

ANNUAL REPORT 2016-17



CHERAMAN FUNDS MANAGEMENT LIMITED

CHERAMAN FUNDS MANAGEMENT LIMITED

CIN: U67190KL2012PLC032330

Board of Directors (as on 28.08.2017)

1. Mr. P K Ahammed - Director
2. Mr. Sherif Ahamed Cadiri - Director
3. Mr. Remesh Shenoi S - Director

Auditors

M/s Krishnamoorthy & Krishna Moorthy
Chartered Accountants, Cochin

Registered Office

33/2337-E, 2nd Floor, "Chakiapadath Building",
By pass Road, Ponnurunni, Vyttila, Ernakulam – 682019
Ph: 0484 4021403; Email: info@cheraman.com



CIN: U67190KL2012PLC032330

33/2337-E, 2nd Floor, "Chakiapadath Building", By pass Road,
Ponnuruni, Vyttila, Ernakulam - 682019; website: www.cheraman.com

NOTICE TO THE MEMBERS

Notice is hereby given that the Fifth Annual General Meeting of the Members of the Company will be held on Saturday, the **30th day of September, 2017** at **10 A M** at the **Registered office** of the Company at 33/2337-E, 2nd Floor, "Chakiapadath Building", By pass Road, Ponnuruni, Vyttila, Ernakulam – 682019 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr P K Ahammed (DIN: 01678711) who retires by rotation and being eligible, offers himself for re-appointment.
3. Ratification of Statutory Auditors' Appointment

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and pursuant to the resolution passed by the Members in respect of the appointment of Statutory Auditors at the Annual General Meeting (AGM) held on 30th September, 2016, and in accordance with the recommendations of the Board of Directors, the Company hereby ratifies and confirms the appointment of M/s Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Cochin, (Firm Regn. No: 001488S) as the Statutory Auditors of the Company from the conclusion of this

AGM till the conclusion of the AGM to be held in the calendar year 2018 on a remuneration as may be determined by the Board of Directors of the Company.”

SPECIAL BUSINESS

4. Appointment of Mr Sherif Ahamed Cadiri (DIN 02497425) as Non- Executive Director liable to retire by rotation

To consider and, if thought fit, pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr Sherif Ahamed Cadiri (DIN 02497425) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 10.03.2017, in terms of Section 161(1) of the Companies Act 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation”

by order of the Board
For **Cheraman Funds Management Limited**

Date :28.08.2017
Place: Cochin

Sd/-
Remesh Shenoi S
(DIN: 07077337)
Director

Notes:

- a) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. Proxy/ proxies need not be a member of the company. A person can act as proxy on behalf of members not

exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. A member holding more than ten percent of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The instrument of proxy in order to be effective should be deposited at the registered office of the company, duly completed and signed, not less than FORTY- EIGHT HOURS before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

- c) Corporate members intending to send their authorised representative to attend the Meeting are requested to ensure that the authorised representative carries a certified copy of the Board Resolution, Power of Attorney or such other valid authorisations, authorising them to attend and vote on their behalf at the Meeting.
- d) Members are advised to bring their copy of the annual report for reference and discussion.
- e) Members may also note that the Notice of the 5th Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.cheraman.com for their download.
- f) If a Member does not provide an updated e-mail address, the company shall not be in default for non-receipt of such Notice by the Member.
- g) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 am to 5.30 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

by order of the Board
For **Cheraman Funds Management Limited**

Date : 28.08.2017
Place: Cochin

Sd/-
Remesh Sheno S
(DIN: 07077337)
Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 103 OF THE COMPANIES ACT, 2013

Item No 4

Mr Sherif Ahamed Cadiri (DIN 02497425) was appointed as the Additional Director of the Company w.e.f 10.03.2017. Pursuant to Section 161 of the Companies Act, 2013 read with Article 109 of the Articles of Association of the Company, Mr Sherif Ahamed Cadiri Director holds office only up to the date of this Annual General Meeting of the Company and is eligible for appointment. A notice in writing has been received from a Member of the Company along with the requisite deposit under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr Sherif Ahamed Cadiri as a candidate for the office of a Director.

Mr. Sherif Ahamed Cadiri, is a graduate with over three decades of experience in various facets of banking and finance, both conventional and Islamic. He is also Member of Institute of Internal Auditors. Mr Sherif has worked with Al Ahli Bank of Kuwait - Safat, Kuwait, Kuwait Finance House (KFH) -Safat, Kuwait. First Investment Company- Safat, Kuwait, Abu Dhabi Islamic Bank (ADIB) - Abu Dhabi, UAE, First Finance Company,Doha, Qatar, and Barwa Bank, Doha, Qatar, in various departments at various levels. He has also worked as the Chief Operating officer of Cheraman Financial Services Limited .

The Board recommends the resolution for approval of the members.

Except Mr. Sherif Ahamed Cadiri, none of the Directors, key managerial persons or their relatives is interested in the resolution

INFORMATION REQUIRED TO BE FURNISHED UNDER SECRETARIAL STANDARDS - 2 ON GENERAL MEETINGS

As required under Secretarial Standards - 2, the particulars of Directors who are proposed to be appointed/re-appointed at this Meeting are given below:-

Name of Director	Mr P K Ahammed (DIN 01678711)
Age	75 years(01/07/1942)
Qualification	SSLC
Experience in specific functional area	Nil

Directorship in other Companies	<ol style="list-style-type: none"> 1. Janatha Steel Mills Pvt Ltd 2. Ahammed Roller Flour Mills Private Limited 3. Malabar Steel Castings Private Limited 4. Peekay Steel Castings Private Limited 5. Peekay Rolling Mills Private Limited 6. Peekay Agro Food Products Private Limited 7. Cherukavu Land Development Private Limited 8. Cheraman Financial Services Limited 9. Cheraman Infrastructure Private Limited 10. Realix Property Developers Private Limited 11. Cheraman Funds Management Limited 12. Pandy Roller Flour Mills Private Limited 	
Terms & Conditions of appointment	NA	
Date of First appointment	04/10/2012	
Shareholding	Nil	
Relationship with other directors	Nil	
No of Board meeting attended	Held	4
	Attended	4
Membership/ Chairmanship of Committees	Nil	

Name of Director	Mr Sherif Ahamed Cadiri (DIN 02497425)
Age	68 years (10/02/1949)
Qualification	Bachelor of Science
Experience in specific functional area	Nil
Directorship in other Companies	<ol style="list-style-type: none"> 1. Miracle Reclaim Rubber Coimbatore Private Limited
Terms & Conditions of appointment	NA

Date of First appointment	10/03/2017	
Shareholding	Nil	
Relationship with other directors	Nil	
No of Board meeting attended	Held	4
	Attended	Nil
Membership/ Chairmanship of Committees	Nil	

by order of the Board
For **Cheraman Funds Management Limited**

Date : 28.08.2017
Place: Cochin

Sd/-
Remesh Shenoi S
(DIN: 07077337)
Director



CIN: U67190KL2012PLC032330

33/2337-E, 2nd Floor, "Chakiapadath Building", By pass Road,
Ponnurunni, Vyttila, Ernakulam - 682019; website: www.cheraman.com

DIRECTOR'S REPORT

Your Directors have pleasure in submitting their Fifth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017

1. FINANCIAL RESULTS

Particulars	Amount in Rs	
	As on 31.03.2017	As on 31.03.2016
Total Revenue	Nil	Nil
Total Expenses & Exceptional items	3,95,922	5,19,901
Profit/(Loss) After Tax & Exceptional items	(3,95,922)	(5,19,901)

2. REVIEW OF PERFORMANCE

Your Company has not recorded any income during the year 2016-17. The total expenditure incurred by the Company during the year under review is Rs 3,95,922, resulting in a loss of Rs 3, 95,922 after tax & exceptional items

3. DIVIDEND

No Dividend was declared for the current financial year.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

5. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary under the provisions of the Companies Act, 2013.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

i. Retirement by Rotation

Mr P K Ahammed (DIN 01678711) Director would be liable to retire by rotation and being eligible offer himself for re-appointment. The Board of Directors of your Company recommends his re-appointment.

During the year under review, Mr. Sherif Ahamed Cadiri (DIN 02497425) was inducted to the Board as additional Director with effect from 10.03.2017, who will hold the office till the date of ensuing AGM. The Company had received notice under section 160 of the Companies Act 2013, proposing the candidature of Mr. Sherif Ahamed Cadiri for the office of directorship. Your Board recommends his appointment in the AGM.

Mr Mohammed Fayaz Salam (DIN: 05279309) Director has resigned from the Board on 13.03.2017 on personal grounds.

ii. Appointment/ Change in Chief Financial Officer and Company Secretary

As per the provisions of Companies Act, 2013, the Company is not required to appoint Key Managerial Personnel.

7. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company has conducted Four Board meetings during the financial year 2016-17 on the following dates:.

Sl. No	Date	Board Strength	No. of Directors present
1	24 th June 2016	3	3
2	13 th August 2016	3	3
3	04 th December 2016	3	2
4	28 th March 2017	3	2

8. DECLARATION OF INDEPENDENT DIRECTORS

Provisions regarding the appointment of Independent Directors are not applicable to the Company.

9. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

Presently, the Company is not required to constitute Audit Committee under the provisions of Companies act 2013.

10. SHARE CAPITAL

There is no change in share capital of the Company during the year under review.

11. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

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

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

13. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

14. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There were no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

17. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

18. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company has not developed and implemented Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013, as the said provisions are not applicable.

19. ANNUAL RETURN

The extracts of Annual Return in Form MGT- 9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure I** and is attached to this Report.

20. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement of Section 134(3)(c) and Section 134 (5) of the Companies Act, 2013 and based on the representations received from the Management, your Directors state that :

- i. in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed and there are no material departures from the same;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the Loss of the company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;

- v. the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. 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.

21. PUBLIC DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of Balance Sheet.

22. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

23. STATUTORY AUDITORS

M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Cochin were appointed as the Statutory Auditors of your Company to hold office from the conclusion of 4th Annual General Meeting till the conclusion of fifth consecutive Annual General Meeting, subject to the ratification of the appointment by the members at every Annual General Meeting. Ratification of appointment of Statutory Auditors is being sought from the Members of the Company at the ensuing Annual General Meeting.

The Company has received letters from M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) of the Act and that they are not disqualified from appointment as Statutory Auditors of the Company.

24. PARTICULARS OF EMPLOYEES

During the financial year 2016-17, no employee of the Company was in receipt of remuneration exceeding the limits prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

25. DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

26. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

- a) Details relating to deposits covered under Chapter V of the Companies Act 2013.
- b) Issue of equity shares with differential right as to dividend, voting or otherwise
- c) Issue of shares (including sweat equity shares) to employees of the company under any scheme save and except ESOP referred to in this report.
- d) No significant or material orders were passed by the regulators or Courts or tribunals which impact the going concern status and Company's operation in future.

27. ACKNOWLEDGEMENTS

The Directors place on record their appreciation for the support and services rendered by the shareholders, Government of Kerala and its agencies and officials, bankers, business associates and the employees of the company. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

Date: 28.08.2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Cochin

Sd/-

P K Ahammed

DIN:01678711

Director

Sd/-

Remesh Shenoi S

DIN:07077337

Director

Form No. MGT-9

EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON 31.03.2017

[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	U67190KL2012PLC032330
ii.	Registration Date	04/10/2012
iii.	Name of the Company	CHERAMAN FUNDS MANAGEMENT LIMITED
iv.	Category / Sub-Category of the Company	Limited by shares & Company having share capital
v.	Address of the Registered office and contact details	33/2337- E, NH By pass Road, Ponnurunni, Vyttila, Kochi PIN 682019
vi.	Whether listed company	Yes / No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

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:-

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Investment Management activities	66309	NA

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% Of Shares Held	Applicable Section
1	Cheraman Financial Services Limited 33/2337- E, NH By pass Road, Ponnurunni, Vyttila, Kochi PIN 682019	U65923KL2009PLC025082	Holding	100	2(87)(ii)

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1750000	1750000	100	-	1750000	1750000	100	nil

ii. Shareholding of Promoter-

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s Cheraman Financial Services Limited	1750000	100	Nil	1750000	100	Nil	Nil

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

Sl No	Name	Shareholding at the beginning of the year		Date wise Increase / Decrease in Promoters Shareholding during the year			Cumulative Shareholding during the year March 31, 2017	
		No of Shares	% of the total share of the company	Date	Increase / Decrease in Promoter's Share holding during	Reason	No of Shares	% of shares

					the year			
1	M/s Cheraman Financial Services Limited	1750000	100	No Change			1750000	100

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

SN	Name of share holder	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
	Nil	Nil	Nil	Nil	Nil	Nil

v. Shareholding of Directors and Key Managerial Personnel:

Sl No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Date wise Increase / Decrease in Promoters Shareholding during the year			Cumulative Shareholding during the year March 31, 2017	
		No of Shares	% of the total share of the company	Date	Increase / Decrease in Promoters Share holding during the year	Reason	No of Shares	% of shares
1	Remesh shenoi S*	0	0	22/08/2015	1	Transfer	1	1

* beneficial interest of the shares are with Cheraman Financial Services 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	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

B. Remuneration to other directors: NA

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> - Fee for attending board committee meetings - Commission - Others, please specify					Nil
	Total (1)					Nil
	<u>Other Non-Executive Directors</u> - Fee for attending board committee meetings - Commission - Others, please specify					Nil
	Total (2)					Nil
	Total (B)=(1+2)					Nil
	Total Managerial Remuneration					Nil
	Overall Ceiling as per the Act					Nil

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD - NA

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary*	CFO	Total
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	<u>Nil</u>	NA	NA	NA
		<u>Nil</u>	NA		NA
		<u>Nil</u>	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	<u>Nil</u>	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

Date: 28.08.2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place:Cochin

Sd/-

P K Ahammed

DIN 01678711

Director

Sd/-

Remesh Sheno S

DIN:07077337

Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHERAMAN FUNDS MANAGEMENT LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of **Cheraman Funds Management Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the 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 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:

- (i) in the case of balance sheet, of the state of affairs of the Company as at 31st March, 2017
- (ii) in the case of the Statement of profit and Loss, of the loss of the Company for the year ended on that date;
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Emphasis of Matter Paragraph

We draw attention to the following matter in the Notes to the financial statements:

- a. Note no.19 to the financial statements which indicate that the company has accumulated losses and its net worth has fully eroded, the Company has incurred a net cash loss during the current and previous years, and the Company's current liabilities exceeded its current assets as at the balance Sheet date. These conditions along with other matters set forth in Note 19, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. 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 books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 B"; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) Referring to Note No.17 of the financial statements, the Company has disclosed the impact of pending litigations on its financial position in its financial statements.

- ii) As mentioned in Note No.18 to the financial statements, 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) The Company has provided requisite disclosures in Note No.8.1 to the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8 November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

For Krishnamoorthy and Krishnamoorthy

Chartered Accountants

FRN: 001488S

Place: Cochin - 16

Date: 28/08/2017

Sd/-

K T Mohanan

Partner (M No.201484)

“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CHERAMAN FUNDS MANAGEMENT LIMITED FOR THE YEAR ENDED 31ST MARCH 2017

- (i) a) The company has maintained records showing full particulars, including quantitative details and situation of fixed assets;
 - b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed have been noticed.
 - c) The Company do not have any immovable properties having title deeds and hence this clause is not applicable to the Company during the period under report and hence not commented upon.
- (ii) The nature of the Company’s activities during the year has been such that clauses (ii) of the paragraph 3 of the companies (Auditor’s Report) Order, 2016 are not applicable to the company.
 - (iii) The company has not granted any loans, secured or unsecured to companies, firms Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, paragraphs (iii) (a), (b) and (c) of CARO 2016 are not applicable.
 - (iv) The Company has not granted loans, made investments, given guarantees or security attracting the provisions of section 185 and section 186 of the Companies Act, 2013 during the period under report.
 - (v) The Company has not accepted deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

- (vi) As per the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, in respect of goods and services provided by the company.
- (vii) (a) According to the information and explanations furnished to us and according to the examination of the records, the company is regular in depositing undisputed statutory dues including income-tax, service tax, duty of customs, value added tax, cess and any other statutory dues with the appropriate authorities during the year. There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of exercise, value added tax outstanding on account of any dispute.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not taken any loan either from banks, or any financial institution or from the Government and has not issued any debentures during the year under report and hence the provisions of paragraph 3(vii) of the Order are not applicable to the Company and hence not commented upon.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to 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 and term Loans. Accordingly, the provisions of paragraph 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud either by the Company or on the company by its officers/ employees, has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration and hence the provisions of paragraph 3 (x) of the Order are not applicable to the Company during the year under report and hence not commented upon

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, transactions with related parties are in compliance with sections 177 and 188 of the Companies Act 2013 and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly the paragraph 3(xiv) of the order is not applicable to the Company and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, 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 paragraph 3(xvi) of the Order is not applicable to the Company and hence not commented upon.

For Krishnamoorthy and Krishnamoorthy

Chartered Accountants

FRN: 001488S

Place: Cochin – 16

Date: 28/08/2017

Sd/-

K T Mohanan

Partner (M No.201484)

“ANNEXURE B” REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CHERAMAN FUNDS MANAGEMENT LIMITED FOR THE YEAR ENDED 31ST MARCH 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Cheraman Funds Management 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 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 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, 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 Krishnamoorthy and Krishnamoorthy

Chartered Accountants

FRN: 001488S

Place: Cochin – 16

Date: 28/08/2017

Sd/-

K T Mohanan

Partner (M No.201484)

CHERAMAN FUNDS MANAGEMENT LIMITED

BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Note No.	AS AT 31st March 2017 Amount (INR)	AS AT 31st March 2016 Amount (INR)
I. <u>EQUITY AND LIABILITIES</u>			
1 Shareholder's Funds			
a. Share Capital	2	17,500,000	17,500,000
b. Reserves and Surplus	3	(20,989,410)	(20,593,488)
2 Current Liabilities			
a. Short term Borrowings	4	5,040,000	4,900,000
b. Other Current Liabilities	5	159,463	141,342
Total		1,710,053	1,947,854
II. <u>ASSETS</u>			
1 Non-Current Assets			
a. Fixed Assets	6		
i. Tangible Assets		524,009	656,347
ii. Intangible Assets		2	2
b. Long Term Loans and Advances	7	500	500
2 Current Assets			
a. Cash and Bank Balances	8	102,198	207,661
b. Short-Term Loans and Advances	9	1,083,344	1,083,344
Total		1,710,053	1,947,854

Significant Accounting Policies

1

The accompanying notes form an integral part of the financial statements.

As per our Report of even date

For Krishnamoorthy & Krishnamoorthy

For and on behalf of the Board of Directors

Chartered Accountants

(Firm Regn.No.001488S)

Sd/-

K T Mohanan

Partner

(M No.201484)

Sd/-

Remesh Shenoi S

Director

Din:07077337

Sd/-

PK Ahammed

Director

Din:01678711

Place: Kochi

Date: 28th August 2017

Place : Kochi

Date: 28th August 2017

CHERAMAN FUNDS MANAGEMENT LIMITED

Statement of Profit and Loss for the Year Ended 31st March, 2017

Particulars	Note No.	For the Year Ended 31.03.2017 Amount (INR)	For the Year Ended 31.03.2016 Amount (INR)
I Income			
a) Revenue from Operations		-	-
b) Other Income		-	-
Total Revenue (a+b)		-	-
II Expenses:			
a) Employee Benefit Expenses	10	1,200	8,243
b) Depreciation and Amortisation Expenses	6	132,337	143,807
c) Other Expenses	11	262,385	367,851
Total Expenses (a+b+c)		395,922	519,901
III. Profit/(Loss) before exceptional and items and tax (I -II)		(395,922)	(519,901)
IV. Exceptional Items		-	-
V. Profit/(Loss) Before Tax (III-IV)		(395,922)	(519,901)
VI. Tax Expense:			
a) Current Tax		-	-
b) Deferred Tax		-	-
VII. Profit/(Loss) After Tax (V-VI)		(395,922)	(519,901)
VIII. Earning per Equity Share of Rs.10 each	12		
(1) Basic & Diluted		(0.23)	(0.30)

Significant Accounting Policies

1

The accompanying notes form an integral part of the financial statements.

As per our Report of even date

For Krishnamoorthy & Krishnamoorthy

Chartered Accountants

(Firm Regn.No.001488S)

For and on behalf of the Board of Directors

Sd/-

K T Mohanan

Partner

(M No.201484)

Sd/-

Remesh Sheno S

Director

Din:07077337

Sd/-

PK Ahammed

Director

Din:01678711

Place: Kochi

Date: 28th August 2017

Place : Kochi

Date: 28th August 2017

CHERAMAN FUNDS MANAGEMENT LIMITED
Cash Flow Statement For The Year Ended 31st March 2017

Particulars	2016-17	2015-16
	Amount (INR)	Amount (INR)
A. Cash Flow From Operating Activities		
Profit/(Loss) Before Tax & Exceptional Items	(395,922)	(519,901)
Adjustments for:		
Depreciation and Amortisation	132,337	143,807
Operating Profit before working capital changes	(263,585)	(376,094)
Movements in working capital :		
Increase/ (decrease) in short term borrowings		
Increase/ (decrease) in other current liabilities	18,122	(209,352)
Increase/ (decrease) in short term provisions	-	-
Decrease / (increase) in long-term loans and advances	-	-
Decrease / (increase) in short-term loans and advances	-	240
Net change in working capital	18,122	(209,112)
Cash generated from/(used in) operations	(245,463)	(585,206)
Direct Taxes Paid (net of Refund)	-	-
Cash generated from /(used in) from operating activities (A)	(245,463)	(585,206)
B. Cash Flow from Investing Activities		
Purchase of Fixed assets	-	-
Net cash flow from/(used in) investing activities (B)	-	-
C. Cash Flow from Financing Activities		
Proceeds from issue of Share capital	-	
Proceeds from Short term borrowing	140,000	400,000
Net cash flow from/(used in) financing activities (C)	140,000	400,000
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(105,463)	(185,206)
Cash & Cash Equivalents at the beginning of the year	207,661	392,867
Cash & Cash Equivalents at the end of the year (Note 8)	102,198	207,661

As per our Report of even date

For Krishnamoorthy & Krishnamoorthy

For and on behalf of the Board of Directors

Chartered Accountants
(Firm Regn.No.001488S)

Sd/-

K T Mohanan
Partner
(M No.201484)

Sd/-

Remesh Shenoi S
Director
Din:07077337

Sd/-

PK Ahammed
Director
Din:01678711

Place: Kochi
Date: 28th August 2017

Place : Kochi
Date: 28th August 2017

NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

1 Significant Accounting Policies

1.1 Basis of Accounting

The financial statements of the Company are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP), on accrual basis under historical cost convention as a going concern. The Company has prepared these financial statements to comply with the requirements of 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 accounting policies adopted for the preparation of financial statements are consistent with those of the previous year except when a newly issued accounting standards is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use and when the statute mandate the change.

1.2 Use of Estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period.

1.3 Tangible & Intangible Assets

Tangible and Intangible assets are stated at original cost of acquisition / installation net off accumulated depreciation, amortization and impairment losses. The cost of fixed assets includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition/installation.

1.4 Impairment of Tangible & Intangible Assets

At each Balance Sheet date, the company reviews the carrying amount of fixed assets to determine whether there is any indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

1.5 Depreciation of Tangible & Intangible Assets

Depreciable amount for Tangible & Intangible Assets is the cost of the asset, or other amount substituted for the cost, less its estimated residual value.

Depreciation on tangible assets has been provided on the Straight-Line Method (SLM) by adopting the useful life prescribed as per Part C of Schedule II to the Companies Act, 2013 and retaining 5% of the original cost as residual value, except for assets having value less than Rs.10,000/- which are depreciated at 100% in the year of purchase.

Cost of Software is treated as Intangible Assets and is amortised over a period of three years in accordance with Accounting Standard (AS) 26.

1.6 Investments

Investments intended to be held for not more than one year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

1.7 Preliminary Expenses

Preliminary/Preincorporation expenses incurred are written off to Statement of Profit & Loss in the year in which it is incurred in accordance with Accounting Standard 26 issued by ICAI.

1.8 Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the employee has rendered service.

The Company provides Gratuity/Leave Encashment benefit to all employees which is a defined benefit plan. This liability is unfunded and the company pays these benefits as and when the employee leaves the organization. Provision for the year is made on the assumption that this benefit is to be paid to all employees at the end of the accounting year.

1.9 Taxes on Income

Current Tax is provided and determined as the amount of tax payable in respect of taxable income for the period. Deferred Tax is provided and recognized on timing differences between taxable income and accounting income subject to consideration of prudence. Deferred tax is not recognized as assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.

1.10 Provisions and Contingencies

A provision is recognised when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. 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. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

1.11 Cash Flow Statement

Cash Flows are reported using the Indirect Method, whereby net profit before tax is adjusted for the effect of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Notes to the Financial Statement For The Year Ended 31st March 2017

2 Share Capital

Particulars	31st March 2017 Amount (INR)	31st March 2016 Amount (INR)
Authorised Capital		
17,50,000 (10,00,000) Equity Shares of Rs. 10/- each	17,500,000	17,500,000
Issued and Subscribed and Paid Up:		
17,50,000 (17,50,000) Equity Shares of Rs. 10/- each	17,500,000	17,500,000
	17,500,000	17,500,000

2.1 Terms/ Rights Attached to Equity Shares:

The company has only one class of equity shares having par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.2 Reconciliation of Outstanding Shares

Particulars	31st March 2017		31st March 2016	
	No of shares	Amount (INR)	No of shares	Amount (INR)
Opening as on 1st April	1,750,000	17,500,000	1,750,000	17,500,000
Closing as on 31st March	1,750,000	17,500,000	1,750,000	17,500,000

2.3 Details of Shareholders Holding more than 5% Shares of the Company

Name of the Shareholder	No. of shares as on 31st March 2017	% of holding	No. of shares as on 31st March 2016	% of holding
Cheraman Financial Services Ltd	1,750,000	100%	1,750,000	100%

3 Reserves & Surplus

Particulars	31st March 2017 Amount (INR)	31st March 2016 Amount (INR)
a) Surplus (Deficit) in Statement of Profit & Loss		
Opening Balance	(20,593,488)	(20,073,587)
Add : Profit/(Loss) for the year	(395,922)	(519,901)
TOTAL	(20,989,410)	(20,593,488)

4 Short term Borrowings

Particulars	31st March 2017 Amount (INR)	31st March 2016 Amount (INR)
Unsecured Loan		
- From Related Party	5,040,000	4,900,000
TOTAL	5,040,000	4,900,000
The loan represents interest free unsecured loan taken from Holding company in the ordinary course of business and are repayable on demand.		

5 Other Current Liabilities

Particulars	31st March 2017 Amount (INR)	31st March 2016 Amount (INR)
a) Statutory Payables	1,501	100
b) Other Payables	157,962	141,242
TOTAL	159,463	141,342

7 Long Term Loans and Advances

Particulars	31st March 2017	31st March 2016
	Amount (INR)	Amount (INR)
Unsecured, Considered Good		
(a) Security and Other Deposits	500	500
TOTAL	500	500

8 Cash and Bank Balances

Particulars	31st March 2017	31st March 2016
	Amount (INR)	Amount (INR)
Cash & Cash Equivalents		
i) Balance with Banks		
- On Current Account	95,096	199,472
ii) Cash on Hand	7,102	8,189
TOTAL	102,198	207,661

8.1 Disclosure on Specified Bank Notes (SBNs)

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

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8 th November 2016	-	7,282.00	7,282.00
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	50.00	50.00
(-) Amount deposited in banks	-	-	-
Closing cash in hand as on 30th Decemeber 2016	-	7,232.00	7,232.00

9 Short-Long Term Loans & Advances

Particulars	31st March 2017	31st March 2016
	Amount (INR)	Amount (INR)
Unsecured and Considered Good		
a) Cheraman Fund (Refer Note No.14)	1,083,344	1,083,344
b) Other Advances	-	-
TOTAL	1,083,344	1,083,344

10 Employee Benefit Expenses

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
	Amount (INR)	Amount (INR)
Salaries, Wages and Bonus	-	-
Contribution to Provident and Other Funds	1,200	8,243
Staff Welfare Expenses	-	-
TOTAL	1,200	8,243

11 **Other Expenses**

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
	Amount (INR)	Amount (INR)
Rent	178,714	267,100
Professional Charges	36,650	45,477
Postage, Internet & Telephone Expenses	335	880
Electricity Charges	-	1,522
Annual Maintenance Contract	11,770	11,685
Generator Running Expense	2,816	6,608
Office General Expenses	2	1,100
Rates & Taxes	11,090	12,677
Bank Charges	1,008	802
Payment to Auditor		
a) As Auditor	20,000	20,000
TOTAL	262,385	367,851

12 **Earnings Per Share**

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
	Amount (INR)	Amount (INR)
Profit / (Loss) Attributable to Equity Share Holders	(395,922)	(519,901)
Weighted Average number of Equity Share Outstanding (Nos)	1,750,000	1,750,000
Earnings Per Share	(0.23)	(0.30)

13 **Disclosure of transactions with related parties as required by Accounting Standard - 18 on Related Party Disclosures as prescribed by Companies (Accounting Standard) Rules, 2006**

13.1 **Details of Related Parties**

Description of Relationship	Name of Related Parties
Holding Company	Cheraman Financial Services Ltd.
Fellow Subsidiary	Cheraman Infrastructure Private Ltd. Suits India Private Ltd.
Persons having significant influence over the company	-
Enterprises under control of persons having significant influence over the company and with whom transactions were carried out during the year	-

13.2 Details of Related Party Transactions during the year ended 31st March, 2017

Name of Related Party	Nature of Transaction	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
		Amount (INR)	Amount (INR)
Cheraman Financial Services Ltd	Unsecured Loan Taken	140,000	400,000
	Outstanding Loan Balance at the end of the year	5,040,000	4,900,000
	Expense Reimbursement Paid	-	88,775

14 Loans & Advances to Cheraman Fund represents various expenses incurred in setting up the Alternate Investment Fund and to be recovered from the contributors of the scheme.

15 The Management had made an effort to identify components having significant cost to the total cost of the asset and is having different useful life than that of the whole of the asset. Based on a technical evaluation no components having these characteristics had been identified, which is having a material impact on the measurement of depreciation.

16 **Contingent Liabilities, Commitments (to the extent not provided for)**

(Disclosed in terms of Accounting Standard –29 on Provisions, Contingent Liabilities & Contingent Assets notified by the Companies (Accounting Standards) Rules, 2006.

a) Contingent Liabilities:

- i) Claims against the company not acknowledged as debt - Nil
- ii) Others - Nil

b) Commitments - Nil

17 **Litigations:** The Company is not subject to any legal proceedings and claims, which have arisen in the ordinary course of business.

18 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

19 The Company has accumulated loss and its net worth is fully eroded as on the balance sheet date. However, the business plan of the company is having future prospects and it is expected that the performance of the Company in the coming years will improve so as to wipe off the accumulated loss in near future. Further the Holding Company is having the ability to infuse sufficient funds. Therefore, the company is having the ability to continue as going concern as on the date of Balance Sheet.

20 Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosure.

Signatures to Note 1 to 20 forming integral part of accounts.

As per our Report of even date

For Krishnamoorthy & Krishnamoorthy

For and on behalf of the Board of Directors

Chartered Accountants

(Firm Regn.No.001488S)

Sd/-

Sd/-

Sd/-

K T Mohanan

Remesh Sheno S

PK Ahammed

Partner

Director

Director

(M No.201484)

Din:07077337

Din:01678711

Place: Kochi

Place : Kochi

Date: 28th August 2017

Date: 28th August 2017

6 Fixed Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2016	Additions	As at 31.03.2017	As at 01.04.2016	For the Year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
A. Tangible Assets								
Computer	29,700	-	29,700	28,216	-	28,217	1,483	1,484
Generator	742,683		742,683	202,475	76,382	278,857	463,826	540,208
Office Equipments	245,752		245,752	131,097	55,956	187,052	58,700	114,655
Total Tangible Assets (A)	1,018,135	-	1,018,135	361,788	132,337	494,126	524,009	656,347
B. Intangible Assets								
Computer Software	17,600		17,600	17,598	-	17,598	2	2
Total Intangible Assets (B)	17,600	-	17,600	17,598	-	17,598	2	2
Total (A+B)	1,035,735	-	1,035,735	379,386	132,337	511,724	524,011	656,349
Previous Year	1,035,735	-	1,035,735	235,579	143,807	379,386	656,349	800,156



CIN: U67190KL2012PLC032330

33/2337-E, 2nd Floor, "Chakiapadath Building", By pass Road,
Ponnurunni, Vyttila, Ernakulam – 682019; website: www.cheraman.com

Name of Company	Cheraman Funds Management Limited
CIN	U67190KL2012PLC032330
Registered Office	3/2337-E, 2nd Floor, "Chakiapadath Building", By pass Road, Ponnurunni, Vyttila, Ernakulam – 682019;

Name of the Member(s):	
Registered address:	
E-mail Id:	
Folio No.	

I/We, being the Member(s) of shares of the above named Company, hereby appoint

Name of the Member(s):	
Registered address:	
E-mail Id:	
Signature	

Or failing him

Name of the Member(s):	
Registered address:	
E-mail Id:	
Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 4th Annual general meeting of the company, to be held on **Saturday, the 30th day of September, 2017** at **10 A M** at the **Registered office** of the Company at 33/2337-E, 2nd Floor, "Chakiapadath Building", By pass Road, Ponnurunni, Vyttila, Ernakulam – 682019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars
1	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2	To appoint a Director in place of Mr P K Ahammed (DIN 01678711) who retires by rotation and being eligible, offers himself for re-appointment.
3	To Ratify Statutory Auditors' Appointment
4	To appoint Mr Sherif Ahamed Cadiri (DIN 02497425) as Director liable to retire by rotation.

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

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



CIN: U67190KL2012PLC032330

33/2337-E, 2nd Floor, "Chakiapadath Building", By pass Road,
Ponnuruni, Vyttila, Ernakulam – 682019; website: www.cheraman.com

ATTENDANCE SLIP

Folio No:

I residing at
..... hereby record my presence at
the 5th Annual General Meeting of the Company held on **Saturday**, the **30th day of
September, 2017** at **10 A M** at the **Registered office** of the Company at 33/2337-E,
2nd Floor, "Chakiapadath Building", By pass Road, Ponnuruni, Vyttila, Ernakulam –
682019.

Member's signature

NOTE : Please fill in this attendance slip and hand it over at the entrance of the meeting place: