform Board members about the risk assessment and minimization procedures. This is morefully described in Corporate Governance Report.

22. Policy on Corporate Social Responsibility (CSR) Initiatives

Pursuant to provisions of Section 135 of the Act, the Company is not required to constitute a Corporate Social Responsibility Committee or to undertake any CSR activities.

Therefore, the Company is not required to make any disclosure as specified in Section 134(3) (o) of the Act.

23. Manner of formal annual evaluation by the Board of its own performance and that of its committees and individual directors.

Pursuant to Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, other applicable provisions of the Act, and various applicable clauses of the Listing Regulations, and the erstwhile Listing Agreement, the disclosure regarding the manner of formal annual evaluation by the Board of its own performance and that of its various committees and individual directors is provided hereto:

a. Evaluation Criteria

Pursuant to Part D of Schedule II of the Listing Regulations, the Nomination and Remuneration Committee has formulated the criteria for evaluation of the performance of the Independent Directors and the Board. The Nomination and Remuneration Committee also identifies persons qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommends to the Board their appointment and removal and carries out the evaluation of every director's performance in accordance with Section 178(2) of the Act read with the Rules framed there under and Part D of Schedule II of the Listing Regulations.

The Board shall monitor & review the Board Evaluation Framework and evaluate the performance of all the Board Committees.

Further, the Nomination and Remuneration Committee has formulated criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The details of the same are morefully described in the Corporate Governance Report.

Further, the Nomination and Remuneration Committee has also devised a Policy on Board Diversity in accordance with Regulation 19(4) of the Listing Regulations.

b. Performance Evaluation of the individual directors

Pursuant to section 178(2) of the Act, the Nomination and Remuneration Committee of the Company carries out the performance evaluation of the individual directors.

c. Board of Directors

A separate meeting of the Independent Directors of the Company was held on 21/03/2017, pursuant to Clause VII of Schedule IV to the Act and Regulation 25 of the Listing Regulations, for transacting the following businesses as setforth in the Agenda:

1. Review the performance of the non-Independent Directors and the Board as a whole.

2. Review the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-Executive Directors.
3. Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The same was perused in accordance with the Evaluation criteria determined by the Nomination and Remuneration Committee.

The Independent Directors of the Company in fulfilling their role and functions as specified in Clause II of Schedule IV to the Act, help in bringing an objective view in the evaluation of the performance of the Board and management.

The Independent Directors expressed satisfaction over the performance of all the non-Independent Directors and the Chairman.

d. Performance Evaluation of the Independent Directors

Pursuant to Clause VIII of Schedule IV to the Act and Regulation 19 of the Listing Regulations, read with Part D of Schedule II thereto the performance evaluation of the Independent Directors is perused by the entire Board of Directors, excluding the director being evaluated.

On the basis of the report of performance evaluation, the extension of the term of appointment or its continuance in respect of the independent directors is being considered.

e. Performance Evaluation of the Committee

The Board of Directors evaluates the performance of all the Board Committees, based on the Company's Performance Evaluation Policy.

24. Nomination and Remuneration Policy

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has adopted a Nomination and Remuneration Policy in terms of Section 178 of the Act, read with Rules made thereunder and read with part-D of schedule II of the Listing Obligation as amended from time to time.

The shareholders may visit the Company's website to view The Nomination and Remuneration Policy www.appumkt.com in detail.

25. Change in the nature business:

There has been no change in the nature of business of the Company in the Financial Year under review.

26. Details relating to deposits covered under Chapter V of the Act:

The Company has neither accepted during the year nor held at the end of the year any Public Deposit.

27. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations:

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations except that Securities Appellate Tribunal, Mumbai passed an Order dated 13.06.2016, instructing the BSE to look into the documents furnished by the Company and pass appropriate order. Further BSE Ltd. revoked the suspension w.e.f. November 21, 2016.

28. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The Audit Committee of the Company ensures that there is a direct relationship between the Company's objectives and the internal financial controls it implements to provide reasonable assurance about their achievement.

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In this connection, the Audit Committee in coordination with the Internal Audit Department periodically reviews the following:

- a. Transactions are executed in accordance with the management's general or specific authorization;
- b. All transactions are promptly recorded with the correct amount in the appropriate accounts and in the accounting period in which they are executed so as to permit preparation of financial information within a framework of recognized accounting policies and practices and relevant statutory requirements, if any,
- c. Accountability of assets is adequately maintained and assets are safeguarded from unauthorized access, use or disposition.

There is a proper allocation of functional responsibilities within the Company and it is ensured that the quality of personnel commensurate with their responsibilities and duties. Further, proper accounting and operating procedures are followed to confirm the accuracy and reliability of accounting data, efficiency in operation and safety of the assets. The regular review of work of one individual by another minimizes the possibility of fraud or error in the absence of collusion.

29. Disclosure pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

The Company has no employee whose remuneration exceeds the limit prescribed under Section 197 of the Act read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The disclosure pursuant to Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided herein below:

In computing the various parameters, Gross Salary has been considered. Gross Salary of the employees primarily encompasses Salary, allowances and perquisites. Further, while calculating the median, those remunerations were included which were given throughout the year and the remuneration which were only for part of the year were excluded while comparing.

I. Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year.

| Directors | Ratio of Remuneration to Median Remuneration |
|--|--|
| Mr. Sudip Laha - Managing Director | 1.63 |
| Mr. Bhagwan Das Soni -Non-Executive Independent Director | - No remuneration or sitting fees was paid |
| Mr. Tanumay Laha -Non-Executive Independent Director | - No remuneration or sitting fees was paid. |
| Ms. Namrata Chakraborty -Non-Executive Independent Director | -No remuneration or sitting fees was paid. Further, she resigned from the directorship w.e.f. February 4, 2017 |

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II. The percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

| Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary | % increase in remuneration in the Financial Year |
|---|--|
| Mr. Sudip Laha - Managing Director | 100% |
| Mr. Bhagwan Das Soni -Non-Executive Independent Director | - No remuneration or sitting fees was paid |
| Mr. Tanumay Laha -Non-Executive Independent Director | - No remuneration or sitting fees was paid |
| Ms. Namrata Chakraborty* -Non-Executive Independent Director | - No remuneration or sitting fees was paid |
| Mr. Lokesh Pasari - Chief Financial Officer | - No increase in remuneration |
| Mr. Sankar Mukherjee** - Company Secretary | - No increase in remuneration. |

*resigned from the directorship w.e.f. February 4, 2017.

**resigned from the post of Company Secretary w.e.f. January 23, 2017

III. The percentage increase in the median remuneration of the employees in the financial year.

Since there was no increase in median remuneration in F.Y. 2016-17 of the Company is not required to provide the aforesaid disclosure.

IV. The number of permanent employees on the rolls of the company.

As on March 31, 2017, there are 8 Employees on the rolls of the Company.

v. The explanation on the relationship between average increase in remuneration and company performance.

In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

VI. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.

| Comparative Parameter | Amount (in `) |
|--|---------------|
| Aggregate remuneration of Key Managerial Personnel (KMP) in the Financial Year 2016-17.* | 2,64,000 |
| Total Revenue | 55,51,998 |
| Remuneration of KMP's as a percentage of Total Revenue | 4.76% |
| Profit before tax | 25,13,721 |
| Remuneration of KMP's as a percentage of Profit before Tax | 10.50% |
| Profit after tax | 17,36,981 |
| Remuneration of KMP's as a percentage of Profit after Tax | 15.20% |

*does not include remuneration of Mr. Sankar Mukherjee (Company Secretary) since his Remuneration was paid from part of the year.

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VII. Variations in:

- A. The market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year.**

| Particulars | 31 st March, 2017 | 31 st March, 2016 |
|------------------------------|--|--|
| Market Capitalisation | 4,62,14,79,325-BSE (Equity Shares are not traded in CSE platform in F.Y. 2016-17) | 5,20,01,66,375-BSE (Equity Shares are not traded in CSE platform in F.Y. 2015-16) |
| Price Earnings Ratio | 2642.08-BSE (Equity Shares are not traded in CSE platform in F.Y. 2016-17) | 8918.75-BSE (Equity Shares are not traded in CSE platform in F.Y. 2015-16) |

- B. 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.**

| Particulars | March 31, 2017 | (IPO) | % Change |
|--------------|----------------|--|----------|
| Market Price | 317.05 | The Company has not made any Public Issue or Rights issue of securities in the last 10 years, so comparison have not been made of current share price with public offer price. | 0.00 |

VIII. A. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year.

The decrease in salary is by and large attributable to the decrease in the number of employees from 18 as on 31st March, 2016 to 8 as on 31st March, 2017.

- B. Its comparison with the percentile increase in the managerial remuneration and justification thereof;**

There was no increase in the managerial remuneration in comparison to the increase in remuneration of other employees.

- C. Whether there are any exceptional circumstances for increase in the managerial remuneration.**

There are no exceptional circumstances prevalent for increase in the managerial remuneration.

APPU MARKETING & MANUFACTURING LIMITED

IX. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.

(in `)

| Comparative Parameter | Sudip Laha Managing Director | Sankar Mukherjee Company Secretary | Lokesh Pasari Chief Financial Officer |
|---|---------------------------------|---|---|
| Remuneration of the Key Managerial Personnel (KMP) in the Financial Year 2016-17. | 1,56,000 | Since Remuneration was paid from part of the year, comparison of the same cannot be made. | 1,08,000 |
| Total Revenue | 55,51,998 | | 55,51,998 |
| Remuneration of KMP's as a percentage of Total Revenue | 2.81% | | 1.94% |
| Profit before tax | 25,13,721 | | 25,13,721 |
| Remuneration of KMP's as a percentage of Profit before Tax | 6.21% | | 4.30% |
| Profit after tax | 17,36,981 | | 17,36,981 |
| Remuneration of KMP's as a percentage of Profit after Tax | 8.98% | | 6.22% |

*resigned from the post of Company Secretary w.e.f. January 23, 2017.

X. The key parameters for any variable component of remuneration availed by the directors.

Any variable component of remuneration payable to the Directors is based on the parameters, as approved by the Board of Directors, on the basis of the recommendation of the Nomination and Remuneration Committee. The said parameters are set considering the provisions of applicable regulations and Nomination & Remuneration Policy of the Company.

XI. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

The following employees' remuneration is more than that of the highest paid director for the Financial Year under review.

XII. Affirmation that the remuneration is as per the remuneration policy of the company.

The Board of Directors hereby affirms that the remuneration paid to all directors, Key Managerial Personnel is in accordance with the Nomination and Remuneration Policy of the Company.

30. Vigil Mechanism/Whistle Blower Policy

The Vigil Mechanism/Whistle Blower Policy of the Company is aimed to provide a vigilance mechanism for the directors and employees of the Company to raise concern of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The purpose of this Policy is to encourage the Company's directors and employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

No personnel have been denied access to the Audit Committee. There were no instances of reporting under the Whistle Blower Policy.

APPU MARKETING & MANUFACTURING LIMITED

The details of the Vigil Mechanism/Whistle Blower Policy is explained in the Corporate Governance Report and also disclosed on the website of the Company.

31. Insider Trading

The Codes pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and effective from 15th May, 2015:

- a. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- b. Code of Conduct to Regulate, Monitor and Report Trading.

The aforesaid Codes have been disclosed on the website of the Company.

32. Transfer of amount to Investor Education and Protection Fund (IEPF)

There is no amount pending for transfer to the Investor Education and Protection Fund, in accordance to the provisions of Section 205A(5) and 205C of the erstwhile Companies Act, 1956.

33. Green Initiative

To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors should register their e-mail addresses with M/s. Niche Technologies Private Ltd., D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata 700 001, E- mail: nichetech@nichetechpl.com if shares are held in physical mode or with their DP if the holding is in electronic mode.

Electronic Copies of the Annual Report and Notice of the Annual General Meeting are sent to all members whose e-mail addresses are registered with the Company/Depository Participant(s). For members who have not registered their email address, physical copies of the Annual Report and Notice of the Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send their request to Mr. Sudip Laha, Managing Director of the Company.

The Company is providing remote e-voting facility to all the members to enable them to cast their votes electronically on all the resolutions set forth in the Notice pursuant to Section 108 of the Act read with Rule 20 of the Company's (Management and Administration) Rules 2014 and the applicable provision(s) of the Listing Regulations.

34. Compliance to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 read with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules, 2013.

The Company believes in creating a safe environment for the employees which is free from any discrimination.

In adherence to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 read with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules, 2013, the Company has constituted an Internal Complaints Committee to look into the matters relating to sexual harassment at workplace.

Ms. Babita Shah, Non-Executive Independent Director, is the Presiding Officer of the Committee.

In the event of any sexual harassment at workplace, any woman employee of the Company may lodge complaint to Ms. Babita Shah, in writing or electronically through e-mail at: compliant@appumkt.com

During the period under review, no complaints were received by the Company in terms of the aforesaid act.

35. Management's Discussion and Analysis

In accordance with the listing requirement, the Management's Discussion and Analysis forms part of this Report.

36. Acknowledgement

Your Directors would like to express their appreciation for the continued co-operation and support by the Government of India, various State Government departments, Financial Institutions, Banks and stakeholders, including, but not limited to, shareholders, customers and suppliers, among others. Your directors take this opportunity to place on record their deep sense of appreciation for the total commitment, dedication and hard work put in by the employees of the Company. Lastly, your directors are deeply grateful for the continuous confidence and faith shown by the members of the Company.

Place: Kolkata

Dated: 30.05.2017

On Behalf of the Board of Directors

For Appu Marketing & Manufacturing Ltd.

Tanumay Laha

Chairman

DIN: 05338827

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries

PART-"A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

| Sl. No. | Name of the Subsidiary | Share Capital (Rs.) | Reserves & Surplus (Rs.) | Total Assets (Rs.) | Total Liabilities (Rs.) | Investments (Rs.) | Turnover (Rs.) | Profit before taxation (Rs.) | Provision for taxation (Rs.) | Profit after taxation (Rs.) | Proposed Dividend (Rs.) | % of share holding |
|---------|------------------------|---------------------|--------------------------|--------------------|-------------------------|-------------------|----------------|------------------------------|------------------------------|-----------------------------|-------------------------|--------------------|
| NIL | | | | | | | | | | | | |

1. Name of Subsidiaries which are yet to commence operations: N.A.

2. Name of Subsidiaries which have been liquidated or sold during the year:

- AMM Textiles Limited
- AMM Irons Limited
- AMM Housing Limited
- AMM Commercial Limited
- Arcilla Developers Limited
- Arcilla Constructions Limited
- Arcilla Consultants Limited
- Arcilla Designers Limited
- Arcilla Housing Limited
- Arcilla Marketing Limited
- Arcilla Projects Limited
- Arcilla Real Estates Limited
- Arcilla Residency Limited
- Hamilton Tradecomm Limited

APPU MARKETING & MANUFACTURING LIMITED

PART-“B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| | |
|--|-----|
| Name of Associates/Joint Ventures | Nil |
| 1. Latest Audited Balance Sheet Date | |
| | |
| 2. Shares of Associate/Joint Ventures held by the Company on the year end | |
| No. | |
| Amount of Investment in Associates/Joint Venture | |
| Extend of Holding % | |
| | |
| 3. Description of how there is significant influence | |
| | |
| 4. Reason why the associate/joint venture is not consolidated | |
| | |
| 5. Net worth attributable to Shareholding as per latest audited Balance Sheet | |
| | |
| 6. Profit/Loss for the year | |
| (i) Considered in Consolidation | |
| (ii) Not Considered in Consolidation | |

For and on Behalf of the Board of Directors

Date : 30.05.2017
Place : Kolkata

Sudip Laha
Managing Director
DIN : 06417007

Tanumay Iaha
Director
DIN : 05338827

Lokesh Pasari
CFO

APPU MARKETING & MANUFACTURING LIMITED

Annexure - II to Directors Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st 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 | L51495WB1983PLC035864 |
| ii. | Registration Date | 19/02/1983 |
| iii. | Name of the Company | Appu Marketing And Manufacturing Ltd |
| iv. | Category/Sub-Category of the Company | Limited by shares/Non-Government Company |
| v. | Address of the Registered office and contact details | 27, Weston Street, 5th Floor, Room No. 526, Kolkata – 700 012. |
| vi. | Whether listed company | Yes |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | Niche Technologies Pvt. Ltd. D-511, Bagree Market, 71, B.R.B.Basu Road 5th Floor, Kolkata – 700 001 Phone Nos. (033) 2235-7270/7271/2234-3576, Fax : 2215-6823 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 | Sarees Trading | 46419 | 17.27 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name And Address of The Company | CIN/GLN | Holding/ Subsidiary /Associate | % of shares held | Applicable Section (Companies Act, 2013) |
|---------|---------------------------------|---------|--------------------------------|------------------|--|
| 1. | NIL | | | | |

IV. SHARE HOLDING PATTERN (Equity Share Breakup as percentage of Total Equity)

i. Category-wise Share Holding

[illegible]

[illegible]

| | | | | | | | | | |
|---|----------|--------|----------|--------|----------|--------|----------|--------|------|
| Total Public Shareholding (B) = (B)(1) + (B)(2) | 14273320 | 152180 | 14425500 | 98.96 | 14277570 | 147930 | 14425500 | 98.96 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 14424320 | 152180 | 14576500 | 100.00 | 14428570 | 147930 | 14576500 | 100.00 | 0.00 |

ii. Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | | Shareholding at the end of the year | | | |
|--------|--------------------------|---|----------------------------------|--|---------------|-------------------------------------|--|---|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | % change in share holding during the year | |
| 1. | Anju Gupta | 41900 | 0.29 | 0.00 | 41900 | 0.29 | 0.00 | 0.00 | |
| 2. | Sudhir Tulsii Gupta | 68000 | 0.47 | 0.00 | 68000 | 0.47 | 0.00 | 0.00 | |
| 3. | Sudhir Gupta karta (HUF) | 41100 | 0.28 | 0.00 | 41100 | 0.28 | 0.00 | 0.00 | |
| | Total | 151000 | 1.04 | 0.00 | 151000 | 1.04 | 0.00 | 0.00 | |

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

| Sr. no | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Anju Gupta | At the beginning of the year | 41900 | 0.29 | |
| | 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): | | | | | |
| | At the End of the year | | | 41900 | | 0.29 |
| 2. Sudhir Tulsi Gupta | At the beginning of the year | 68000 | 0.47 | | | |
| | 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): | - | - | - | | - |
| | At the End of the year | | | 68000 | | 0.47 |
| 3. Sudhir Gupta (HUF) | At the beginning of the year | 41100 | 0.28 | | | |
| | 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): | - | - | - | | - |
| | At the End of the year | | | 41100 | | 0.28 |

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

| Sr. no | Name | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|--|-------------------------------------|---|----------------------------------|---|----------------------------------|
| | | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Anurodh Infrastructure Private Limited | At the beginning of the year | 297980 | 2.04 | | |
| | | Decrease in shares on 22.07.2016 | (50000) | (0.34) | 247980 | 1.70 |

| | | | | | | |
|----|----------------------------------|---|----------|--------|--------|------|
| | | (Sale of shares in open Market) | (750) | (0.01) | 247230 | 1.70 |
| | | Decrease in Shares on 31.12.2016 (Sale of shares in open Market) | | | | |
| | | Decrease in shares on 06.01.2017 (Sale of shares in open Market) | (1440) | (0.01) | 245790 | 1.68 |
| | | Decrease in shares on 20.01.2017 (Sale of shares in open Market) | (2200) | (0.02) | 243590 | 1.67 |
| | | Increase in shares on 27.01.2017 (Purchase of shares in open Market) | 200 | 0.00 | 243790 | 1.67 |
| | | Decrease in shares on 03.02.2017 (Sale of shares in open Market) | (9281) | (0.06) | 234509 | 1.61 |
| | | Increase in shares on 10.02.2017 (Purchase of shares in open Market) | 465 | 0.00 | 234974 | 1.61 |
| | | Increase in shares on 17.02.2017 (Purchase of shares in open Market) | 5000 | 0.03 | 239974 | 1.65 |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 239974 | 1.65 |
| 2. | Burnpur Power Private Limited | At the beginning of the year | 232181 | 1.59 | | |
| | | Decrease in Shares as on 06.01.2017 (Sale of shares in open Market) | (182000) | (1.25) | 50181 | 0.34 |

| | | | | | | |
|----|---|---|----------|--------|--------|------|
| | | Increase in shares on 31.03.2017 (Purchase of shares in open Market) | 6250 | 0.04 | 56431 | 0.39 |
| | | At the end of the year (or on the date of separation, if separated during the year) | | | 56431 | 0.39 |
| 3. | Dwarkapati Builders Pvt. Ltd | At the beginning of the year | 194859 | 1.34 | | |
| | | Decrease in Shares as on 24.06.2016 (Sale of shares in open Market) | (194859) | (1.34) | - | - |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | - | - |
| 4. | Fastner Machinery Dealers Pvt. Ltd. | At the beginning of the year | 445130 | 3.05 | | |
| | | Increase in shares on 08.07.2016 (Purchase of shares in open Market) | 30315 | 0.21 | 475445 | 3.26 |
| | | Increase in shares on 25.11.2016 (Purchase of shares in open Market) | 30 | 0.00 | 475475 | 3.26 |
| | | Increase in shares on 02.12.2016 (Purchase of shares in open Market) | 27 | 0.00 | 475502 | 3.26 |
| | | Increase in shares on 09.12.2016 (Purchase of shares in open Market) | 12 | 0.00 | 475514 | 3.26 |
| | | Decrease in Shares as on 16.12.2016 (Sale of shares in open Market) | (1011) | (0.01) | 474503 | 3.25 |
| | | Increase in shares on 23.12.2016 (Purchase of shares in open Market) | 1027 | 0.01 | 475530 | 3.26 |

| | | | | | | |
|----|---|--|---------|--------|--------|------|
| | | Increase in shares on 06.01.2017 (Purchase of shares in open Market) | 7758 | 0.05 | 483288 | 3.32 |
| | | Increase in shares on 13.01.2017 (Purchase of shares in open Market) | 43037 | 0.30 | 526325 | 3.61 |
| | | Increase in shares on 20.01.2017 (Purchase of shares in open Market) | 13802 | 0.09 | 540127 | 3.71 |
| | | Increase in shares on 27.01.2017 (Purchase of shares in open Market) | 4473 | 0.03 | 544600 | 3.74 |
| | | Increase in shares on 10.02.2017 (Purchase of shares in open Market) | 52 | 0.00 | 544652 | 3.74 |
| | | Decrease in shares on 17.02.2017 (Sale of shares in open Market) | (17902) | (0.12) | 526750 | 3.61 |
| | | Increase in shares on 24.02.2017 (Purchase of shares in open Market) | 2646 | 0.02 | 529396 | 3.63 |
| | | Increase in shares on 03.03.2017 (Purchase of shares in open Market) | 6097 | 0.04 | 535493 | 3.67 |
| | | Increase in shares on 10.03.2017 (Purchase of shares in open Market) | 2500 | 0.02 | 537993 | 3.69 |
| | | Decrease in shares on 24.03.2017 (Sale of shares in open Market) | (971) | (0.01) | 537022 | 3.68 |
| | | Increase in shares on 31.03.2017 (Purchase of shares in open Market) | 19902 | 0.14 | 556924 | 3.82 |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 556924 | 3.82 |
| 5. | Anubhav Paper Suppliers Private Limited | At the beginning of the year | 176700 | 1.21 | | |
| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase | - | - | - | - |

| | | | | | | |
|----|-------------------------------------|--|--------|------|--------|------|
| | | / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 176700 | 1.21 |
| 6. | Prudential Iron Merchants Pvt. Ltd. | At the beginning of the year | 391454 | 2.69 | | |
| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 391454 | 2.69 |
| 7. | Sarita Patni | At the beginning of the year | 210000 | 1.44 | | |
| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 210000 | 1.44 |
| 8. | Ideal Plywood Traders Pvt. Ltd. | At the beginning of the year | 217561 | 1.49 | | |

| | | | | | | |
|-----|---|---|---------|--------|--------|------|
| | | Increase in shares on 01.04.2016 (Purchase of shares in open Market) | 35000 | 0.24 | 252561 | 1.73 |
| | | Increase in shares on 08.07.2016 (Purchase of shares in open Market) | 99677 | 0.68 | 352238 | 1.73 |
| | | Increase in shares on 22.07.2016 (Purchase of shares in open Market) | 50000 | 0.34 | 402238 | 2.76 |
| | | Increase in shares on 06.01.2017 (Purchase of shares in open Market) | 60000 | 0.41 | 462238 | 3.17 |
| | | Decrease in shares on 17.02.2017 (Sale of shares in open Market) | (50000) | (0.34) | 412238 | 2.83 |
| | | Decrease in shares on 03.03.2017 (Sale of shares in open Market) | (10000) | (0.07) | 402238 | 2.76 |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 402238 | 2.76 |
| 9. | Megacity Food Suppliers Pvt. Ltd. | At the beginning of the year | 199379 | 1.37 | | |
| | | Increase in shares on 06.01.2017 (Purchase of shares in open Market) | 61000 | 0.42 | | |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 260379 | 1.79 |
| 10. | Misrilal Mines Pvt Limited | At the beginning of the year | 463191 | 3.18 | | |

| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
|-----|---------------------------|--|----------|--------|--------|------|
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 463191 | 3.18 |
| 11. | Concord Vinimay Pvt. Ltd. | At the beginning of the year | 285389 | 1.96 | | |
| | | Decrease in shares on 31.03.2016 (Sale of shares in open Market) | (285389) | (1.96) | 0 | 0.00 |
| | | Increase in shares on 15.04.2016 (Purchase of shares in open Market) | 250389 | 1.72 | 250389 | 1.72 |
| | | Decrease in shares on 17.06.2016 (Sale of shares in open Market) | (15772) | (0.11) | 234617 | 1.61 |
| | | Increase in shares on 01.07.2016 (Purchase of shares in open Market) | 12739 | 0.09 | 247356 | 1.70 |
| | | Decrease in shares on 08.07.2016 (Sale of shares in open Market) | (217563) | (1.49) | 29793 | 0.20 |
| | | Increase in shares on 13.01.2017 (Purchase of shares in open Market) | 1 | 0.00 | 29794 | 0.20 |

| | | | | | | |
|--|--|---|---------|--------|--------|------|
| | | Decrease in shares on 03.02.2017 (Sale of shares in open Market) | (29000) | (0.20) | 794 | 0.01 |
| | | Increase in shares on 10.02.2017 (Purchase of shares in open Market) | 20093 | 0.14 | 20887 | 0.14 |
| | | Increase in shares on 17.02.2017 (Purchase of shares in open Market) | 27843 | 0.19 | 48730 | 0.33 |
| | | Increase in shares on 24.02.2017 (Purchase of shares in open Market) | 53089 | 0.36 | 101819 | 0.70 |
| | | Decrease in shares on 03.03.2017 (Sale of shares in open Market) | (30200) | (0.21) | 71619 | 0.49 |
| | | Decrease in shares on 10.03.2017 (Sale of shares in open Market) | (2857) | (0.02) | 68762 | 0.47 |
| | | Decrease in shares on 17.03.2017 (Sale of shares in open Market) | (20000) | (0.14) | 48762 | 0.34 |
| | | Increase in shares on 24.03.2017 (Purchase of shares in open Market) | 5522 | 0.04 | 54284 | 0.37 |
| | | Increase in shares on 31.03.2017 (Purchase of shares in open Market) | 24884 | 0.17 | 79168 | 0.54 |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 79168 | 0.54 |

| | | | | | | |
|-----|--|---|----------|------|--------|------|
| 12. | Escort Auto Agencies Private Limited | At the beginning of the year | 0 | 0.00 | | |
| | | Increase in shares on 24.06.2016 (Purchase of shares in open Market) | 244860 | 1.68 | 244860 | 1.68 |
| | | Increase in shares on 06.01.2017 (Purchase of shares in open Market) | 61000 | 0.42 | 305860 | 2.10 |
| | | At the End of the year (or on the date of separation, if separated during the year) | | | 305860 | 2.10 |
| 13. | Foremost Textiles Private Limited | At the beginning of the year | 97248 | 0.67 | | |
| | | Increase in shares on 24.06.2016 (Purchase of shares in open Market) | 194859 | 1.34 | 292107 | 2.00 |
| | | Increase in shares on 31.12.2016 (Purchase of shares in open Market) | 114 | 0.00 | 292221 | 2.01 |
| | | Decrease in shares on 17.02.2017 (Sale of shares in open Market) | (100000) | 0.68 | 192221 | 1.32 |
| | | Increase in shares on 24.03.2017 (Purchase of shares in open Market) | 100000 | 0.68 | 292221 | 2.01 |
| | | Increase in shares on 31.03.2017 (Purchase of shares in open Market) | 1200 | 0.00 | 293421 | 2.01 |

| | | | | | |
|--|--|---|--|--------|------|
| | | At the End of the year (or on the date of separation, if separated during the year) | | 293421 | 2.01 |
|--|--|---|--|--------|------|

v.Shareholding of Directors and Key Managerial Personnel

| Sr. no | Name | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|--|--|---|----------------------------------|---|----------------------------------|
| | | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | | For Each of the Directors and KMP | | | | |
| 1. | Bhagwan Das Soni (Director) | At the beginning of the year | - | - | | |
| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | | At the End of the year | | | - | - |
| 2. | Tanumay Laha (Director) | At the beginning of the year | - | - | | |
| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | | At the End of the year | | | - | - |
| 3. | Namrata Chakraborty (Director) Resigned w.e.f. 4 th February, 2017 | At the beginning of the year | - | - | - | - |
| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer | - | - | - | - |

| | | | | | | | | |
|----|--|--|---|--|--|---|--|---|
| | | / bonus/ sweat equity etc): | | | | | | |
| | | At the End of the year | - | | | - | | - |
| 4. | Sudip Laha (Managing Director) | At the beginning of the year | - | | | - | | |
| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | | | - | | |
| | | At the End of the year | | | | - | | - |
| 5. | Sankar Mukherjee (Secretary) Resigned w.e.f. 23 rd January, 2017 | At the beginning of the year | - | | | - | | |
| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | | | - | | - |
| | | At the End of the year | | | | - | | - |
| 6. | Lokesh Pasari (CFO) | At the beginning of the year | - | | | - | | |
| | | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | | | - | | - |
| | | At the End of the year | | | | - | | - |

APPU MARKETING & MANUFACTURING LIMITED

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

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

APPU MARKETING & MANUFACTURING LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | Total Amount (In Rs.) |
|---------|---|--|--------------------------|
| | | SUDIP LAHA Managing Director (In Rs.) | |
| 1. | Gross salary | | |
| | (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 | 1,44,000 | 1,44,000 |
| | (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 | 12,000 | 12,000 |
| | (c)Profits in lieu of salary under section 17(3) Income- tax Act,1961 | Nil | Nil |
| 2. | Stock Option | Nil | Nil |
| 3. | Sweat Equity | Nil | Nil |
| 4. | Commission - as % of profit - others, specify... | Nil | Nil |
| 5. | Others, please specify | Nil | Nil |
| 6. | Total (A) | 1,56,000 | 1,56,000 |
| | Ceiling as per the Act | 84,00,000 | |

APPU MARKETING & MANUFACTURING LIMITED

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTd

(In Rs.)

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|--|----------------------|----------|
| | | CEO | Sankar Mukherjee* Company Secretary | Lokesh Pasari CFO | Total |
| 1. | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Nil | 93,326 | 1,08,000 | 2,01,326 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | Nil | Nil | Nil | Nil |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | Nil | Nil | Nil | Nil |
| 2. | Stock Option | Nil | Nil | Nil | Nil |
| 3. | Sweat Equity | Nil | Nil | Nil | Nil |
| 4. | Commission - as % of profit - others, specify... | Nil | Nil | Nil | Nil |
| 5. | Others, please specify | Nil | Nil | Nil | Nil |
| 6. | Total | Nil | 93,326 | 1,08,000 | 2,01,326 |

*Resigns from the office w.e.f. 23/01/2017.

APPU MARKETING & MANUFACTURING LIMITED

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

| Type | Section of the companies Act | Brief description | Details of Penalty/ Punishment/Compounding fees imposed | Authority[RD /NCLT/Court] | Appeal made. If any(give details) |
|------------------------------------|------------------------------|-------------------|---|---------------------------|-----------------------------------|
| A. Company | | | NONE | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Director | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other Officer in default | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

Place : Kolkata
Dated : 30.05.2017

On Behalf of the Board of Directors
For Appu Marketing & Manufacturing Ltd.

Tanumay Laha
Chairman
DIN: 05338827

NOMINATION AND REMUNERATION POLICY

1. PREAMBLE

This Nomination, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP"), the Senior Management Personnel and other employees of Appu Marketing and Manufacturing Limited (the "Company").

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 & Schedule II Part D(A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulation'), as amended from time to time. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and matters relating to the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees.

Effective date: This amended policy shall be effective from the 1st December, 2015.

2. POLICY OBJECTIVES

The Policy is framed with the objective(s):

- i. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
- ii. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- iii. Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

3. DEFINITIONS

"Company" means Appu Marketing & Manufacturing Limited.

"Act" means Companies Act, 2013 and rules thereunder.

"Board" means Board of Directors of the Company.

"Listing Regulation" means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

"Policy" means Nomination and Remuneration Policy.

"Independent Director" is as provided under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

"Key Managerial Personnel" means Key managerial personnel as defined under the Companies Act, 2013 and includes:

- i. Managing Director or Executive Director or Chief Executive Officer or Manager
- ii. Whole-time Director;
- iii. Company Secretary;
- iv. Chief Financial Officer and
- v. Such other officer as may be prescribed.

“Senior Management” means personnel of the Company who are members of its core management team (Internal Board) excluding the Board of Directors.

Unless the context otherwise requires words and expressions used in this policy and not defined herein but defined in the Companies act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration committee shall constitute of three or more non executive director out of which atleast one half shall be independent director(s), provided that chairperson of the company may be appointed as a member of this committee but shall not chair such committee.

The committee will meet at such intervals as deem fit to carry out the objectives as set out in the policy. A quorum of two members is required to be present at the meeting to carry out the proceedings of the meeting. The committee shall have the authority to call any employee(s), senior official(s) and / or externals as it deems fit.

The Chairperson of the Committee shall be an Independent Director. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

Provided that Nomination and Remuneration Committee shall set up mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious expedition.

The Company secretary shall act as secretary to the committee.

Proceedings of all meetings shall be minute and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

5. POLICY RELATING TO DETERMINATION OF APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT

Appointment criteria and qualifications:

- (i) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- (ii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- (iii) The Committee shall devise a policy on Board diversity after reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board which will facilitate the Committee to recommend on any proposed changes to the Board to complement the Company's corporate strategy.
- (iv) Appointment of independent directors shall be in compliance with the provisions of section 149 of the Companies Act read with schedule IV and rules thereunder and relevant regulation of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- (v) Appointment of Managing Directors/Manager/Whole-Time Directors shall also be in compliance with section 196 of the Act read with rules made thereunder and Schedule V of the Act and relevant regulation of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- (vi) The Company shall consider balance of qualification, skills, regional and industry experience, background and other qualities required to operate successfully in the position of Senior Management Level.

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Letters of Appointment:

Each Director/KMP/Senior Officials is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations made thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

6. POLICY RELATING TO THE REMUNERATION FOR THE DIRECTORS , KMP AND SENIOR MANAGEMENT PERSONNEL

The Nominations & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee consults with the Board as it deems appropriate.

Statutory Requirements:

- Section 197(5) provides for remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the board.
- Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.
- The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.
- The Company may with the approval of the shareholders authorise the payment of remuneration upto five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.
- The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members..

===== APPU MARKETING & MANUFACTURING LIMITED =====

The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.

The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

7. EVALUATION

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval. The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis and to satisfy the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

8. TERM/TENURE

Managing Director/Whole time director:

- a. The Company shall appoint or re-appoint any person as its Managing Director or whole time Director for a term not exceeding five years at a time.
- b. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director:

The maximum tenure of Independent Directors shall be in accordance with the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

9. DISCLOSURE

This policy shall be disclosed in Annual report as part of board's report therein.

10. AMENDMENTS

In case of any subsequent changes in the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or any other applicable rules or regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the Policy with effect from their enforcement and the Policy would be modified in due course to make it consistent with the amended laws. Any changes or modification on the Policy would be approved by the Board of Directors of the Company.

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Appu Marketing And Manufacturing Limited
1, Old Court House Corner,
1st floor
Kolkata-700001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Appu Marketing And Manufacturing Limited** (hereinafter referred as 'the Company'). 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 authorized 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 31 March 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013, 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) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not applicable to the Company during the Audit Period**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);

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- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable to the Company during the Audit Period;**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014 - **Not applicable to the Company during the Audit Period;**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable to the Company during the Audit Period;**
- (f) 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable to the Company during the Audit Period; and**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable to the Company during the Audit Period.**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and the Calcutta Stock Exchange Limited.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, 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 changes 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 detailed 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 for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the audit period there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.:

===== APPU MARKETING & MANUFACTURING LIMITED =====

- The Securities Appellate Tribunal, Mumbai, passed an Order dated June 13, 2016, directing the BSE Limited to look into the documents furnished by the Company in connection with revocation of suspension and pass appropriate order. Accordingly, BSE Limited had revoked the suspension w.e.f. November 21, 2016.

CS Abbas Vithorawala

ACS No.23671

C P No: 8827

Place: Kolkata

Date: May 30, 2017

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

===== APPU MARKETING & MANUFACTURING LIMITED =====

ANNEXURE – A

To,
The Members
Appu Marketing And Manufacturing Limited
1, Old Court House Corner,
1st floor
Kolkata-7000001

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

CS Abbas Vithorawala

ACS No.23671

C P No: 8827

Place: Kolkata

Date: May 30, 2017

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Business Overview:

Your Company is currently engaged in the trading and distribution of different types of commodities and materials. Our products are mainly supplied to retailers based at Kolkata and adjacent territories. This Management's Discussion and Analysis contains statements and information concerning anticipated developments in the Company's continuing and future operations, the adequacy of the Company's financial resources and financial projections.

Industry Structure and Developments:

The trend of slowdown in global growth continued during the year. Against this global backdrop, the growth in India stayed fairly resilient. The global economy in F.Y. 2016-17 witnessed divergent trends among major economies. Given the backdrop of a slowing market, a volatile input cost environment and heightened competitive intensity, the operating environment for your Company during the year continued to be challenging. Despite unpredictable headwinds, the global economic recovery is gaining momentum. These winds of positive change have masked the growth divergence among major economies.

Opportunities and Threats:

The priorities of the industry are changing, concentrating more on re-organization of operations, development of new markets and marketing techniques, giving the organization's vision a global outlook and retaining and building upon customer relationships. Fragmented markets provide many opportunities for company to expand and increase market share. New markets allow company to expand their business and diversify their portfolio of products and services.

Changes to government rules and regulations can negatively affect the company. Politics can increase company's risk factors, because governments can quickly change business rules that negatively affect company's business. Political Risk has a significant impact; Volatile costs mean company has to plan for scenarios where costs sky rocket. Cautious planning leads to development delays that can negatively affect the company.

Risks and Concerns:

During the year, the Company has made significant gains in market share and sales volume by focusing on innovation, intensive marketing strategies and network expansion. Managing risks while strategising was key factor in the successful outcome of these initiatives.

We are subject to a number of risks and uncertainties that can significantly affect our business, financial condition and future financial performance. These risks and uncertainties are not necessarily the only risks the Company faces. Additional risks and uncertainties that are presently unknown to the Company may adversely affect our business. The most important among them are credit risk, market risk and operational risk.

The measurement, monitoring management of risk remains key focus areas for the company. The Company is committed to establishing a framework that ensures risk management is an integral part of its activities. To ensure the continued growth and success of the Company, risks are identified and managed through a Risk Management Committee.

Future Outlook:

The focus for the forthcoming financial year for the Company will be continued delivery in progressing mode and grabbing the opportunities and trying to overcome challenges.

Internal Control Systems And Their Adequacy

Given the nature of business and the size of operations, your Company's Internal Control System has been designed to provide for:

- Accurate recording of transactions with internal checks and prompt reporting;
- Adherence to applicable Accounting Standards and Policies;
- Compliance with applicable statutes, policies and procedures, guidelines and authorisations;
- Effective use of resources and safeguarding of assets.

Your Company has put in place an adequate internal Control System to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance. The reports are reviewed by the Audit Committee of the Board. Wherever deemed necessary, internal control system are strengthened and corrective actions initiated.

Internal Control and Audit is an important procedure and the Audit Committee of your Company reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements for maintaining accountability of assets.

Review of Operational and Financial Performance:

The Company earned revenue of Rs. 55,51,998/- during the Financial Year under review as against revenue of Rs. 3,73,41,963/- in the last year. Whereas, the net profit after tax recorded by the Company was Rs. 17,36,981/- for the Financial Year under review as compared to profit of Rs. 6, 47,435/- in previous financial year.

Debt Structure:

During the year under review your Company has not raised any amount by way of debt.

Human Resources:

The Company always considers its human resources as a valuable asset and is committed towards their development for continuous growth. Focus on training to enhance the skill-sets of employees in line with the business and market requirements continued throughout the year and it confers rewards and recognition based on merit.

The total employee's strength of the Company was 8 as on March 31, 2017.

Your Company continues to focus on driving inclusion through building leadership capability and recognizing line managers who provide a simple, flexible and respectful work environment for their teams.

The Entire HR system including recruitment, performance management system, reward and recognition has been aligned with the business objectives.

Cautionary Statement:

Statements made in the Management Discussion and analysis describing the Company's objectives, projections, estimates, predictions and expectations may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results might differ materially from those either expressed or implied.



S. C. SWAIKA & CO.
(Chartered Accountants)
30/1, S.M. Ali Road,
Barrackpore, Kolkata-700 120

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Appu Marketing & Manufacturing Limited

We have examined the compliance of conditions of Corporate Governance by **Appu Marketing & Manufacturing Limited** for the year ended on **31st March, 2017** as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") of the Stock Exchanges with relevant records and documents maintained by the company and furnished to us.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

For S.C.SWAIKA & CO.
(Chartered Accountants)
FRN No.322137E

(S.C.Swaika)
(Proprietor)
(M.No.053694)

Place : Kolkata
Dated : 30th May, 2017

APPU MARKETING & MANUFACTURING LIMITED

CORPORATE GOVERNANCE REPORT

1. Brief Statement on Company's Philosophy on Code of Corporate Governance

Corporate Governance is a reflection of its principles embedded in its values, policies and ethical business practices leading to transparency and value-driven growth of the Company. The Company has adopted best practices for Corporate Governance and ensured effective management with its stakeholders and helping us to adapt changes in the dynamic environment.

At Appu Marketing & Manufacturing Ltd., Corporate Governance practices are based on the principles of adoption of transparent procedures and practices and complete and timely disclosures of corporate, financial and operational information to its stakeholders. The Company also believes that the practice of each of these creates the right corporate culture that fulfils the true purpose of Corporate Governance.

2. Board of Directors

- The Company's Board of Directors as on **March 31, 2017** comprises of One Executive Director and Two Non-Executives Directors.
- The category of each Director, together with his attendance at Board Meetings, the number of his Directorships and memberships of Board and Committees of other companies as well as his holding in the Company, as on March 31, 2017 are given below :-

| Name of Director | Category of Directors | No. of Board Meetings attended | No. of other Directorship | | No. of other Committee(s) Membership/Chairpersonship | | No. of Equity Shares held as on March 31, 2017 |
|--|--|--------------------------------|---------------------------|---------|--|-----------------|--|
| | | | Public | Private | Membership | Chairpersonship | |
| Mr. Bhagwan Das Soni (DIN: 02308414) | Non Executive Independent-Director | 7 | 8 | 10 | 3 | 0 | - |
| Mr. Tanumay Laha (DIN: 05338827) | Chairperson-Non-Executive - Independent Director | 7 | 4 | 4 | 0 | 0 | - |
| Mr. Sudip Laha (DIN: 06417007) | Executive-Non-Independent Director | 7 | 4 | 5 | 0 | 0 | - |
| Ms. Namrata Chakraborty* (DIN: 06937620) | Non-Executive-Independent Director | 6 | N.A. | N.A. | N.A. | N.A. | - |
| Ms. Babita Shah** (DIN: 06429106) | Additional Non Executive-Independent Director | N.A. | N.A. | N.A. | N.A. | N.A. | - |
| Mr. Chandan Choudhary*** (DIN: 06429106) | Additional Whole Time-Non Independent Director | N.A. | N.A. | N.A. | N.A. | N.A. | - |

*Ms. Namrata Chakraborty resigned from the Directorship w.e.f. February 4, 2017.

** Ms. Babita Shah (DIN: 07771685) was appointed as an Additional Director w.e.f. April 8, 2017 in the category of Non Executive Independent Director.

*** Mr. Chandan Choudhary (DIN: 07840597) was appointed as an Additional Director w.e.f. June 28, 2017 in the category of Whole-Time Director.

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- c) The Companies Act, 2013 read with relevant Rules made there under, facilitates the participation of the Director in the Board/ Committee meetings through video conferencing or other audio mode. However none of the Directors have availed such a facility.
- d) Seven (7) Meetings of the Board of Directors of the Company were held at the Registered Office of the Company during the financial year 2016-2017 i.e. on 27/04/2016, 30/05/2016, 12/08/2016, 01/09/2016, 12/11/2016, 25/01/2017, and 21/03/2017. As is evident, the maximum time gap between any two Board Meetings was not more than four months.
- e) None of the Directors of the Company are inter-se related.
- f) Mr. Tanumay Laha (DIN- 05338827), Non-Executive Independent Director is the Chairman of the Board.
- g) Mr. Sankar Mukherjee was Company Secretary of the Company as well as Committees till January 22, 2017 and resigned from the office w.e.f January 23, 2017.
- h) All the directors of the Company attended the last Annual General Meeting held on September 30, 2016.
- i) Each Director informs the Company on an annual basis about the Board and Board Committee positions he/she occupies in other companies including Chairpersonships and notifies changes periodically and regularly during the term of their directorship in the Company. None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors.
- j) The web link where details of familiarisation programmes imparted to Independent directors as disclosed in the website of the Company is: <http://www.appumkt.com/familiarisation-programme-for-Independent-directors.html>

3. Independent Directors

One exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and sub-regulation 3 of Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.(hereinafter referred to as "the Listing Regulations") was held on 21/03/2017, inter alia to discuss the following:

- i. review the performance of non-independent directors and the Board as a whole;
- ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

4. Audit Committee

a) Composition

The Audit Committee of the Company comprises of one Executive Non-Independent Director and two Non-Executive Independent Director as on March 31, 2017. The Committee is chaired by a Non-Executive Independent Director, Mr. Bhagwan Das Soni.

The Committee met 5 (Five) times during the year i.e. on 30/05/2016, 12/08/2016, 12/11/2016, 25/01/2017 and 30/03/2017. The attendances of the members were as follows:-

| Sl. No. | Name | Status | No. of Meetings |
|---------|-------------------------|---------------------------------------|-----------------|
| 1 | Mr. Bhagwan Das Soni | Chairperson-Non-Executive-Independent | 5 |
| 2 | Mr. Tanumay Laha | Non-Executive-Independent | 5 |
| 3 | Mr. Sudip Laha | Executive Non-Independent | 5 |
| 4 | Ms. Namrata Chakraborty | Non-Executive-Independent Director | 3 |

*Ms. Namrata Chakraborty resigned from the Directorship w.e.f. February 4, 2017, consequently ceased to be the Member of the Audit Committee.

APPU MARKETING & MANUFACTURING LIMITED

The Chairperson of the Audit Committee was present at the last Annual General Meeting.

b) Terms of Reference

The Audit Committee has been constituted in compliance with (i) Section 177 of the Act and (ii) Regulation 18 of the Listing Regulations as mandated by the Stock Exchanges.

5. Nomination And Remuneration Committee

a) Composition

The Nomination and Remuneration Committee of the Company comprises of one Executive Non-Independent Director and two Non-Executive Independent Director, as on March 31, 2017. The Committee is chaired by a Non-Executive Independent Director, Mr. Bhagwan Das Soni.

The Committee met twice during the year i.e. on 30/05/2016 and 25/01/2017. The attendances of the members were as follows:-

| Sl. No. | Name | Status | No. of Meetings |
|---------|--------------------------|------------------------------------|-----------------|
| 1 | Mr. Bhagwan Das Soni | Non-Executive-Independent | 2 |
| 2 | Mr. Sudip Laha | Executive- Non Independent | 2 |
| 3 | Mr. Tanumay Laha | Non-Executive- Independent | 2 |
| 4 | Ms. Namrata Chakraborty* | Non-Executive Independent Director | 1 |

*Ms. Namrata Chakraborty resigned from the Directorship w.e.f. February 4, 2017, consequently ceased to be the Member of the Nomination And Remuneration Committee.

b) Terms of Reference

The terms of reference and the scope of Nomination and Remuneration Committee of the Board of Director are in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and the Listing Regulations.

c) Remuneration Policy & Criteria of Making Payments to Directors, Senior Management and Key Managerial Personnel

Remuneration to Non-Executive / Independent Directors

Remuneration / Commission: The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

Sitting Fees: The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof only by the approval of Board for the same, provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 and rules made thereunder, per meeting of the Board or Committee.

At present the Directors are not receiving any Sitting Fees for attending the Board Meeting or any Committee Meeting.

Stock Options: An Independent Director shall not be entitled to any stock option of the Company.

Remuneration to Managing/Whole-time / Executive / KMP, Senior Management Personnel and Other Employees:

The Remuneration/ Compensation/ Commission etc. to be paid to Managing Directors and KMP shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

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The Remuneration shall be broadly divided into the following components:

- The Fixed Components: Salary, allowances, perquisites, etc.
- The Variable Components: Performance based promotion and bonus.

Further, in determining remuneration of other Executive Directors, Senior Management and Other Employees will comprise of above two components and other factors as deemed fit by the Board, based on the recommendation of the Committee and subject to statutory approvals, if any. In determining the Director's remuneration their performance evaluation as duly carried out by the Board and/or Independent Directors, shall also be given due weightage.

Further, The Nomination and Remuneration Policy is available on the website of the Company at <http://www.appumkt.com/Nomination-And-Remuneration-Policy.html>.

d) Details of Remuneration paid to the Directors and Key Managerial Personnel

During the reported financial year, the Non-Executive and Independent Directors of the Company were not paid any sitting fee or any other remuneration or commission.

Further, the details of remuneration paid to the Key Managerial Personnel and of the Company during the F.Y. 2016-17 are given below:

| Name | Designation | Salary | Perquisite & Allowances | Sitting Fees | Total |
|-----------------------|-------------------|------------|-------------------------|--------------|------------|
| Mr. Sudip Laha | Managing Director | 1,44,000/- | 12,000/- | 0.00 | 1,56,000/- |
| Mr. Lokesh Pasari | CFO | 1,08,000/- | 0.00 | 0.00 | 1,08,000/- |
| Mr. Sankar Mukherjee* | Company Secretary | 93,326/- | 0.00 | 0.00 | 93,326/- |

*Sankar Mukherjee resigned from the post of Company Secretary w.e.f. 23/01/2017.

6. Stakeholders' Relationship Committee

In compliance with Section 178 of Act and Regulation 20 of the Listing Regulations, the Stakeholders' Relationship Committee has been constituted.

The Committee under the Chairpersonship of Mr. Bhagwan Das Soni, approves / monitors transfers, transmissions, consolidation, issue of duplicate certificate, monitors the shareholding pattern as well as the redressal of complaints from shareholders by the Share Registrars, oversee overall improvement of the quality of Investor services, performance of Registrar and Share Transfer Agent, oversee compliance relating to dividend payment, transfer of unclaimed amount to IEPF, implementation of the Code of Conduct for prevention of Insider Trading. Mr. Sankar Mukherjee, Company Secretary was the Compliance Officer of the Company till January 22, 2017 and resigned from the office w.e.f January 23, 2017. Thereafter, Mr. Sudip Laha was the Compliance Officer of the Company for the reporting period.

The composition of the committee members is as under:-

| Sl. No. | Name | Status |
|---------|--------------------------|--|
| 1 | Mr. Tanumay Laha | Non-Executive- Independent-Chairperson |
| 2 | Mr. Bhagwan Das Soni | Non-Executive-Independent |
| 3 | Mr. Sudip Laha | Executive- Non-Independent |
| 4 | Ms. Namrata Chakraborty* | Non-Executive Independent Director |

*Ms. Namrata Chakraborty resigned from the Directorship w.e.f. February 4, 2017, consequently ceased to be the Member of the Stakeholders' Relationship Committee.

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During the year, one meeting of the Stakeholders' Relationship Committee was held on 12/08/2016.

During the year no requests/complaints were received from the shareholders

| Sl.No. | Nature of request | Nos. |
|--------|---------------------------------------|------|
| 1 | Issue of Duplicate Share Certificates | Nil |
| 2 | Rematerialisation of Shares | Nil |

7. Risk Management Committee

The Risk Management Committee of the Company monitors and reviews the risk management plan of the Company. It is responsible for laying down procedures to inform Board members about the risk assessment and minimization procedures. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the Company.

All the members of the Committee are Board Members.

The details are as follows

| Sl. No. | Name | Status |
|---------|--------------------------|--|
| 1 | Mr. Tanumay Laha | Non-Executive- Independent-Chairperson |
| 2 | Mr. Bhagwan Das Soni | Non-Executive-Independent |
| 3 | Mr. Sudip Laha | Executive- Non-Independent |
| 4 | Ms. Namrata Chakraborty* | Non-Executive Independent Director |

*Ms. Namrata Chakraborty resigned from the Directorship w.e.f. February 4, 2017, consequently ceased to be the Member of the Stakeholders' Relationship Committee.

8. Code of Conduct

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company and separate Code of Conduct has also been incorporated for assigning the duties of Independent Directors.

The Company's Code of Conduct has been complied with by all the members of the Board and select employees of the Company.

The Company has put in place Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information", pursuant to the SEBI (Prohibition of Insider Trading) Regulations 2015. This code was applicable to all Directors and select employees. The code ensured prevention of dealing in shares by persons having access to unpublished price sensitive information.

The Code has been disclosed on the website of the Company via the link: <http://www.appumkt.com/code-of-conduct.html>

9. Profile of the Directors appointed/Re-appointed

Profile of the Directors appointed/Re-appointed alongwith the shareholding in the Company is provided below:

| Name of the Director | Category | Work experience | Date of Appointment | No of shares held & % of shareholding in the Co. | Qualification |
|----------------------|-------------------|---|---------------------|--|---------------|
| Mr. Sudip Laha | Managing Director | 9 years of experience in the field of Finance & marketing | 28.01.2013 | Nil | B.A. |

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10. General Body Meetings

a) Location and time for last three Annual General Meetings were:-

| Financial Year | Date of AGM | Venue | Time |
|----------------|-------------|--|------------|
| 2015-2016 | 30/09/2016 | Milan Deep Hall, Sher Khan Complex, J-142, Paharpur, Garden Reach, near S. K. Foundation School, Kolkata - 700 024 | 12.00 P.M. |
| 2014-2015 | 30/09/2015 | Shahid Ashfaqulla Community Hall, 59, Sudhir Basu Road, Kolkata - 700 023 | 1.00 P.M. |
| 2013-2014 | 29/09/2014 | 27, Weston Street, 5th Floor, Room No. 526, Kolkata – 700 012 | 10.00 A.M. |

b) Special Resolutions in the last three Annual General Meetings:-

At the 33rd Annual General Meeting held on 30/09/2016 : Revision in the remuneration of Mr. Sudip Iaha, Managing Director

At the 32nd Annual General Meeting held on 30/09/2015 : Nil

At the 31st Annual General Meeting held on 29/09/2014 : One (Investments in shares of other bodies Corporate under section 186 of Companies Act, 2013)

c) Special Resolutions by postal ballot last year:-

No Special resolution has been put through by postal ballot so far by the Company.

d) Whether any Special Resolution proposed to be conducted through postal ballot:-

No resolution is proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

11. Means of Communications

Quarterly unaudited financial results and annual financial result of the Company were published in accordance with the Listing Regulations with stock exchanges in the Business Standard (English Daily) and Sukhabar (Bengali Daily) and the aforesaid results are also available on the Company's website i.e. <http://appumkt.com/financial-results.html>

The quarterly and the annual results of the Company are submitted to the Calcutta Stock Exchange Limited and BSE Limited made within thirty minutes of the closure of meeting of Board of Directors. The Annual Reports are posted to every shareholder of the Company at their registered address.

Section on Management Discussion and Analysis form part of this Annual Report.

12. General Shareholder Information

a) Annual General Meeting:-

- Date : 25th September, 2017
- Time : 12.00 P.M.
- Venue : Milan Deep Hall, Sher Khan Complex, J-142, Paharpur, Garden Reach, near S. K. Foundation School, Kolkata - 700 024.
- Rate of Dividend : Re/- 0.10/- per Equity Share having face value of Rs. 10/- each for the Financial year ended on March, 31, 2017
- Book closure Date : 19th September 2017 to 25th September 2017
- Record Date for Dividend : 18th September, 2017
- Date of Payment : On or after 25th September 2017

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b) Financial Calendar :- (Tentative)

| Financial Year – 1 st April, 2017 to 31 st March, 2018 | Relevant Dates |
|--|--|
| Board Meeting for consideration of accounts | 30 th May, 2017 |
| Unaudited results for the quarter ended on June 30, 2017 | On or before 14 th August, 2017 |
| Unaudited results for the quarter ended on September 30, 2017 | On or before 14 th November, 2017 |
| Unaudited results for the quarter ended on December 31, 2017 | On or before 14 th February, 2018 |
| Unaudited results for the quarter ended on March, 31, 2018 | On or before 30 th May, 2018 |

c) Listing on Stock Exchanges at:-

1. BSE Limited. (Stock code: 538653)
1st Floor, New Trading Ring,
Corporate Relation Department
Rotunda Building, Phiroze Jeejeebhoy Towers
Dalal Street, Fort, Mumbai - 400 001.
2. The Calcutta Stock Exchange Ltd. (Stock code: 1125)
7, Lyons Range, Kolkata 700 001.

The Company has not paid the listing fee to BSE Limited and The Calcutta Stock Exchange Ltd. for the year 2017-18.

d) Stock Market Price for the Financial Year 2016-2017:

| Month | Quotation of BSE | | | Quotation of Calcutta Stock Exchange Limited | | |
|-----------------|------------------|-------------|---------------|--|------------|---------------|
| | High (Rs.) | Low (Rs.) | Volume (Nos.) | High (Rs.) | Low (Rs.) | Volume (Nos.) |
| April, 2016 | Not Traded* | Not Traded* | Not Traded* | Not Traded | Not Traded | Not Traded |
| May, 2016 | Not Traded* | Not Traded* | Not Traded* | Not Traded | Not Traded | Not Traded |
| June, 2016 | Not Traded* | Not Traded* | Not Traded* | Not Traded | Not Traded | Not Traded |
| July, 2016 | Not Traded* | Not Traded* | Not Traded* | Not Traded | Not Traded | Not Traded |
| August, 2016 | Not Traded* | Not Traded* | Not Traded* | Not Traded | Not Traded | Not Traded |
| September, 2016 | Not Traded* | Not Traded* | Not Traded* | Not Traded | Not Traded | Not Traded |
| October, 2016 | Not Traded* | Not Traded* | Not Traded* | Not Traded | Not Traded | Not Traded |
| November, 2016 | 372.00 | 356.00 | 7215 | Not Traded | Not Traded | Not Traded |
| December, 2016 | 368.50 | 346.95 | 14621 | Not Traded | Not Traded | Not Traded |
| January, 2017 | 346.50 | 326.55 | 21604 | Not Traded | Not Traded | Not Traded |
| February, 2017 | 349.50 | 329.55 | 166337 | Not Traded | Not Traded | Not Traded |
| March, 2017 | 339.75 | 307.25 | 384429 | Not Traded | Not Traded | Not Traded |

*Trading of equity shares of the Company was suspended by BSE Ltd. w.e.f. December 24, 2015 and the same was revoked w.e.f November 21, 2016

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e) Share Transfer System- The Company's shares are in compulsory demat mode. No physical shares were transferred during the year ended 31st March, 2017.

f) Dedicated email ID for Investors. For the convenience of our investors, the Company has designated an exclusive email ID for investors i.e. compliant@appumkt.com

g) Registrar & Share Transfer Agent:-

M/s. Niche Technologies Pvt. Ltd.

D-511, Bagree Market, 5th Floor, 71, B.R.B. Basu Road, Kolkata 700 001,

Phone Nos. (033) 2235-7270/7271/2234-3576.

E- mail: nichetech@nichetechpl.com

h) Dematerialisation of Shares and Liquidity:

The Company's shares are tradeable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company as allotted by NSDL and CDSL is INE649L01013. Nearly 98.99% of total equity shares are in dematerialized form as on March 31, 2017.

i) Distribution of shareholding & shareholding pattern

Distribution of shareholding as on March 31, 2017:-

| Ordinary Shares held | Number of shareholders | % of shareholders | Number of shares held | % of shares held |
|----------------------|------------------------|-------------------|-----------------------|------------------|
| Upto 500 | 258 | 17.72 | 23,438 | 0.16 |
| 501-1000 | 56 | 3.85 | 46,596 | 0.32 |
| 1001-5000 | 634 | 43.54 | 19,91,212 | 13.66 |
| 5001-10000 | 309 | 21.22 | 26,05,482 | 17.88 |
| 10001 -50000 | 144 | 9.89 | 29,09,952 | 19.96 |
| 50001-100000 | 36 | 2.47 | 25,21,438 | 17.30 |
| 100001 and above | 19 | 1.31 | 44,78,382 | 30.72 |
| Total | 1,456 | 100.00 | 1,45,76,500 | 100.00 |

Shareholding Pattern as on March 31, 2017

| Sl. No. | Category | No. of share held | % of shares held |
|---------|----------------------------|--------------------|------------------|
| 1 | Promoters & Promoter Group | 1,51,000 | 1.04 |
| 2 | Public - Bodies Corporate | 55,85,424 | 38.32 |
| 3 | Public – Individuals | 86,32,598 | 59.22 |
| 4 | NRI/OCBs | 34,060 | 0.23 |
| 5 | Clearing Member | 1,73,418 | 1.19 |
| | Total | 1,45,76,500 | 100.00 |

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j) **Outstanding ADRs/GDRs:-** Not Applicable

k) **Address for matters related to shares, any correspondence**

M/s. Niche Technologies Private Ltd.,
D-511, Bagree Market, 5th Floor, 71, B.R.B. Basu Road, Kolkata 700 001,
Phone Nos. (033) 2235-7270/7271/3070.
E- mail: nichetech@nichetechpl.com

l) **Address for any kind of assistance/clarification**

Mr. Sudip Laha, Managing Director
C/o. Appu Marketing & Manufacturing Limited.
27, Weston Street, 5th Floor,
Room No. 526, Kolkata – 700 012.

13. Disclosure of Materially Significant Related Party Transactions

All related party transactions that were entered into during the financial year were at an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

As required under regulation 23 of Listing Regulations, the Company has adopted a policy on Related Party Transactions. The abridged policy on Related Party Transactions is available on the Company's website at <http://www.appumkt.com/subsidiary&related-party-transactions-policy.html>

14. CEO and CFO Certification

The Managing Director and the Chief Financial Officer of the Company provided the annual certification on financial reporting and internal controls to the Board in terms of Part B of Schedule II of Listing Regulations. The annual compliance certificate given by the Managing Director and the Chief Financial Officer is part of the Annual Report.

15. Compliance Report on Non-mandatory requirements under Regulation 27(1)

a) **The Board- Non-Executive Chairman's Office:**

As per para A of Part E of Schedule II of the Listing Regulations, the Board of Directors is chaired by Mr. Tanumay Laha (DIN- 05338827), a Non-Executive Independent Director.

b) **Shareholders rights:**

The Company display quarterly and half yearly results on its web site <http://www.appumkt.com/> and also publishes the results in widely circulated newspapers. The Company also publishes the voting results of shareholder meetings and makes it available on its website <http://www.appumkt.com/> and reports the same to Stock Exchanges in terms of Regulation 44 of the Listing Regulations.

c) **Modified opinion(s) in audit report:**

The Auditors have issued an un-qualified opinion on the financial statements of the Company.

d) **Separate posts of Chairperson and Chief Executive Officer:**

The Board of Directors is chaired by Mr. Tanumay Laha (DIN- 05338827), a Non-Executive Independent Director and Mr. Sudip Laha (DIN- 06417007) is Managing Director of the Company. Further, the Company does not have a Chief Executive Officer.

APPU MARKETING & MANUFACTURING LIMITED

e) Reporting of Internal Auditor:

Reporting of Head of Internal Audit is to the Chairman of the Audit Committee of the Board and administratively to the Managing Director of the Company.

16. Other Disclosures

- a) There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large were held during the reported year.
- b) The Company has complied with all the requirements of the listing agreement/ Listing regulations with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchanges or any statutory authority on any matters related to Capital Market so far. Further, the Company's suspension was removed from trading in securities w.e.f November 21, 2016 from BSE Ltd.
- c) The Company promotes ethical behaviour in all its business activities and has also put in place a mechanism wherein the employees are free to report concerns about unethical behaviour, actual or suspected fraud or violation on the Company's Code of Conduct. Company has established Vigil Mechanism and formulated a policy for the same. It also provides adequate safeguards against the victimization of employees, who avail of the mechanism. The reportable matters, may be disclosed to the Vigilance Officer who operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee.

Further, during the year under review, no employee was denied access to the Audit Committee. No personnel have been denied access to the Audit Committee.

- d) The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Specifically, the Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

17. Declaration

All Directors and senior management personnel of the Company have confirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2017.

Place : Kolkata

Dated : 30th May, 2017

For and on behalf of the Board of Directors

Mr. Tanumay Laha
Chairman
DIN- 05338827

===== APPU MARKETING & MANUFACTURING LIMITED =====

Declaration Regarding Compliance by Members of the Board of Directors and Senior Management Personnel with the Code of Conduct

This is to confirm that the Company has adopted Code of Conduct for its Members of the Board of Directors and Senior Management Employees including the Managing Director. The Company has also adopted the Code of Conduct for Non-Executive Directors. Both these Codes are posted on the Company's website.

I confirm that the Company has for the financial year ended 31st March, 2017, received from its Members of the Board of Directors and Senior Management Employees a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Employees means the Members of the Management one level below the Managing Director as on 31st March, 2017.

Place : Kolkata
Date : 30.05.2017

Sudip Laha
Managing Director
DIN-06417007

===== APPU MARKETING & MANUFACTURING LIMITED =====

CEO & CFO COMPLIANCE CERTIFICATE

To

The Board of Directors,
Appu Marketing & Manufacturing Ltd.
27, Weston Street,
5th Floor, Room No.526
Kolkata – 700 012

Re: CEO and CFO Compliance Certificate on Financial Statements for the year ended on 31st March, 2017

We, Mr. Sudip Laha, Managing Director & Mr. Lokesh Pasari, CFO, certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2017 and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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, to the best of our knowledge and belief, no transactions entered into by the Company during the year ending on 31st March, 2017 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps have been taken to rectify these deficiencies.
- D. We further certify that:
1. There have been no significant changes in the internal control over financial reporting during this year;
 2. There have been no significant changes in accounting policies during this year and that the same have been disclosed in the notes to the financial statements; and
 3. There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Mr. Sudip Laha
Managing Director
DIN: 06417007

Mr. Lokesh Pasari
CFO

Place : Kolkata
Date : 30.05.2017



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF APPU MARKETING AND MANUFACTURING LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of APPU MARKETING & MANUFACTURING LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 these financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing 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 risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation 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 Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the Directors as on March 31, 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on **March 31, 2017** from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) There are no qualifications, reservations or adverse remarks relating to the maintenance of Accounts and other matters connected herewith.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts required to be transferred by the Company to the Investor Education and Protection Fund.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the book of account maintained by the company. Refer Additional Notes - III to the financial statements.
2. As required by the Companies (Auditor's Report) Order, 2016 (“the Order”) as amended, issued by the Central Government of India in terms of Section 143(11) of the Act, we give in “**Annexure B**” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S.C.SWAIKA & CO.
(Chartered Accountants)
FRN No.322137E

(S.C.Swaika)
(Proprietor)
(M.No.053694)

Place : Kolkata
Dated : 30th May, 2017



ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 APPU MARKETING & MANUFACTURING LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditor's 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



S. C. SWAIKA & CO.

30/1, S.M. Ali Road, Barrackpore
Kolkata-700 120

(Chartered Accountants)

of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.C.SWAIKA & CO.

(Chartered Accountants)

FRN No.322137E

(S.C.Swaika)

(Proprietor)

(M.No.053694)

Place : Kolkata

Dated : 30th May, 2017



ANNEXURE “B” TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of the Company's Fixed Assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, the Company has a regular programme of physical verification of its fixed assets. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification.
 - c) The Company does not have any immovable property.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of Section 185 & 186 of Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year covered under the term of section 73 to 76 of the Companies Act, 2013 or any other provisions of the Act and rules framed thereunder.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and any other material statutory dues with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, government, banks and and dues to debentures holders.
- (ix) Based upon the audit procedures performed and the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid /



provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or persons connected with them.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For S.C.SWAIKA & CO.

(Chartered Accountants)

FRN No.322137E

(S.C.Swaika)

(Proprietor)

(M.No.053694)

Place : Kolkata

Dated : 30th May, 2017

APPU MARKETING & MANUFACTURING LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

| Particulars | Note No. | As At 31st March, 2017 | As At 31st March 2016 |
|--|----------|------------------------|-----------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1. Shareholders' Funds | | | |
| a) Share Capital | 2 | 14,57,65,000 | 14,57,65,000 |
| b) Reserves and Surplus | 3 | 70,14,331 | 69,87,231 |
| c) Money received against share warrants | | - | - |
| 2. Share Application Money Pending Allotment | | - | - |
| 3. Non-Current Liabilities | | | |
| a) Long-term borrowings | | - | - |
| b) Deferred tax liabilities (Net) | | - | - |
| c) Other Long term liabilities | | - | - |
| d) Long-term provisions | | - | - |
| 4. Current Liabilities | | | |
| a) Short-term borrowings | | - | - |
| b) Trade Payables | 4 | - | - |
| i) Total outstanding dues of micro enterprise & small enterprises | | - | - |
| ii) Total outstanding dues of creditors other than micro enterprises & small enterprises | | - | 3,24,97,500 |
| c) Other Current Liabilities | 5 | 45,125 | 64,375 |
| d) Short-Term Provisions | 6 | 24,86,621 | 2,89,519 |
| TOTAL | | 15,53,11,077 | 18,56,03,625 |
| II. ASSETS | | | |
| 1. Non-current Assets | | | |
| a) Fixed Assets | 7 | | |
| i) Tangible assets | | 12,941 | 32,579 |
| ii) Intangible assets | | - | - |
| iii) Capital work-in-progress | | - | - |
| iv) Intangible assets under development | | - | - |
| b) Non-Current Investments | 8 | 8,47,14,500 | 9,72,37,000 |
| c) Deferred tax assets (net) | | - | - |
| d) Long term loans and advances | 9 | 4,96,00,393 | 4,70,90,490 |
| e) Other non-current assets | | - | - |
| 2. Current Assets | | | |
| a) Current investments | | - | - |
| b) Inventories | 10 | - | 3,77,300 |
| c) Trade receivables | 11 | 1,42,79,000 | 3,95,04,811 |
| d) Cash and cash equivalents | 12 | 57,01,737 | 7,48,228 |
| e) Short term loans & advances | 13 | 6,00,000 | - |
| f) Other Current Assets | 14 | 4,02,506 | 6,13,217 |
| TOTAL | | 15,53,11,077 | 18,56,03,625 |

Summary of significant accounting policies 1
The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.C.Swaika & Co.
Chartered Accountants
Registration No : 322137E

S.C.Swaika
Membership no : 053694

Dated the 30th Day of May, 2017
Place : Kolkata

For Appu Marketing & Manufacturing Ltd.

Lokesh Pasari
Chief Financial Officer

For Appu Marketing & Manufacturing Ltd.

Sudip Laha
Managing Director
DIN: 06417007

For Appu Marketing & Manufacturing Ltd.

Tanumay Laha
Director
DIN: 05338827

APPU MARKETING & MANUFACTURING LIMITED

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

| | Particulars | Note No. | Year ended 31 March, 2017 | Year ended 31 March, 2016 |
|------|---|----------|---------------------------|---------------------------|
| I | Revenue from operations | 15 | 9,58,650 | 3,36,96,218 |
| II | Other Income | 16 | 45,93,348 | 36,45,745 |
| III | Total Revenue (I + II) | | 55,51,998 | 3,73,41,963 |
| IV | EXPENSES | | | |
| | Cost of materials consumed | | - | - |
| | Purchases of Stock-in-Trade | 17 | - | 3,24,97,500 |
| | Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 18 | 3,77,300 | 11,23,450 |
| | Employee benefit expenses | 19 | 11,25,326 | 11,54,348 |
| | Finance costs | | | |
| | Depreciation & Amortisation | 7 | 19,638 | 22,801 |
| | Other expenses | 20 | 15,16,013 | 16,06,910 |
| | Total Expenses | | 30,38,277 | 3,64,05,009 |
| V | Profit before exceptional and extraordinary items and tax (III - IV) | | 25,13,721 | 9,36,954 |
| VI | Exceptional Items | | - | - |
| VII | Profit before extraordinary items and tax (V - VI) | | 25,13,721 | 9,36,954 |
| VIII | Extraordinary Items | | - | - |
| IX | Profit/(Loss) before tax (VII- VIII) | | 25,13,721 | 9,36,954 |
| X | Tax expense: | | | |
| | Current Tax | | 7,76,740 | 2,89,519 |
| | Deferred tax | | - | - |
| XI | Profit for the period from Continuing Operations (after tax) (IX-X) | | 17,36,981 | 6,47,435 |
| XII | Profit/(loss) from discontinuing operations | | - | - |
| XIII | Tax expense of discontinuing operations | | - | - |
| XIV | Profit for the period from discontinuing Operations (XII-XIII) | | - | - |
| XV | Income tax for prior year | | - | 86,659 |
| XVI | Profit for the period [(XI+XIV)-XV] | | 17,36,981 | 5,60,776 |
| | Basic Earning Per Share of Rs. 10/- each (In Rupees) | | 0.12 | 0.04 |
| | Diluted Earning Per Share of Rs. 10/- each (In Rupees) | | 0.12 | 0.04 |

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.C.Swaika & Co.
Chartered Accountants
Registration No : 322137E

S.C.Swaika
Membership no : 053694

Dated the 30th Day of May, 2017
Place : Kolkata

For Appu Marketing & Manufacturing Ltd.

Lokesh Pasari
Chief Financial Officer

For Appu Marketing & Manufacturing Ltd.

Sudip Laha
Managing Director
DIN: 06417007

For Appu Marketing & Manufacturing Ltd.

Tanumay Laha
Director
DIN: 05338827

APPU MARKETING & MANUFACTURING LIMITED

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

| Particulars | Year ended 31 March, 2017 | Year ended 31 March, 2016 |
|--|------------------------------|------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax and extraordinary item | 25,13,721 | 9,36,954 |
| Adjustment for | | |
| Add:-Depreciation | 19,638 | 22,801 |
| Less :-Income Tax for prior year | - | (86,659) |
| Operating Profit before Working Capital Change | 25,33,359 | 8,73,096 |
| Change in working capital | | |
| Adjustment for (increase)/decrease in operating assets & operating liabilities | | |
| Add/Less:- Increase/Decrease in Current Assets | 2,52,13,822 | 3,15,17,105 |
| Add/Less: Increase/Decrease in Current Liabilities | (3,20,29,529) | 3,19,54,299 |
| | (68,15,707) | 6,34,71,404 |
| Cash Generated from Operations | (42,82,348) | 6,43,44,500 |
| Less: Income Tax paid | (7,76,740) | (2,89,519) |
| Net Cash Flow from Operating Activities (A) | (50,59,088) | 6,40,54,981 |
| CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Add/Less:- Purchase/Sale of Non-Current Investments | 1,25,22,500 | (6,75,76,000) |
| Add/Less- Increase/Decrease in Other Non-Current Assets | (25,09,903) | 6,62,708 |
| Add/Less :- Purchase of Fixed Assests | - | - |
| Net Cash Flow from Investing Activities (B) | 1,00,12,597 | (6,69,13,292) |
| CASH FLOW FROM FINANCING ACTIVITIES | - | - |
| Net Cash Flow from Financing Activities (c) | - | - |
| Net Decrease in cash and cash equivalent (A+B+C) | 49,53,509 | (28,58,311) |
| Opening Cash and Cash Equivalents | 7,48,228 | 36,06,539 |
| Closing Cash and Cash Equivalents | 57,01,737 | 7,48,228 |

As per our report of even date

For S.C.Swaika & Co.
Chartered Accountants
Registration No : 322137E

S.C.Swaika
Membership no : 053694

Dated the 30th Day of May, 2017
Place : Kolkata

For Appu Marketing & Manufacturing Ltd.

Lokesh Pasari
Chief Financial Officer

For Appu Marketing & Manufacturing Ltd.

Sudip Laha
Managing Director
DIN: 06417007

For Appu Marketing & Manufacturing Ltd.

Tanumay Laha
Director
DIN: 05338827

APPU MARKETING & MANUFACTURING LIMITED

NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENT

Appu Marketing & Manufacturing Limited is a public company incorporated in India. Its shares are listed on the Calcutta Stock Exchange Ltd. and BSE Ltd. in India. The Company is engaged in the trading business.

- a) **Basis of Preparation:** - The financial statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).
- b) **Use of estimates:** - The preparation of financial statements requires the management of the company to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, as at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years. Future results may vary from these estimates.
- c) **Borrowing costs:** - Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

During the F.Y. 2016-17 the company has not borrowed any amount.

- d) **Tangible fixed assets:** - Fixed assets are stated at cost, net of accumulated depreciation and impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- e) **Depreciation:** - Depreciation on tangible fixed assets has been provided on the Straight Line Method as per the useful life prescribed in Part C of Schedule II to the Companies Act, 2013.

Depreciation for assets purchased / sold / discarded/ disposed off during the year is charged proportionately. Individual assets whose cost does not exceed Rs.5000/- is treated as revenue expenditure.

- f) **Current & Non-Current Investments:** - Investment have been treated as long term and carried at cost. Cost includes purchase cost and attributable expenses. Current investments are carried at lower of cost and fair value, determined on category of investment basis.

Long-term Investments made by the Company are stated at cost and provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

- g) **Revenue recognition:** - Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

Interest

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

- h) **Foreign currency transaction:** - No Foreign Currency Transactions has been made by the Company in the Financial Year 2016-17.
- i) **Retirement and other employee benefits:** - Provision for gratuity has not been made in the Accounts as there is no such liability for the year.
- j) **Income taxes:** - Tax expense comprises of current tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- k) **Earnings Per Share:** - Basic Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during period are adjusted for the effects of all dilutive potential equity shares.

- l) **Provisions, Contingent Liabilities and Contingent Assets:** - A provision is recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require and outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

- m) **Cash and cash equivalents:** - Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
- n) Balance in respect of Trade Payable, Trade Receivable and Loans & Advances are subject to confirmation.
- o) **Cash Flow Statement:** - Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and cash flows from operating, investing and financing activities of the Company are segregated.
- p) **MSMED Act, 2006:** - The Government of India has promulgated an Act namely The Micro, Small and Medium Enterprises Development Act, 2006, which comes into force with effect from October 2, 2006. As per the act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on over dues beyond the specified period irrespective of the terms agreed with the suppliers. The Company does not have any dues to any entity covered under the said act.

APPU MARKETING & MANUFACTURING LIMITED

ADDITIONAL NOTES

I. RELATED PARTIES DISCLOSURE AS PER ACCOUNTING STANDARD 18

A. LIST OF RELATED PARTIES

| Sr. No. | Party | Relationship |
|---------|--------------------------------|---------------------------------|
| 1 | Sudip Laha | Managing Director |
| 2 | Bhagwan Das Soni | Director |
| 3 | Tanumay Laha | Director |
| 4 | Babita Shah | Director |
| 5 | Lokesh Pasari | CFO |
| 6 | Subsidiaries:- | |
| | AMM Commercial Limited* | Wholly owned Subsidiary Company |
| | AMM Housing Limited* | Wholly owned Subsidiary Company |
| | AMM Irons Limited* | Wholly owned Subsidiary Company |
| | AMM Textiles Limited* | Wholly owned Subsidiary Company |
| | Arcilla Developers Limited* | Wholly owned Subsidiary Company |
| | Arcilla Constructions Limited* | Wholly owned Subsidiary Company |
| | Arcilla Consultants Limited* | Wholly owned Subsidiary Company |
| | Arcilla Designers Limited* | Wholly owned Subsidiary Company |
| | Arcilla Housing Limited* | Wholly owned Subsidiary Company |
| | Arcilla Marketing Limited* | Wholly owned Subsidiary Company |
| | Arcilla Projects Limited* | Wholly owned Subsidiary Company |
| | Arcilla Real Estates Limited* | Wholly owned Subsidiary Company |
| | Arcilla Residency Limited* | Wholly owned Subsidiary Company |
| | Hamilton Tradecomm Limited* | Wholly owned Subsidiary Company |

* ceases to be the subsidiaries during the year.

B. Related Party Transaction: -

| Transaction | 31.03.2017 (Amt. in Rs.) | 31.03.2016 (Amt. in Rs.) |
|--|-----------------------------|-----------------------------|
| Remuneration to Managing Director – Sudip Laha | 1,56,000 | 96,000 |
| Remuneration to CFO – Lokesh Pasari | 1,08,000 | 1,08,000 |
| Remuneration to Company Secretary – Sankar Mukherjee* | 93,326 | 1,20,000 |

*Mr. Sankar Mukherjee resigned from the post of Company Secretary w.e.f. 23/01/2017

APPU MARKETING & MANUFACTURING LIMITED

C. Investment in Wholly owned Subsidiary Company:-

| Party | 31.03.2017 (Amt. in Rs.) | 31.03.2016 (Amt. in Rs.) |
|--------------------------------|-----------------------------|-----------------------------|
| Arcilla Developers Limited* | - | 5,00,000 |
| Arcilla Constructions Limited* | - | 5,00,000 |
| Arcilla Consultants Limited* | - | 5,00,000 |
| Arcilla Designers Limited* | - | 5,00,000 |
| Arcilla Housing Limited* | - | 5,00,000 |
| Arcilla Marketing Limited* | - | 5,00,000 |
| Arcilla Projects Limited* | - | 5,00,000 |
| Arcilla Real Estates Limited* | - | 5,00,000 |
| Arcilla Residency Limited* | - | 5,00,000 |
| Hamilton Tradecomm Limited* | - | 5,00,000 |

* ceases to be the subsidiaries during the year.

II. Previous year's figures have been regrouped /rearranged wherever considered necessary to confirm to current year's grouping and classification.

III. Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R.308(E) dated March 31, 2017 on the details of specified bank notes (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and others notes as per the notification is given below:-

Amount in Rs.

| Particulars | SBNs | Other Denomination Notes | Total |
|------------------------------------|-----------|--------------------------|-------------|
| Closing Cash in Hand on 08.11.2016 | 15,000.00 | 3,33,445.00 | 3,48,445.00 |
| Add : Amount withdrawn from banks | - | 10,000.00 | 10,000.00 |
| Add : Permitted receipts | - | - | - |
| Less : Permitted payments | - | 1,97,369.00 | 1,97,369.00 |
| Less : Amount deposited in Banks | 15,000.00 | - | 15,000.00 |
| Closing Cash in Hand on 30.12.2016 | - | 1,46,076.00 | 1,46,076.00 |

For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic affairs number S.O 3407(E), dated the 8th November, 2016.

APPU MARKETING & MANUFACTURING LIMITED

NOTES TO THE ACCOUNTS

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|---|---------------------|---------------------|
| 2. SHARE CAPITAL | | |
| Authorised | | |
| 1,50,00,000 Equity share of Rs. 10 each (Previous Year 1,03,50,000 Equity Shares of Rs.10 each) | | |
| | 15,00,00,000 | 15,00,00,000 |
| Issued & Subscribed | | |
| 1,45,76,500 Equity share of Rs.10 each (Previous Year 1,45,76,500 Equity Shares of Rs.10 each) | 14,57,65,000 | 14,57,65,000 |
| | 14,57,65,000 | 14,57,65,000 |
| Paid up | | |
| 1,45,76,500 Equity share of Rs. 10 each (Previous Year 1,45,76,500 Equity Shares of Rs.10 each) | 14,57,65,000 | 14,57,65,000 |
| | 14,57,65,000 | 14,57,65,000 |

- a. There has been no change/ movements in number of shares outstanding at the beginning and at the end of the reporting period.

The company has only one class of issued shares i.e Equity Shares having par value of Rs.10/- per share. Each holder of Equity Shares is entitled to One vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in ensuing Annual General Meeting , except in case of interim dividend. In the event of liquidation , the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their Shareholding.

- b. The Company does not have any Holding Company/ ultimate Holding Company but have fourteen subsidiaries Companies.

- c. Details of Shareholders holding more than 5% Shares in the Company.

| | | |
|--|-------------------------|-------------------|
| d. Equity Shares of ` 10/- each fully paid | As on 31.03.2017 | As on 31.03.2016 |
| | No. of Shares | % of Shareholding |
| | Nil | Nil |

- e. No Equity Shares have been reserved for issue under option and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

- f. No Securities convertible into Equity/ Prefrence Shares issued by the company during the year

- g. No Shares has been bought back by the company during the period of 5 years preceeding the date at which the balance sheet is prepared.

- h. No calls are unpaid by any director or officer of the company during the year

APPU MARKETING & MANUFACTURING LIMITED

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|---|------------------|------------------|
| 3. RESERVES AND SURPLUS | | |
| General Reserve | | |
| Investment Allowance Reserve | | |
| As per last financial Statements | 1,28,754 | 1,28,754 |
| Add:- During the Year | - | - |
| Balance at the end of the year-A | 1,28,754 | 1,28,754 |
| Capital Reserve | | |
| Out of Merger | | |
| As per last financial Statements | 42,87,339 | 42,87,339 |
| Add:- During the Year | - | - |
| Balance at the end of the year-B | 42,87,339 | 42,87,339 |
| Surplus as per Profit & Loss Statement | | |
| As per last financial Statements | 25,71,138 | 20,10,362 |
| (+) Profit for the year | 17,36,981 | 5,60,776 |
| (-) Proposed Dividend | 14,57,650 | |
| (-) Income Tax on Proposed Dividend | 2,52,231 | |
| Balance at the end of the year-C | 25,98,238 | 25,71,138 |
| TOTAL=A+B+C | 70,14,331 | 69,87,231 |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|--|------------------|--------------------|
| 4. TRADE PAYABLES | | |
| Total outstanding dues of micro enterprises & small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises & small enterprises | - | 3,24,97,500 |
| TOTAL | - | 3,24,97,500 |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|-------------------------------------|------------------|------------------|
| 5. OTHER CURRENT LIABILITIES | | |
| Audit Fees Payable | 16,500 | 11,500 |
| Others | 28,625 | 52,875 |
| TOTAL | 45,125 | 64,375 |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|---------------------------------|------------------|------------------|
| 6. SHORT-TERM PROVISIONS | | |
| Income Tax | 7,76,740 | 2,89,519 |
| Proposed Dividend | 14,57,650 | - |
| Income Tax on Proposed Dividend | 2,52,231 | - |
| TOTAL | 24,86,621 | 2,89,519 |

APPU MARKETING & MANUFACTURING LIMITED

Schedules Annexed to and Forming Part of the Accounts continued.....

7. FIXED ASSETS-TANGIBLE ASSETS

| 7. FIXED ASSETS-TANGIBLE ASSETS | | | | | | | | | | | Amount in | |
|---------------------------------|-------------------|-------------------------------------|--------------------------------------|--|-----------------------------|-------------------|-------------------|-----------------|---|-----------------------------|--------------------|--------------------|
| PARTICULARS | GROSS BLOCK | | | | | DEPRECIATION | | | | | NET BLOCK | |
| | As on 1-Apr-15 | Addition During The Period | Deduction During The Period | Impair- ment During The Period | Total As on 31-Mar-17 | As on 1-Apr-16 | For The Period | Adjust- ment | Adjust- ment For Impair- ment | Total As on 31-Mar-17 | As on 31-Mar-17 | As on 31-Mar-16 |
| Owned Assets Computer | 58,590 | - | - | - | 58,590 | 26,011 | 19,638 | - | - | 45,649 | 12,941 | 32,579 |
| Total A | 58,590 | - | - | - | 58,590 | 26,011 | 19,638 | - | - | 45,649 | 12,941 | 32,579 |
| Previous Year | 58,590 | - | - | - | 58,590 | 3,210 | 22,801 | - | - | 26,011 | 32,579 | |

APPU MARKETING & MANUFACTURING LIMITED

(in `)

| Particulars | As at 31/03/2017 | | As at 31/03/2016 | |
|--|------------------|-------------|------------------|-------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| 8. NON CURRENT INVESTMENTS* | | | | |
| Subsidiary Companies-Unquoted Equity Shares | | | | |
| AMM Commercial Ltd. | - | - | 50,000 | 5,00,000 |
| AMM Housing Ltd. | - | - | 50,000 | 5,00,000 |
| AMM Iron Ltd. | - | - | 50,000 | 5,00,000 |
| AMM Textiles Ltd. | - | - | 50,000 | 5,00,000 |
| Arcilla Constructions Ltd. | - | - | 50,000 | 5,00,000 |
| Arcilla Consultants Ltd. | - | - | 50,000 | 5,00,000 |
| Arcilla Designers Ltd. | - | - | 50,000 | 5,00,000 |
| Arcilla Developers Ltd. | - | - | 50,000 | 5,00,000 |
| Arcilla Housing Ltd. | - | - | 50,000 | 5,00,000 |
| Arcilla Marketing Ltd. | - | - | 50,000 | 5,00,000 |
| Arcilla Projects Ltd. | - | - | 50,000 | 5,00,000 |
| Arcilla Real Estates Ltd. | - | - | 50,000 | 5,00,000 |
| Arcilla Residency Ltd. | - | - | 50,000 | 5,00,000 |
| Hamilton Trade Comm Ltd. | - | - | 50,000 | 5,00,000 |
| Total-A | | - | | 70,00,000 |
| Quoted Equity shares | | | | |
| Impex Services Ltd. | 3,63,750 | 72,75,000 | 3,63,750 | 72,75,000 |
| Jaisukh Dealers Ltd. | 1,07,952 | 3,37,35,000 | 93,605 | 3,02,50,000 |
| Quest Financial Services Ltd. | - | - | 1,28,475 | 1,05,35,000 |
| Total-B | | 4,10,10,000 | | 4,80,60,000 |
| Unquoted Equity shares | | | | |
| Anurodh Infrastructure Pvt. Ltd. | 14,42,850 | 1,44,28,500 | 16,73,100 | 1,67,31,000 |
| Fastner Machinery Dealers Pvt. Ltd. | 26,362 | 1,31,81,000 | 39,092 | 1,95,46,000 |
| K.S.Consultancy Services Pvt. Ltd. | - | - | 2,33,333 | 7,00,000 |
| Kali Confectioners Pvt Ltd | - | - | 1,20,000 | 30,00,000 |
| Original Fashion Traders Ltd. | 16,09,500 | 1,60,95,000 | - | - |
| Vishnu Cotton Mills Ltd. | - | - | 2,20,000 | 22,00,000 |
| Total-C | | 4,37,04,500 | | 4,21,77,000 |
| Total-A+B+C | | 8,47,14,500 | | 9,72,37,000 |

* Face Value is Rs. 10/- unless specified otherwise

Market Value of Jaisukh Dealers Ltd.

35084400

30421625

Market Value of other quoted invested are not available as the same was not traded at the CSE Ltd.

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|--|------------------|------------------|
| 9. LONG TERM LOANS & ADVANCES | | |
| Other Loans & Advances | | |
| Unsecured considered Goods | | |
| Advance recoverable in cash or in kind or for value to be received | 49,600,393 | 44,320,490 |
| Advance to subsidiaries | - | 2,770,000 |
| TOTAL | 49,600,383 | 47,090,490 |

===== **APPU MARKETING & MANUFACTURING LIMITED** =====

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|---|------------------|------------------|
| 10. INVENTORIES | | |
| (As value and certified by the management) | | |
| Stock -in-Trade | - | 377,300 |
| TOTAL | - | 377,300 |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|--|------------------|------------------|
| 11. TRADE RECEIVABLES | | |
| Exceeding Six Months | | |
| Secured Considered Good | - | - |
| Unsecured Considered Good | 1,22,79,000 | - |
| Unsecured Considered Good-Subsidiaries | - | 1,22,79,000 |
| | 1,22,79,000 | 1,22,79,000 |
| within Six months | | |
| Secured Considered Good | - | - |
| Unsecured Considered Good | 20,00,000 | 2,72,25,811 |
| | 20,00,000 | 2,72,25,811 |
| TOTAL | 1,42,79,000 | 3,95,04,811 |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|--------------------------------------|------------------|------------------|
| 12. CASH AND CASH EQUIVALENTS | | |
| Balances With Banks | | |
| On Current Account | 48,18,065 | 29,861 |
| Cash in hand | 8,83,672 | 7,18,367 |
| TOTAL | 57,01,737 | 7,48,228 |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|--|------------------|------------------|
| 13. SHORT TERM LOANS & ADVANCES | | |
| Unsecured considered Goods | | |
| Advance-Others | 6,00,000 | - |
| TOTAL | 6,00,000 | - |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|--|------------------|------------------|
| 14. OTHER CURRENT ASSETS | | |
| Unsecured considered good: Others | | |
| Income Tax | 4,00,506 | 6,11,217 |
| Security Deposit | 2,000 | 2,000 |
| TOTAL | 4,02,506 | 6,13,217 |

===== **APPU MARKETING & MANUFACTURING LIMITED** =====

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|------------------------------------|------------------|------------------|
| 15. REVENUE FROM OPERATIONS | | |
| Income from Operations | 958,650 | 33,696,218 |
| Net Sales | 958,650 | 33,696,218 |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|------------------------------|------------------|------------------|
| 16. OTHER INCOME | | |
| Interest on Loan | 45,61,539 | 36,16,753 |
| Interest on Income Tax | - | 28,992 |
| Interest on TDS | 1,809 | - |
| Profit on sale of Investment | 30,000 | - |
| TOTAL | 45,93,348 | 36,45,745 |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|---------------------|------------------|------------------|
| 17. PURCHASE | | |
| Purchase | - | 3,24,97,500 |
| TOTAL | - | 3,24,97,500 |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|---|-------------------|------------------|
| 18. CHANGES IN INVENTORIES OF STOCK-IN-TRADE | | |
| Inventories at the beginning of the year | | |
| Stock of Shares & Securities | 3,77,300 | 15,00,750 |
| | 3,77,300 | 15,00,750 |
| Inventories at the end of the year | | |
| Stock of Shares & Securities | - | 3,77,300 |
| | - | 3,77,300 |
| Increase/(Decrease) in Stocks | (3,77,300) | (11,23,450) |

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|---|------------------|------------------|
| 19. EMPLOYEE BENEFITS EXPENSES | | |
| Salaries, Wages, Bonus, Gratuity & allowances | 9,69,326 | 9,86,000 |
| Director's Remuneration | 1,56,000 | 96,000 |
| Staff Welfare Expenses | - | 72,348 |
| TOTAL | 11,25,326 | 11,54,348 |

APPU MARKETING & MANUFACTURING LIMITED

(in `)

| Particulars | As on 31/03/2017 | As on 31/03/2016 |
|--|------------------|------------------|
| 20. OTHER EXPENSES | | |
| Advertisement, Publicity & sales promotion | 39,057 | 38,777 |
| Bad Debts | - | 3,50,000 |
| Bank Charges | 3,873 | 3,678 |
| BSE Penalty for suspension | 2,65,386 | - |
| Business Promotion Expenses | - | 1,72,000 |
| Conveyance Expenses | 85,473 | 81,235 |
| Custody Fees & RTA Fees | 1,63,292 | 1,14,422 |
| Filing Fees | 7,800 | 11,400 |
| Legal, Professional & Consultancy Charges | 2,62,300 | 57,904 |
| Loss on sale of Investments | - | - |
| Listing Fees | 2,58,625 | 2,44,383 |
| Miscellaneous Expenses | 1,27,429 | 79,651 |
| Office Rent | 1,20,000 | 1,08,000 |
| Packing Charges | - | 72,072 |
| Postage & Couriers Expenses | 1,13,331 | 43,259 |
| Printing & Stationery Expenses | 29,447 | 52,904 |
| Communication Expenses | - | 54,360 |
| Travelling Expenses | - | 92,865 |
| Auditor's Remuneration | | |
| Statutory Audit | 10,000 | 10,000 |
| Tax Audit | 6,500 | 6,500 |
| Others | 23,500 | 13,500 |
| TOTAL | 15,16,013 | 16,06,910 |