



# APM INDUSTRIES LIMITED

[Unit : Orient Syntex]



IS/ISO 9001 - 2008

Regd. Office & Works : SP-147, RIICO Industrial Area , Bhiwadi, Distt. Alwar (Rajasthan) - 301019 (India)  
Phone No. 9694090890, 9694090891 & 9694090892 Fax No. 01493 220228 E - mail : [orientsyntex@yahoo.in](mailto:orientsyntex@yahoo.in)  
CIN : L21015RJ1973PLC015819

## FORM - A

### COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGES PURSUANT TO CLAUSE 31 OF THE LISTING AGREEMENT

- 1 Name of the company : **APM INDUSTRIES LIMITED**
- 2 Annual financial statements for the year ended : March 31, 2015
- 3 Type of audit observation : Un-qualified
- 4 Frequency of observation : Not applicable
- 5 Signed by:

a) R K Rajgarhia  
Chairman & Managing Director

*R. Rajgarhia*



b) K R Gupta  
Director & Chairman of Audit Committee

*K. Gupta*



c) H R Sharma  
Executive Director

*H. Sharma*



d) C S Vijay  
Vice President (Coml.) - CFO

*C. S. Vijay*



e) Pankaj Chaturvedi, Chaturvedi  
& Co. (Statutory Auditors)

*Pankaj Chaturvedi*



**41<sup>st</sup>**  
**A****NNUAL**  
**REPORT**  
**2014-2015**

**APM INDUSTRIES LIMITED**

**APM INDUSTRIES LIMITED**

CIN No. L21015RJ1973PLC015819

**CIN NO.**  
**L21015RJ1973PLC015819****BOARD OF DIRECTORS****R K RAJGARHIA**  
Chairman & Managing Director**K R GUPTA****S G RAJGARHIA****R R BAGRI****UMA HADA****H R Sharma**  
Executive Director**AUDITORS**  
Chaturvedi & Co.**BANKERS**  
Punjab National Bank  
State Bank of Bikaner & Jaipur**CORPORATE OFFICE**  
910, Chiranjiv Tower,  
43, Nehru Place  
New Delhi - 110019  
Tel : 011 – 26441015 – 17  
Fax : 011 – 26441018  
E-mail : [delhi@apmindustries.co.in](mailto:delhi@apmindustries.co.in)**COMPANY SECRETARY**  
**JYOTI UPADHYAY****REGISTERED OFFICE & WORKS**  
SP-147, RIICO Industrial Area  
Bhiwadi, Dist. Alwar  
(Rajasthan) - 301019  
Tel. : 01493 – 522400  
Fax : 01493 – 522413  
Email : [bhiwadi@apmindustries.co.in](mailto:bhiwadi@apmindustries.co.in)**WEBSITE**  
[www.apmindustries.co.in](http://www.apmindustries.co.in)**CONTENTS**

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## **NOTICE TO THE MEMBERS**

**NOTICE** is hereby given that the 41<sup>st</sup> Annual General Meeting of the Members of **APM Industries Limited** will be held on **Friday the 25<sup>th</sup> day of September, 2015 at 11.30 A.M.**, at its Registered Office at **SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan)** to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2015, the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To confirm the two interim dividends aggregating to Rs 2.70 per equity share as final dividend, already paid for the year ended 31<sup>st</sup> March, 2015.
3. To appoint a Director in place of Shri S G Rajgarhia, who retires by rotation and being eligible, offers himself for re-appointment.
4. 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 Section 139 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Chaturvedi & Co., Chartered Accountants (Firm Registration No. 302137E), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors of the Company."

### **SPECIAL BUSINESS**

5. **To Appoint Smt Uma Hada (DIN: 06463684) as an Independent Director**

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 section 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Companies (Appointment and Qualification of Directors) Rules, 2014 and clause 49 of the Listing Agreement, amended up to the date, **Smt Uma Hada (DIN: 06463684)**, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office, for five consecutive years for a term up to the conclusion of the 46th Annual General Meeting of the Company in the Calendar Year 2020."

6. **To revise the remuneration of Shri H R Sharma (DIN: 00178632), Whole Time Director in the Company**

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

**"RESOLVED THAT** in partial modification of the resolution passed at the 38th Annual General Meeting held on 15th September 2012 and pursuant to Section 197, 198 and other applicable provisions and rules and regulations made there under, read with Section II of Part II of Schedule V of the Companies Act 2013 (including any statutory modification or re-enactment thereof, for the time being in force), consent of members of the Company be and is hereby accorded to revise the remuneration of Shri H R Sharma, Whole Time Director in

the Company, with effect from 01st July 2015, at the remuneration, perquisite and other benefit upon the terms and conditions as set out in explanatory statement of this Notice."

7. **Ratification of Remuneration to Cost Auditor**

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 Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting."

- 8.. **Borrowing limits of the Company**

To consider and if thought to fit to pass with or without modification(s), the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting of the Company held on September 30, 2006 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 75 crore."

9. **Creation of charge / Mortgage on the assets of the Company**

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

**"RESOLVED THAT** in supersession of the resolution passed under Section 293(1)(a) of the Companies Act, 1956, at the Annual General Meeting of the Company held on September 30, 2006 and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors to mortgage and/or create charge on all or any of the movable and immovable properties of the Company including the movable current assets viz., stocks, book debts etc., both present and future or the whole of the undertaking or undertakings of the Company for securing any loan, working capital facilities or other facilities obtained or as may be obtained from any financial institutions, banks, Mutual Funds or any corporate body or bodies or any other person from whom the loan is taken, together with interest, costs, charges, expenses and other moneys payable by the Company within the overall borrowing powers delegated to the Board of Directors pursuant to Section 180(1)(a) of the Companies Act, 2013."

**Registered Office:**  
SP-147, RIICO Industrial Area,  
Bhiwadi, Dist. Alwar (Rajasthan)

New Delhi  
August 5, 2015

By Order of the Board

**Jyoti Upadhyay**  
Company Secretary

# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

## NOTES

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 3 and 5 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.

3. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.**

**A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**

**A member can opt for only one mode i.e. through remote e-voting or voting at Annual General Meeting. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and the voting at Annual General Meeting shall be treated as invalid.**

4. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
5. The Company has transferred the unpaid or unclaimed dividends declared up to financial year 2006-07, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company [www.apmindustries.co.in](http://www.apmindustries.co.in) as also on the website of the Ministry of Corporate Affairs.
6. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
7. The company sub-divided the face value of equity shares from Rs.10 to Rs.2. Members were advised to surrender their old share certificates for exchange with the new ones. Members, who have not already exchanged their old certificates which anyway ceased to be valid from that date, may do so by sending the old certificates to the Registrar/Company.

The members are requested to get their shares dematerialized. The company's ISIN Code **INE170D01025** pursuant to change in face value.

8. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository

Participants. Members who hold shares in physical form are requested to send their e-mail address to the following:

**[delhi@apmindustries.co.in](mailto:delhi@apmindustries.co.in)**

The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

9. (a) In accordance with the provision of section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, and Clause 35B of the Listing Agreement, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (e-voting) to all its members. The company has engaged the services of National Securities Depository Limited (NSDL) to provide remote e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this remote e-voting facility is optional. This facility will be available at the link [www.evoting.nsdl.com](http://www.evoting.nsdl.com) during the following voting period:

Commencement of remote e-voting : From **9.00 A.M.** on **September 22, 2015 (Tuesday)**

End of remote e-voting : Upto **5.00 P.M.** on **September 24, 2015 (Thursday)**

E-voting shall not be allowed beyond 5.00 P.M., on **September 24, 2015 (Thursday)**. During the E-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cutoff date, may cast their vote electronically. The cut-off date for eligibility for e-voting is **September 18, 2015 (Friday)**

Contact details of concerned person for e-voting:

Jyoti Upadhyay  
Company Secretary  
Ph. No. 011-26441015

- (b) The company has engaged the services of Skyline Financial Services Private Limited as the Authorized Agency to provide e-voting facilities.
- (c) The company has appointed Mr Ravi Sharma (FCS 4468), a Practicing Company Secretary, CP No. 3666, as 'scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.
- (d) The login ID and password for remote e-voting are being sent to the members, who have not registered their e-mail IDs with the company, along with physical copy of the notice. Those members who have registered their e-mail IDs with the company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- (e) "Voting by electronic means" or "electronic voting system" means a 'secured system' based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate 'cyber security'.
- (f) "remote e-voting" means the facility of casting vote by a member using an electronic voting system from a place other than venue of a general meeting;

It also helps the shareholders to cast their vote from anywhere and at any time during E-voting period.

10. The results shall be declared after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.apmindustries.co.in](http://www.apmindustries.co.in) and communicated to the Stock Exchanges.

11. The register of members and share transfer books of the Company will remain closed from **September 19, 2015 (Saturday)** to **September 22, 2015 (Tuesday)**, both days inclusive.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statements, as required under Section 102 (1) of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 5 to 9 of the accompanying Notice.

**ITEM NO. 5**

The Nomination and Remuneration Committee of the Board has recommended the appointment of Smt Uma Hada as an Independent Director under the Act and Clause 49 of Listing Agreement to hold office for a term of five consecutive years for a term up to the conclusion of the 46th Annual General Meeting of the Company in the Calendar Year 2020. Smt Uma Hada (DIN: 06463684), aged 67 years, is a B.A. graduate. She joined the Board of the company on 08.04.2015 as a Woman Director; whose term of office expires at this Annual General Meeting. The Company has received a notice in writing from a member along with a deposit of the requisite amount under section 160 of the Companies Act, 2013 proposing the Candidature of Smt Uma Hada for the Office of Independent Director of the Company.

In the opinion of the Board, Smt Uma Hada fulfills the conditions specified in the Companies Act, 2013 for such an appointment and is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as Director. Smt Uma Hada, has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act.

The Board recommends the passing of ordinary resolution in relation to the appointment of Smt Uma Hada as an Independent Director not liable to retire by rotation.

Except Smt Uma Hada, being an appointee, none of the Directors and Key Managerial personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item No. 5.

**ITEM NO. 6**

The Board of Directors of the Company at their meeting held on August 5, 2015, revised the remuneration being paid to Shri H R Sharma, as Executive Director (whole time) of the Company for the remaining period of his tenure i.e. upto 28th February, 2017 on mutually agreed terms, subject to the consent of shareholders at a general meeting.

The principal terms and conditions governing the payment of remuneration as recommended by the Nomination and Remuneration Committee of Shri H R Sharma are as under:

**a) Salary**

- i. Basic salary – in the range of Rs. 3,00,000/- to Rs. 5,00,000/- per month w.e.f. 01.07.2015 Rs. 3,00,000/- per month will be paid, thereafter the Board shall fix increments within the above ceiling till his tenure. Other allowances, bonus, perquisites etc. shall also increase accordingly.

- ii. Bonus / Exgratia shall be paid, as payable to Senior Executives of the Company but not exceeding 20% of basic salary.

**b) Perquisites**

**PART- A**

**i. Housing**

Rent free furnished residential accommodation with free electricity the monetary value of which will be evaluated as per Rules 3 of the Income Tax Rules, 1962.

**OR**

In case own premises are occupied, then house rent allowance payable as per rules of the Company but not exceeding 60% of basic salary. The expenses on electricity will be borne by the Company.

**ii. Medical Benefits for self and family**

The total cost of medical expenses/ allowance to the Company shall not exceed one month salary per year or three months' salary in a period of three years.

**iii. Leave**

Leave and leave encashment as per rules of the Company.

**iv. Leave travel allowance/ concession**

For self and family once in a year shall not exceed one month salary per year.

**v. Club fees**

Fees of clubs subject to a maximum of two clubs. This will not include admission and life member-ship fees.

**PART- B**

**i. Provident Fund**

The Company's contribution towards Provident Fund as per rules of the Company.

**ii. Gratuity**

Not exceeding half month salary for each completed year of service according to the Company's Scheme.

**PART- C**

**i. Conveyance**

The Company will provide a Car with driver partly for official use and partly for private purpose. The car provided for private purpose will be considered as perquisites as per Income Tax Rules.

**ii. Telephone**

The Company shall provide telephone at residence at Company's cost.

**iii. Sitting Fee etc.**

No sitting fee shall be paid to him for attending the meetings of Board of Directors or any Committees thereof. He shall not be liable to retire by rotation.

Minimum remuneration: Where, in any financial year, the company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to Shri H R Sharma, subject to the applicable provisions of Schedule – V of the Companies Act, 2013.

Accordingly, the Board recommends the special resolution for the approval by the shareholders of the company.



# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

Except Shri H R Sharma, being an appointee, none of the Directors and Key Managerial personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item No. 6.

## ITEM NO. 7

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of Shri Naresh Kumar Goel, Cost Accountant (Membership No. 9876), to conduct the audit of the cost records of the Company for the financial year ended March 31, 2016. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors is Rs. 40,000/-. The remuneration has to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the said Resolution. The Board of Directors recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

## ITEM NO. 8 & 9

At the Annual General Meeting of the Company held on September 30, 2006, the Members had, by way of Ordinary Resolutions and in pursuance of the provisions of Section 293(1)(a) and (d) of the Companies Act, 1956, approved of:

- (i) borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 75 crore at any point of time;

- (ii) creation of a mortgage or charge for the said borrowings, as security by way of mortgage / hypothecation on the Company's assets in favour of lending agencies and trustees for the amounts borrowed i.e. upto Rs. 75 crore, including interest, charges, etc. payable thereon, as the documents for the said purpose could contain the power to take over the management of the Company, in certain events.

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No 4/2014 dated March 25, 2014 clarified that the Ordinary Resolutions passed under Sections 293(1)(a) and 293(1)(d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014. The approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(c) and 180(1)(a) of the Act respectively.

The Directors commend the Special Resolution at Item Nos. 8 and 9 of the accompanying Notice for the approval of the Members of the Company. None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item Nos. 8 and 9.

**Registered Office:**  
SP-147, RIICO Industrial Area,  
Bhiwadi, Dist. Alwar (Rajasthan)

New Delhi  
August 5, 2015

By Order of the Board

**Jyoti Upadhyay**  
Company Secretary

## ANNEXURE TO ITEM 3 & 5 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Shri S G Rajgarhia	Smt Uma Hada
Director Identification Number (DIN)	00002245	06463684
Date of Birth	21/08/1946	14/07/1948
Age	69 Years	67 Years
Nationality	Indian	Indian
Date of Appointment on Board	26th July, 2000	08 <sup>th</sup> April, 2015
Qualification	B. Tech. (Hons.) and S.M. (MIT)	B.A.
Experience	45 Years	20 Years
Shareholding in APM Industries Limited	2.66%	NIL
List of Directorships held in other Companies	1. Rajgarhia Leasing and Financial Services Pvt. Ltd. 2. Orient Abrasives Limited 3. Madhushree Properties (P) Ltd 4. Autometers Alliance Limited 5. Sheevam Comfort Hotels Private Limited 6. Rovo Marketing Private Limited	Uma Properties & Traders Limited
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees in other Public Companies	NIL	NIL
Relationship with other directors	Related to Shri R K Rajgarhia	Not related to any Director

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors are pleased to present the 41<sup>st</sup> Annual Report together with the audited accounts for the financial year ended March 31, 2015.

### FINANCIAL RESULTS

	(Rs. In lacs)	
	2014-15	2013-14
Gross Revenue	31601	30744
Profit before depreciation and tax	3171	3792
Less: Depreciation	296	465
- Profit before income tax	2875	3327
- Less: Income Tax	990	1185
- Net profit for the year	1885	2142
Add: Balance brought forward from the previous year	4041	3407
Amount available for appropriation	5926	5549
<b>Appropriations:</b>		
- Dividend:		
- Interim Dividend	583	216
- Final Dividend	-	216
- Total Dividend	583	432
- Corporate Dividend Tax	117	76
- General reserve	1000	1000
- Balance carried forward to Balance Sheet	4226	4041
<b>Total</b>	<b>5926</b>	<b>5549</b>

### OPERATIONS

During the year 2014-15, the production of Synthetic Blended Yarn was marginally lower i.e. 184 lac kg as compared to 185 lac kg in 2013-14 and the gross revenue increased by 3% from Rs.307 crores to Rs.316 crores in 2014-15.

Your company achieved a net profit Rs.18.85 crores in 2014-15, which is marginally lower than last year which was due to uncertainty in the market because of decreasing trend in the prices of the Petroleum Products.

The earnings per share for the year 2014-15 was Rs.8.72, as compared to the previous year's Rs.9.91.

### EXPORTS

The export turnover increased to Rs.477 lacs from Rs.266 lacs in the previous year.

### EXPANSION AND MODERNIZATION

The company continues to modernize its Plant and Machinery and add balancing equipment. This would enable the company to improve productivity and widen its product range and improve the quality of its products.

### PROSPECTS

The company's performance in the current year is expected to be satisfactory.

### PUBLIC DEPOSIT

Our company has not accepted any public deposits during the Financial Year and as such, no amount of principal or interest was outstanding as on March 31, 2015.

### DIVIDEND

Your Directors in its meetings held on November 7, 2014 and April 8, 2015 had paid interim dividends @ 50% i.e. Re.1.00 per equity share and @ 85% i.e. Rs.1.70 per equity share respectively. The total dividend for financial year 2014-15 is 135% i.e. Rs.2.70 per equity share.

### DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3) (c) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

(a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards had been followed and there are no material departures from the same;

(b) the Directors had 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 March 31, 2015 and of the profit and loss of the company for that period;

(c) the Directors had 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;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link <http://www.apmindustries.co.in/Annual%20Reports/csr.pdf>. The Annual Report on CSR activities is annexed herewith marked as **ANNEXURE - I** to this Report.

The Company aims to achieve through CSR programmes one or more of the following –

1. Supporting rural development, promoting education, providing healthcare including preventive health care, providing sanitation and drinking water, creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India, preserving and promoting sports.
2. To develop the required capability and self-reliance of beneficiaries at the grass roots, especially of women, in the belief that these are prerequisites for social and economic development.
3. To engage in affirmative action, interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society.
4. To pursue CSR Programmes primarily in areas that falls within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact.
5. To carry out CSR Programmes in relevant local areas to fulfill commitments arising from requests by government / regulatory authorities and to earmark amounts of monies towards "Corporate Social Responsibility (CSR)" activities and to spend such monies through CSR Cells of such administrative bodies of the government and / or directly by way of developmental works in the local areas around which the Company operates.

### RISK MANAGEMENT POLICY

Risk Management is continuous process of analyzing and managing the opportunities and threats faced by the Company in its efforts to achieve its goals and to ensure the continuity of the business.

During the year, your Directors have constituted a Risk Management Committee. The Risk Management Committee has formulated and recommended to the Board, a Risk Management Policy which has been approved by the Board. The Risk Management Policy may be accessed on the Company's website at the link <http://www.apmindustries.co.in/Annual%20Reports/rmp.pdf>.

### INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable Financial and Operational information, complying with applicable statutes, safeguarding assets from authorized use or losses, executing transactions with proper authorization and ensuring compliance of internal policies.



# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

The Company uses ERP (Enterprise Resource Planning) system to record data for accounting and connects to different locations for efficient exchange of information. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

- i. In accordance with the provisions of the Act and the Article of association of the Company, Smt Uma Hada was appointed as an Additional Director of the Company w.e.f. 08.4.2015 in order to comply with the requirement of having a woman director in the Board. She holds office as a Director up to the date of the ensuing Annual General Meeting and is eligible for appointment as an independent Non-executive Director.
- ii. Shri R L Toshniwal retires by rotation and has not offered himself for reappointment because of indifferent health. Your Directors place on record their sincere appreciation for the services rendered by him, during his tenure on the Board.
- iii. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreement.
- iv. Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Nomination and Remuneration Committee has carried out evaluation of every Director's performance. The Independent Directors, in a separate meeting, has also carried out the performance evaluation of the Non-Independent Directors and the Board as a whole and of the Chairman of the company and has reviewed the performance of the Secretarial Department. The performance evaluation of all the Independent Directors has been done by the entire Board, excluding the Director being evaluated. The Directors expressed their satisfaction with the evaluation process".
- v. The Board has, on the recommendation of Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The policies of the Company in this regard are attached herewith marked as Annexure - II to this Report.

## AUDITORS

### STATUTORY AUDITORS

At the Annual General meeting held on 25<sup>th</sup> September, 2014, M/s Chaturvedi & Co., Chartered Accountant, were appointed as Statutory Auditors of the Company to hold the office till the conclusion of the 43<sup>rd</sup> Annual General Meeting, subject to annual ratification by the members at the Annual General Meeting in accordance with the provisions of Section 139 of the Companies Act, 2013 and rules there under. Accordingly, the appointment of M/s Chaturvedi & Co., Chartered Accountant as statutory auditors of the Company is placed for ratification by the shareholders. In this regard the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

### SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Shri Pradip Kumar Muduli, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **ANNEXURE - III** to this Report.

### AUDITORS REPORT

The Auditors' Report read with notes to the financial statements is self-explanatory and does not call for any further explanations by the Board. The Auditor's Report does not contain any qualification, reservation or adverse remark.

## DISCLOSURES

### AUDIT COMMITTEE

The Audit Committee meets at due intervals to conduct the required business. The Committee comprises of Independent Directors, namely, Shri K R Gupta (Chairman), Shri R R Bagri, Shri S G Rajgarhia and Smt Uma Hada, as other members.

The composition, role, functions and powers of the Audit Committee are in accordance with the applicable laws and the listing agreements with the Stock Exchange.

### CSR COMMITTEE

The Corporate Social Responsibility Committee comprises of Shri R K Rajgarhia, (Chairman). The other members of the Committee are Shri R R Bagri and Shri H R Sharma.

### VIGIL MECHANISM

The Company has a Whistle Blower Policy to deal with instances of unethical behavior, actual or suspected fraud or violation of the company's code of conduct. The Policy on Vigil Mechanism / Whistle Blower may be accessed on the Company's website at the link <http://www.apmindustries.co.in/Annual%20Reports/vbm.pdf>.

### BOARD MEETINGS

The Board of Directors duly met 4 (Four) times in respect of which proper notices were given and the proceedings were properly recorded and signed.

### PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The prescribed details as required under Section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are annexed as **ANNEXURE - IV** to this Report.

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Particulars of remuneration paid to the employees as required to be disclosed under section 197(12) of the Act read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, are set out in **ANNEXURE - V** attached hereto and form part of this Report.

### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **ANNEXURE - VI**.

### RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. All related party transactions during the year 2014-15 are disclosed in Form No. AOC - 2 in **ANNEXURE - VII**. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the link <http://www.apmindustries.co.in/Annual%20Reports/rptp.pdf>.

### CORPORATE GOVERNANCE

The Company has implemented Corporate Governance practices. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance as **ANNEXURE - VIII** to this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year 2014-15 under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

**APM INDUSTRIES LIMITED**  
**CIN No. L21015RJ1973PLC015819**

**CREDIT RATING**

The Company's credit rating impute by rating agency as given below:

Facilities	Rating <sup>1</sup>
Long Term Bank Facilities	CARE BBB+ [Triple B Plus]
Short Term Bank Facilities	CARE A2 [A TWO]

**STATEMENT**

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

**GENERAL**

The Company has formulated a policy on Prevention of Sexual Harassment approved by the Board. The policy may be accessed on

the Company's website at the link <http://www.apmindustries.co.in/Annual%20Reports/shp.pdf>. 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.

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.

**APPRECIATION**

Your Directors gratefully acknowledge the whole hearted support given by the customers, suppliers, shareholders, employees, governments, financial institutions, banks, and we look forward to their continued cooperation and best wishes in our Endeavour to steer your company towards greater heights.

For and on behalf of the Board

New Delhi

August 5, 2015

**R K RAJGARHIA**

Chairman & Managing Director

**ANNEXURE – I TO DIRECTORS' REPORT**

**REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2014-15**

Section 135 of the Companies Act, 2013 and rules made there under prescribe that every Company having a net worth of Rs 500 crores or more, or turnover of Rs 1000 crores or more or a net profit of Rs 5 crores or more during any financial year shall ensure that the Company spends, in every financial year, at least 2% of average net profits made during the three immediately preceding financial year, in pursuance of its Corporate Social responsibility Policy. The Financial details as sought by the Companies Act, 2013 are as follows:

**Particulars**

Average net profit of the Company for the last three Financial years Amount (in lacs) 2844.29

Prescribed CSR Expenditure (2% of Average Net Profit as computed above) 56.89

Details of CSR spent during the financial year:

- Total amount spent for the financial year 57.21
- Amount unspent, if any NIL

Details of Amount spent on CSR activities during the Financial Year 2014-15

Amount (in lacs)

S. No	CSR Activity or activity identified	Sector in which the project is covered Clause no. of Schedule VII of Companies Act, 2013	Project or Program (1) Local area or other; (2) Specify the State and district where projects of program was undertaken	Amount outlay or (Budget) Project or program wise	Amount spent on the projects or programs- Sub-head (1) Direct Expenditure On projects or programmes, (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent direct or through implementing agency
1	Promoting education The Company has adopted 2 Government Primary and Upper Primary Schools	Clause(ii) promoting education	Saidpur and Bhiwadi Village of Distt. Alwar (Raj)	10.00	8.27	8.27	Amount spent Directly
2	Promotion of Healthcare including Preventive Healthcare	Clause(i) promoting preventive healthcare	Bhiwadi Distt. Alwar (Raj)	5.00	4.87	4.87	Amount spent Directly
3	Company together with Trust organized Shivr for artificial foot (Jaipur foot) to needy persons	Clause(i) promoting preventive healthcare	Delhi	0.21	0.21	0.21	Implementing agency - Manav Kalyan Foundation (Regd.) Trust
4	Construction of Toilets and other facilities like tube wells for drinking water, and water tanks in schools	Clause(i) sanitation and making available safe drinking water	Bhiwadi and nearby areas of Bhiwadi Distt. Alwar (Raj)	45.00	43.86	43.86	Amount spent Directly
<b>Total Expenditure</b>				<b>60.21</b>	<b>57.21</b>	<b>57.21</b>	

**Responsibility Statement**

'The implementation and monitoring of Corporate Social Responsibility Policy is in compliance with CSR objectives and Policy of the Company.'

**Shri R K Rajgarhia**  
Chairman of CSR Committee

**Shri H R Sharma**  
Member

Date: **August 5, 2015**

# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

## ANNEXURE – II TO DIRECTORS' REPORT

### A) POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

This policy set out the guiding principles for the Nomination and Remuneration Committee and Human Resources for identifying persons who are qualified to become Directors and to determine the Independence of Directors, in case of their appointment as Independent Directors of the Company.

In this policy the following terms shall have the following meanings:

**"Director"** means a Director appointed to the Board of a Company.

**"Nomination and Remuneration Committee"** means committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Listing Agreement.

**"Independent Director"** means an Independent Director referred to in sub section (6) of section 149 and clause 49(II) (B) of the Equity Listing Agreement.

#### 1. Policy for selection of Directors

Appointing Directors that are able to demonstrate, to the satisfaction of the Board, the following attributes, skills and abilities:

- a reputation for high standards of personal and professional ethics and integrity;
- the ability to form an independent view of matters before the Board using his/her own skills and experience;
- the ability to interpret financial statements;
- general understanding of the Company's business dynamics;

#### 1.1. The proposed appointee shall also fulfill the following requirements

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his/her written consent to act as a Director;
- Shall abide by code of conduct for Board Members and Senior Management;
- Shall disclose his/her concern or interest in any Company or Companies or Bodies Corporate, firms or other association of individuals including his shareholding at the first meeting of the Board in every Financial Year and thereafter whenever there is a change in the disclosures already made
- Such other requirements as may be prescribed from time to time, under the Companies Act, 2013, Listing Agreements and other relevant laws.

#### 2. Criteria of Independence

The criteria of independence, as laid down in Companies Act, 2013 and clause 49 of the Listing Agreement, is as below:

An Independent Director in relation to a company, means a Director other than a Managing Director or a Whole-time Director or a Nominee Director,-

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (b) i. who is or was not a promoter of the company or its holding, subsidiary or associate company;
- ii. who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount

as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

(e) who, neither himself nor any of his relatives:

i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of:

A. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

B. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

iii. holds together with his relatives two per cent. or more of the total voting power of the company; or

(f) who possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business

(g) who is not less than 21 years of age.

(h) The Independent Directors shall abide by the provisions specified in Schedule IV of the Companies Act, 2013.

#### 3. Other Directorships

- A Director shall not serve as Director in more than 20 Companies of which not more than 10 Companies shall be Public Limited Companies.
- A Director shall not serve as Independent Director in more than 7 Listed Companies and 3 listed companies in case he is serving as a Whole-time Director in any Listed Company.
- A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all Companies in which he holds Directorship.

### B) REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES.

This policy set out the guiding principles for the Nomination and Remuneration Committee and Human Resources for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

In this policy the following terms shall have the following meanings:

**"Director"** means a Director appointed to the Board of a Company.

**"Key Managerial Personnel"** means

- i. the Chief Executive Officer or the managing director or the manager;
- ii. the company secretary;
- iii. the whole-time director;
- iv. the Chief Financial Officer; and
- v. such other officer as may be prescribed under the Companies Act, 2013

**"Nomination and Remuneration Committee"** means committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Listing Agreement.

#### 1. Remuneration to Non-executive Directors

Non-Executive Directors are paid remuneration in the form of sitting fees for attending the Board Meetings and Committee Meetings as fixed by the Board of Directors from time to time, subject to statutory provisions.

**2. Remuneration to CMD and Executive Directors**

While deciding the remuneration of Chairman & Managing Director and Whole-time Directors, the Nomination and Remuneration Committee and the Board should consider pay and employment conditions in the industry and merit and seniority of the person.

The term of office and remuneration of Chairman & Managing Director and Whole time Directors are subject to approval of the Board of Directors, shareholders and the limit laid down under the Companies Act, 2013 from time to time.

**3. Remuneration to Key Managerial Personnel and other employees**

Remuneration of KMP and other employees is decided by the Chairman & Managing Director on the recommendation by the Executive Directors concerned.

**ANNEXURE – III TO DIRECTORS' REPORT**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2015

*[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,

**APM Industries Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **APM Industries Limited** (hereinafter called 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 **APM Industries Limited'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<sup>st</sup> March, 2015 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 **APM Industries Limited** ("the Company") for the financial year ended on 31<sup>st</sup> March 2015 according to the provisions of:

- i) The Companies Act, 1956 and The Companies Act, 2013 (the Act) and the rules made thereunder, as applicable;
- 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 (There is no Foreign Direct Investment, Overseas Direct Investment or External Commercial Borrowings 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; and

- c. 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;

- vi) Other laws applicable specifically to the company as per the representation made by the Management.

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

- i) The Listing Agreements entered into by the Company with BSE Limited;

**I further report that**, there was no actions/event in pursuance of:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (f) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings are applicable (Not applicable since notified and effective from 01.07.2015).

During the period under review and as per the explanations and clarifications given to me and the representation made by the Management, the Company has complied with the provisions of the applicable laws, rules, regulations and guidelines, etc., as 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.

Decisions at the meetings of the Board of Directors of the Bank were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

**I further report that** as per the explanations given to me and the representation made by the Management and relied upon by me 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 no other specific events/actions in pursuance of the above referred laws, rules, regulations and guidelines etc., having a major bearing on the Company's affairs.

**Pradip Kumar Muduli**  
**(Practicing Company Secretary)**

FCS No.6170  
C P No.:5730

Place: **New Delhi**  
Date: **July 16, 2015**

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.

**APM INDUSTRIES LIMITED**  
CIN No. L21015RJ1973PLC015819

**'ANNEXURE A'**

To

The Members

**APM Industries Limited**

Our 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 our 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 my 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.

**Pradip Kumar Muduli**  
(Practicing Company Secretary)

FCS No.6170  
C P No.:5730

Place: **New Delhi**  
Date: **July 16, 2015**

**ANNEXURE – IV TO DIRECTORS' REPORT**

**PARTICULARS REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014.**

**A. CONSERVATION OF ENERGY**

**Energy Conservation Measures taken:**

The Company has taken following Energy Conservation Measures to save the Energy.

1. Replacement of 6 Nos. Main Motors of 5 HP with energy efficient motors in Draw Frame Machines.
2. Replacement of 05 Nos. Effluent Treatment Plant Mono Block Pumps 10 HP with energy efficient Pumps of 7.5 HP.
3. Replacement of 2 Nos. Blow Room Motors of 2 HP with energy efficient motors.
4. Replacement of 13 Nos. Doffer Motor Old (4 HP) with energy efficient motor (3HP) in LC 1/3 Card.
5. Replacement of 1 No. Dyeing Machine Motor of 30 HP with energy efficient motor.
6. Replacement of 1 No. Motor of (160 KW) with energy efficient motors of compressor No. 7.
7. Replacement of 2 Nos. Crain Motors of 5 HP with energy efficient motor in Dye House.

**B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**

Efforts made in R&D and Technology Absorption is given in Form 'B'.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO.**

The activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:

We have been continuously developing new varieties of yarn to meet the requirement of the export market so that, we can increase the export.

The information in respect of Foreign Exchange earnings and outgo is contained in item (f) & (g) in Note No.32 annexed to the Balance Sheet.

**FORM 'A'**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSUMPTION OF ENERGY**

	Unit	2014-15	2013-14
<b>A POWER AND FUEL CONSUMPTION</b>			
1 <b>Electricity</b>			
Purchased unit	Unit in lacs	482.81	469.11
Total amount	Rs. In lacs	2619.38	2477.71
Rate	Rs./Unit	5.43	5.28
2 <b>Own Generation</b>			
a) Through Diesel Generator	Unit in lacs	4.70	6.11
Unit per Litre of Diesel	Unit	3.60	3.62
Cost	Rs./Unit	15.96	14.18
3 <b>Coal (Grade B, C, D &amp; E)/Petcock</b>			
Quantity	MT	2572.07	2354.80
Total cost	Rs. in lacs	251.46	208.73
Average rate	Rs./MT	9776.59	8864.02
4 <b>Diesel</b>			
Quantity	Ltrs. In lacs	1.31	1.69
Total cost	Rs. In lacs	75.02	86.57
Average rate	Rs./Ltr.	57.45	51.22
<b>B CONSUMPTION PER UNIT OF PRODUCTION*</b>			
1 Electricity		265.00	257.00
2 Coal B, C, D & E Grade/Pet coke		13.97	12.75

\* Production unit, per 100 kgs.

**FORM 'B'**

**RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**

**A. Research & Development:**

- Specific areas in which R&D carried out by the Company:  
The Company has been giving special emphasis on development of new products and cost reduction. The Company has developed new products for exporters of fabrics, furnishings and Readymade garments, keeping in touch with latest trend of fabrics and readymade garment exports. The company has also developed new varieties of yarn for domestic markets.
- Benefits derived as a result of R & D:  
Product improvement, enhancement in product range cost reduction and improvement in customer satisfaction.
- Future course of action:  
To develop new varieties and shades as per market requirements.
- Expenditure on R&D:  
No specific expenditure exclusively on R&D has been incurred.

**B. Technology Absorption, Adaptation and Innovation:**

- Efforts made:  
The indigenous technology available is continuously being upgraded.
- Benefit derived:  
Improvement in the overall performance of the Company and increasing presence in new markets.
- Particulars of imported technology:  
Not applicable

For and on behalf of the Board

New Delhi  
August 5, 2015

**R K RAJGARHIA**  
Chairman & Managing Director



**ANNEXURE – V TO DIRECTORS' REPORT**

**Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i. Ratio of remuneration of each Executive Director to the median remuneration of Employees of the Company for the financial year 2014-15, the percentage increase in remuneration of Chairman & Managing Director, Executive Directors, CFO and Company Secretary during the financial year 2014-15 and Comparison on the Remuneration of KMP against performance of the Company

Sl. No.	Name of Director / KMP	Designation	Ratio of Remuneration of each Director to median remuneration of employees	% increase in Remuneration	Comparison on the Remuneration of KMP against performance of the Company
1.	Shri R K Rajgarhia	Chairman & Managing Director	96.49:1	1.32	The Company's revenue has increased by 3% on year to year basis.
2.	Shri H R Sharma	Whole-time Director	28.13:1	11.95	
3.	Shri C S Vijay	CFO	12.02:1	26.36	
4.	Shri F.C. Goel	Company Secretary	1.03:1	12.29	

**Note:**

The Non-Executive Directors of the Company are entitled for sitting fees. The detail of remuneration of Non-Executive Directors is provided in Corporate Governance Report and is governed by the Remuneration Policy. The ratio of remuneration and percentage increase for Non-executive Directors remuneration is therefore not considered for the purpose above.

ii.

Sl. No.	Particulars	Details
1	% increase in the median remuneration of employee for the financial year.	8%
2	Total number of employees of the Company as on 31 <sup>st</sup> March 2015	2227
3	Explanation on the relationship between average increase in remuneration and Company performance	The revenue growth during the financial year 2015 over the financial year 2014 was 3%. The average increase in remuneration of employees excluding Executive Directors during the Financial Year was 10%
4	Key parameters for any variable component of remuneration availed by the Directors	Variable component of remuneration (i.e Commission) paid to the Directors are directly linked to the overall Company's Performance.
5	i) Variation in market capitalization of the Company	Market Capitalization of the Company has been increased from Rs 48.95 Crores as on 31 <sup>st</sup> March 2014 to Rs 85.47 Crores as on 31 <sup>st</sup> March 2015
	ii) Variation in price earning (PE) ratio	PE ratio was 4.54 at 31 <sup>st</sup> March 2015 as compared to 2.29 at 31 <sup>st</sup> March 2014
	iii) Percentage increase over decrease in the market quotation of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	The closing price of the Company's Equity share on BSE as on 31 <sup>st</sup> March 2015 was Rs 39.55 (Rs 22.65 on 31 <sup>st</sup> March, 2014) representing approx 3 times increase over last right issue.
6	Average percentile increase in the salaries of employees excluding managerial personnel during financial year 2015 and comparison with the percentile increase in remuneration of Executive Directors and justification thereof	Average percentile increase in the salaries of employees excluding managerial personnel during financial year 2015 was 10%. Whereas average increase in remuneration of Executive Directors was 12%. The increased remuneration to the Directors was owing to their qualification, responsibilities and experience

- iii. 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: There is no employee who receives remuneration in excess of remuneration paid to the highest paid Director.
- iv. Affirmation that the remuneration is as per the remuneration policy of the Company: Remuneration is as per the Nomination and Remuneration policy of the Company.



# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

Details as required under Section 197 of Companies Act, 2013 read with Rule 5(2) of Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014

**1. Employed throughout the year and in receipt of remuneration in aggregate of not less than Rs.60.00 lacs.**

Name	Age	Remuneration (Rs.)	Designation/ Nature of duties	Qualification & experience (Years)	Date of commencement of employment	Last employment
R K Rajgarhia	77	1,12,66,835	Chairman & Managing Director, Overall management	B.Com 56 years	01.08.1994	Orient Steel & Industries Limited

**2. Employed for part of the year and in receipt of remuneration of not less than Rs.5.00 lacs per month - NIL.**

**NOTES**

- Remuneration as above includes salary, commission, allowances, monetary value of perquisites etc.
- Shri R K Rajgarhia is related to Shri S G Rajgarhia, a Director of the company.
- Employment is contractual.

**ANNEXURE –VI TO DIRECTORS' REPORT**

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2015**

**Form No. MGT-9**

[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:**

CIN : L21015RJ1973PLC015819  
Registration Date : 21/09/1973  
Name of the Company : APM INDUSTRIES LIMITED  
Category/ Sub-Category of the Company : Company Limited by shares / Indian Non-Government Company.  
Address of the registered office and contact details : SP-147, RIICO Industrial Area, Bhiwadi,  
Dist. Alwar (Rajasthan) - 301019  
Telephone : 01493 – 522400,  
Fax : 01493 – 522413,  
E-mail : bhiwadi@apmindustries.co.in  
  
Whether listed company : Yes  
Name, Address and Contact details of Registrar and  
Transfer Agent, if any : M/s Skyline Financial Services Pvt. Ltd.  
D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase -1, New Delhi – 110 020  
Telephone 011-64732681 to 88,  
Fax : 011-26812683,  
E-mail : admin@skylinerta.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:-

Name and Description of main Products / Services	NIC Code of the Product / service	% to total turnover of the company
Manmade fiber Spun Yarn	13114	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Name and address of the company	CIN/GLN	Holding / subsidiary / associate	% of shares held	Applicable Section
Not applicable				

**APM INDUSTRIES LIMITED**  
CIN No. L21015RJ1973PLC015819

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i)	Category-wise Shareholding	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% of Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A</b>	<b>Promoters</b>									
	1) <b>Indian</b>									
	a) Individual / HUF	8951165	-	8951165	41.42	8958665	-	8958665	41.45	0.03
	b) Central Govt.	-	-	-	-	-	-	-	-	-
	c) State Govt(s)	-	-	-	-	-	-	-	-	-
	d) Bodies Corp.	4363000	-	4363000	20.19	4363000	-	4363000	20.19	-
	e) Banks / FI	-	-	-	-	-	-	-	-	-
	f) Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-total (A) (1)</b>	<b>13314165</b>	<b>-</b>	<b>13314165</b>	<b>61.61</b>	<b>13321665</b>	<b>-</b>	<b>13321665</b>	<b>61.64</b>	<b>0.03</b>
	2) <b>Foreign</b>									
	a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
	b) Other - Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corp.	-	-	-	-	-	-	-	-	-
	d) Banks / FI	-	-	-	-	-	-	-	-	-
	e) Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>13314165</b>	<b>-</b>	<b>13314165</b>	<b>61.61</b>	<b>13321665</b>	<b>-</b>	<b>13321665</b>	<b>61.64</b>	<b>0.03</b>
<b>B</b>	<b>Public Shareholding</b>									
	1) <b>Institutions</b>									
	a) Mutual Funds	-	-	-	-	6416	-	6416	0.03	0.03
	b) Banks / FI	1000	250	1250	0.01	1000	250	1250	0.01	-
	c) Central Govt	-	-	-	-	-	-	-	-	-
	d) State Govt(s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIs	-	-	-	-	-	-	-	-	-
	h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i) Others (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-total (B)(1)</b>	<b>1000</b>	<b>250</b>	<b>1250</b>	<b>0.01</b>	<b>7416</b>	<b>250</b>	<b>7666</b>	<b>0.04</b>	<b>0.03</b>
	2) <b>Non- Institutions</b>									
	a) Bodies Corp.									
	i) Indian	672713	21085	693798	3.21	619848	21085	640933	2.97	(0.24)
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3263762	1933372	5197134	24.05	3356518	1889687	5246205	24.28	0.23
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1875494	-	1875494	8.68	1844643	-	1844643	8.54	(0.14)
	c) Others (specify)	529519	-	529519	2.45	550248	-	550248	2.55	0.10
	<b>Sub-total (B)(2)</b>	<b>6341488</b>	<b>1954457</b>	<b>8295945</b>	<b>38.39</b>	<b>6371257</b>	<b>1910772</b>	<b>8282029</b>	<b>38.32</b>	<b>(0.06)</b>
	<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>6342488</b>	<b>1954707</b>	<b>8297195</b>	<b>38.39</b>	<b>6378673</b>	<b>1911022</b>	<b>8289695</b>	<b>38.36</b>	<b>(0.03)</b>
<b>C</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A+B+C)</b>	<b>19656653</b>	<b>1954707</b>	<b>21611360</b>	<b>100.00</b>	<b>19700338</b>	<b>1911022</b>	<b>21611360</b>	<b>100.00</b>	<b>-</b>

**APM INDUSTRIES LIMITED**  
**CIN No. L21015RJ1973PLC015819**

ii)	Shareholding of Promoters		Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			
	SI No	Shareholder's Name	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 / encum-bered to total shares	% change in shareholding during the year
	1	Faridabad Paper Mills Limited	2770000	12.82	-	2770000	12.82	-	-
	2	Rajgarhia Leasing and Finance Pvt. Ltd.	1130000	5.23	-	1130000	5.23	-	-
	3	RKR Foundation	50000	0.23	-	50000	0.23	-	-
	4	Essvee Fiscal Pvt. Ltd.	97500	0.45	-	97500	0.45	-	-
	5	Sanjay Rajgarhia	100000	0.46	-	100000	0.46	-	-
	6	Hari Ram Sharma	1045	-	-	1045	-	-	-
	7	R K Rajgarhia	3850000	17.81	3.12	3850000	17.81	3.12	-
	8	Rovo Marketing Pvt. Ltd.	315500	1.46	-	315500	1.46	-	-
	9	Anisha Mittal	398770	1.85	-	398770	1.85	-	-
	10	Shri Gopal Rajgarhia	573850	2.66	-	573850	2.66	-	-
	11	Ajay Rajgarhia	2250000	10.41	-	2250000	10.41	-	-
	12	Prabha Rajgarhia	1600000	7.40	-	1600000	7.40	-	-
	13	S K Rajgarhia	2500	0.01	-	10000	0.05	-	0.04
	14	Sanjay Rajgarhia	175000	0.81	-	175000	0.81	-	-
		Total	13314165	61.61	3.12	13321665	61.64	3.12	0.04

iii)	Change in Promoters' Shareholding (please specify, if there is no change)							
	SI. No.	Name	Shareholding		Date	Increase / decrease in shareholding	Reason	Cumulative shareholding during the year
			No. of Share at the beginning of the year (01.04.2014)	% of total shares of the company				No. of shares % of total shares of the company
	1	Shri S K Rajgarhia	2500	0.01	26.05.14	10000	Purchase	
					05.06.14	(2500)	Sold	10000 0.05

**APM INDUSTRIES LIMITED**  
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iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)								
Sl. No.	Name	Shareholding		Date	Increase / decrease in shareholding	Reason	Cumulative shareholding during the year (01.04.14 to 31.03.15)	
		No of Shares at the Beginning (01.04.14) / end of the Year (31.03.15)	% of total shares of the company				No of Shares at the Beginning (01.04.14) / end of the Year (31.03.15)	% of total shares of the company
1	Sangeetha S	300220	1.39	01.04.14				
				12.09.14	(7920)	Sale	292300	1.35
				20.02.15	(16740)	Sale	275560	1.28
		273760	1.27	31.03.15	(1800)	Sale	273760	1.27
2	Nityadhara Conclave Pvt. Ltd.	250000	1.16	01.04.14				
				31.03.15	(250000)	Sale	-	-
3	S Sathya	185200	0.86	01.04.14				
				16.05.14	(185200)	Sale	-	-
4	Aditi Rajgarhia	150000	0.69	01.04.14				
						No Movement		
		150000	0.69	31.03.15			150000	0.69
5	Jayati Rajgarhia	140000	0.65	01.04.14				
						No Movement		
		140000	0.65	31.03.15			140000	0.65
6	Savitha S	130300	0.60	01.04.14				
				12.09.14	(7650)	Sale	122650	0.57
				14.11.14	(1800)	Sale	120850	0.56
		120850	0.56	31.03.15			120850	0.56
7	Varun Rajgarhia	130000	0.60	01.04.14				
						No Movement		
		130000	0.60	31.03.15			130000	0.60
8	Dr Ramesh Chimanlal Shah	120000	0.56	01.04.14				
				13.06.14	20000	Purchase	140000	0.65
				19.09.14	(1282)	Sale	138718	0.64
				30.09.14	(6000)	Sale	132718	0.61
				09.01.15	(2718)	Sale	130000	0.60
				06.03.15	36000	Purchase	166000	0.77
		166000	0.77	31.03.15			166000	0.77
9	Tanvi J Mehta	100000	0.46	01.04.14				
						No Movement		
		100000	0.46	31.03.15			100000	0.46
10	Vishwanath Harlalka	98230	0.45	01.04.14				
						No Movement		
		98230	0.45	31.03.15			98230	0.45
11	Sasmal Marcom Pvt. Ltd.	-	-	01.04.14				
		250000	1.16	31.03.15	250000	Purchase	250000	1.16
12	Sathya S	-	-	01.04.14				
				16.05.14	185200	Purchase	185200	0.86
				06.06.14	(7035)	Sale	178165	0.82
				05.09.14	(365)	Sale	177800	0.82
				12.09.14	(5410)	Sale	172390	0.80
				28.11.14	(1800)	Sale	170590	0.79
		170590	0.79	31.03.15			170590	0.79
13	Ramesh C Shah	50000	0.23	01.04.14				
				06.03.15	51000	Purchase	101000	0.47
		101000	0.47	31.03.15			101000	0.47

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v) Shareholding of Directors and Key Managerial Personnel								
Sl. No.	Name	Shareholding		Date	Increase / decrease in shareholding	Reason	Cumulative shareholding during the year (01.04.14 to 31.03.15)	
		No. of Share at the beginning of the year (01.04.2014)	% of total shares of the company				No. of shares	% of total shares of the company
1	Shri R K Rajgarhia	3850000	17.81				3850000	17.81
2	Shri Hari Ram Sharma	1045	-				1045	-
3	Shri S G Rajgarhia	573850	2.66				573850	2.66

vi) INDEBTEDNESS (Amount in Rs.)					
Indebtedness of the Company including interest outstanding / accrued but not due for payment					
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount		15,59,10,735	97,01,377	-	16,56,12,112
ii) Interest due but not paid		-	-	-	-
ii) Interest accrued but not due		-	-	-	-
Total ( i + ii + iii )		15,59,10,735	97,01,377	-	16,56,12,112
<b>Change in Indebtedness during the financial year</b>					
- Addition		1,37,16,127	37,00,708	-	1,74,16,835
- Reduction		3,75,31,058	-	-	3,75,31,058
- Exchange difference		-	-	-	-
<b>Net Change</b>		<b>(2,38,14,931)</b>	<b>37,00,708</b>	<b>-</b>	<b>(2,01,14,223)</b>
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount		13,20,95,804	1,34,02,085	-	14,54,97,889
ii) Interest due but not paid		-	-	-	-
iii) Interest accrued but not due		-	-	-	-
Total ( i + ii + iii )		13,20,95,804	1,34,02,085	-	14,54,97,889

**APM INDUSTRIES LIMITED**  
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vii)	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					(Amount in Rs.)	
	A Remuneration to Managing Director, Whole-time Directors and/or Manager:						
	Sl. No.	Particulars of Remuneration	Shri R K Rajgarhia Chairman & Managing Director	Shri H R Sharma Executive Director	Total Amount		
	1	Gross salary					
		a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49,15,630	31,39,040	80,54,670		
		b) Value of perquisites U/S 17(2) Income-tax Act, 1961	2,83,205	1,28,754	4,11,959		
		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	60,68,000	-	60,68,000		
		- others specify					
	5	Others, please specify (PF)	-	16,500	16,500		
		Total (A)	1,12,66,835	32,84,294	1,45,51,129		
	Ceiling as per the Act		Rs.2.88 crores (being 10% of the net profit of the company calculated as per Section 198 of the Companies Act, 2013)				
	B Remuneration to other directors:						
	Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
			Shri K R Gupta	Shri R R Bagri	Shri R L Toshniwal	Shri S G Rajgarhia	
	1	Independent Directors					
		- Fee for attending board / committee meetings	1,42,500	1,42,500	10,000	-	2,95,000
		- Commission	-	-	-	-	-
		- Others, please specify	-	-	-	-	-
		Total (1)	1,42,500	1,42,500	10,000	-	2,95,000
	2	Other Non-Executive Directors					
		- Fee for attending board / committee meetings	-	-	-	75,000	75,000
		- Commission	-	-	-	-	-
		- Others, please specify	-	-	-	-	-
		Total (2)	-	-	-	75,000	75,000
		Total (B)=(1+2)	1,42,500	1,42,500	10,000	75,000	3,70,000
	Total Managerial Remuneration						
	Overall Ceiling as per the Act		Rs.0.29 crores (being 1% of the net profits of the company calculated as per Section 198 of the Companies Act, 2013)				
	C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD						
	Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount		
			Shri C S Vijay (CFO)	Shri F C Goel (Company Secretary)			
	1	Gross salary					
		a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,25,837	1,11,299	14,37,136		
		b) Value of perquisites U/S 17(2) Income-tax Act, 1961	21,600	-	21,600		
		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	-	-	-		
	5	Others:					
		- Medical	39,881	-	39,881		
		- Cars	-	-	-		
		- Interest concession on loan	-	-	-		
		Total	13,87,318	1,11,299	14,98,617		



# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

viii)	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					
	- Penalty	NONE				
	- Punishment					
	- Compounding					
	B DIRECTORS					
	- Penalty	NONE				
	- Punishment					
	- Compounding					
	C OTHER OFFICERS IN DEFAULT					
	- Penalty	NONE				
	- Punishment					
	- Compounding					

## ANNEXURE – VII TO DIRECTORS' REPORT

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and

Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

<b>1 Details of contracts or arrangements or transactions not at arm's length basis:</b>	
a) Name(s) of the related party and nature of relationship b) Nature of contracts / arrangements / transactions c) Duration of the contracts / arrangements / transactions d) Salient terms of the contracts or arrangements or transactions including the value, if any e) Justification for entering into such contracts or arrangements or transactions f) Date(s) of approval by the Board g) Amount paid as advances, if any h) Date on which the resolution was passed in general meeting as required under first proviso to section 188	The Company has not entered into any contract or arrangement with its related parties which is not at arm's length during Financial Year 2014-15
<b>2 Details of material contracts or arrangement or transactions at arm's length basis:</b>	
a) Name(s) of the related party and nature of relationship b) Nature of contracts / arrangements / transactions c) Duration of the contracts / arrangements / transactions d) Salient terms of the contracts or arrangements or transactions including the value, if any e) Justification for entering into such contracts or arrangements or transactions f) Date(s) of approval by the Board g) Amount paid as advances, if any h) Date on which the resolution was passed in general meeting as required under first proviso to section 188	* Please refer the note given below

\*NOTE: The details of names, nature of relations ship; nature of such contracts / arrangements / transactions are disclosed in Note No. 29 forming part of the Balance Sheet.

Transactions like payment of remuneration and dividend are as per the terms approved by the Board and shareholders as per applicable provisions. Transaction relating to contribution to CSR activities was made in compliance with the requirements of the Section 135 of the Companies Act, 2013 after due approvals. Please refer CSR section in Board's report for more details in this regard.

For and on behalf of the Board

**R K RAJGARHIA**  
Chairman & Managing Director

**ANNEXURE – VIII TO DIRECTORS' REPORT**  
**CORPORATE GOVERNANCE**

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

The Company strongly believes in fair, efficient and transparent business operations, fairness to all stakeholders in the Company, proper disclosure of relevant financial and non-financial information and enhancing shareholder value on a continuing basis.

**2. Board of Directors**

As on March 31, 2015, the Board is comprised of 6 Members. The composition of the Board of Directors meets with the requirements of Listing Agreement and Companies Act, 2013. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors.

During the year 2014–15 four Board meetings were held on 21.05.2014, 07.08.2014, 07.11.2014 and 06.02.2015.

The composition of the Board of Directors and the attendance at the Board meeting during the year are as under:

Sl. No.	Name of the Directors	Category of Directors	No. of Board Meetings		No. of Director Ships in other public companies	No. of other Board Committees of which Member/Chairman		Last AGM Attended
			Held	Attended		Member	Chairman	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Shri R K Rajgarhia	Chairman & Managing Director	4	4	1	1	1	Yes
2	Shri R L Toshniwal	Non Executive & Independent	4	1	3	-	-	No
3	Shri K R Gupta	Non Executive & Independent	4	4	-	-	3	Yes
4	Shri S G Rajgarhia	Non Executive	4	3	2	1	-	Yes
5	Shri R R Bagri	Non Executive & Independent	4	4	2	4	1	Yes
6	Shri H R Sharma	Executive	4	4	-	2	-	Yes

The non-executive directors, except Shri S G Rajgarhia, do not have any material pecuniary relationship with the company. Shri S G Rajgarhia's pecuniary relationship to the company is limited to the extent of his shareholding in it and the sitting fees received by him. He may also be deemed to have some pecuniary interest with respect to transactions of sale and purchase of materials with the Companies in which he is a director, brief details of which are disclosed in the notes to the financial statements under the head "related party disclosures" under Note 29 annexed to the Balance Sheet.

Shareholding of non-executive directors in the company as on the date of report is:

Name of the Director	No. of shares	Percentage
Shri S G Rajgarhia	5,73,850	2.66

**Appointment of Additional Director**

**Smt Uma Hada, Non- Executive Director**  
(DIN: 06463684)

Smt Uma Hada was appointed as an Additional Director in the Company w.e.f., 08<sup>th</sup> April, 2015. She holds office as a Director up to the date of the ensuing Annual General Meeting and is eligible to be appointed as an Independent Non- Executive Director.

A brief of her resume is annexed as an explanatory statement of this report.

Smt Uma Hada is a Director in Uma Properties & Traders Limited. She became a member of Audit Committee w.e.f 08<sup>th</sup> April, 2015.

**3. Audit Committee**

The broad terms of reference of the Audit Committee are:

- to review the unaudited financial results and the internal audit reports
- to suggest internal control measures after discussion with the internal auditors
- to oversee their implementation
- to review financial statements with the management
- to grant approval on related party transactions including omnibus approval
- to recommend appointment of auditors and
- other matters as provided in the clause 49 of the listing agreement

The scope and activities of the Audit Committee include the areas prescribed under clause 49 II (D) of the listing agreement with the Stock Exchanges. The Audit Committee has been granted powers as prescribed under the clause 49 II (C).

During the year 2014–15 four Audit Committee meetings were held on 21.05.2014, 07.08.2014, 07.11.2014 and 06.02.2015.

The constitution of the committee and the attendance of the members are as under:

Sl. No.	Name	Category	No. of Meetings	
			Held	Attended
1	Shri K R Gupta	Non Executive & Independent	4	4
2	Shri S G Rajgarhia	Non Executive	4	3
3	Shri R R Bagri	Non Executive & Independent	4	4

# APM INDUSTRIES LIMITED

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Shri K R Gupta is the Chairman of the Committee. The other members of the Committee are Shri R R Bagri and Shri S G Rajgarhia. The Company Secretary acts as the Secretary of the Committee. The meetings were also attended by the representatives of Statutory and Internal Auditors.

#### 4. Nomination and Remuneration Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Remuneration Committee" as the "Nomination and Remuneration Committee".

The Nomination and Remuneration Committee is headed by Shri K R Gupta. The other members of the Committee are Shri R R Bagri and Shri R K Rajgarhia.

The non-executive directors are paid sitting fees for the Board and Committee meetings attended by them and are not paid remuneration in any other form.

During the year 2014–15 one Nomination and Remuneration Committee meeting was held on 06.02.2015. The meeting was attended by all the members.

Nomination and Remuneration Policy as approved by the Board is given in **Annexure II** to the Director's Report.

The details of remuneration paid to Chairman & Managing Director and Executive Director during 2014 – 2015 are as under:

Sl. No.	Name of the Directors	Remuneration paid (Rs.)
1	Shri R K Rajgarhia	1,12,66,835
2	Shri H R Sharma	32,84,294

The details of sitting fee paid to the other Directors during 2014–2015 are as under:

Sl. No.	Name of the Directors	Sitting Fee	Total
1	Shri K R Gupta	1,42,500	1,42,500
2	Shri S G Rajgarhia	75,000	75,000
3	Shri R R Bagri	1,42,500	1,42,500
4	R L Toshniwal	10,000	10,000

#### 5. Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The Stakeholders' Relationship Committee is headed by Shri K R Gupta. The other members of the Committee are Shri R R Bagri and Shri H R Sharma.

Name, designation and address of Compliance Officer:

Mr Vinod Kr Singhal  
Dy. Gen. Manager (Compl.)  
APM Industries Limited  
910 – Chiranjiv Tower  
43 – Nehru Place  
New Delhi – 110 019  
Ph No. 011-26441015  
Fax No.011-26441018

During the year 2014–15 two Stakeholders' Relationship Committee meetings were held on 21.05.2014 and 07.11.2014. Both the meetings were attended by all the members.

4 Shareholders' complaints were received during the year 2014–2015 and all of them have been resolved.

There were no pending share transfers as on 31.03.2015.

#### 6. Corporate Social Responsibility Committee

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The Corporate Social Responsibility Committee is headed by Shri R K Rajgarhia. The other members of the Committee are Shri R R Bagri and Shri H R Sharma.

During the year 2014–15, four Corporate Social Responsibility Committee meetings were held on 11.08.2014, 29.11.2014, 05.02.2015 and 31.03.2015. All the members attended four meetings held during the Financial Year 2014-15.

#### 7. Risk Management Committee

The Risk Management Committee is headed by Shri R R Bagri. The other members of the Committee are Shri H R Sharma and Shri C S Vijay.

During the year there was no meeting held for Risk Management Committee.

#### 8. Independent Directors' Meeting

During the year under review, the Independent Directors met on March 20, 2015, inter alia, to discuss.

- To review the performance of Non-Independent Directors and Board of the Company
- To review the performance of the Chairperson of the Company
- To assess the flow of information between the Company Management and the Board

The meeting was attended by Shri K R Gupta and Shri R R Bagri.

**9. General Body Meetings**

During the last three years, the General Meetings of equity shareholders were held as detailed below:

General Meetings	Day, Date, Time and Location	Special resolution passed
40 <sup>th</sup> Annual General Meeting	Thursday, 25 <sup>th</sup> September, 2014 at 11.30 A.M. at Registered office at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan)	-
39 <sup>th</sup> Annual General Meeting	Saturday, 13 <sup>th</sup> July, 2013 at 11.30 A.M. at Registered office at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan)	<b>Special Resolution</b> pursuant to provisions of Section 198, 269, 309 and Schedule - XIII and other applicable provisions of Companies Act, 1956 for re-appointment of Shri R K Rajgarhia, as Chairman & Managing Director of the Company for a period of three years w.e.f June 1, 2013.
38 <sup>th</sup> Annual General Meeting	Saturday, 15 <sup>th</sup> September, 2012 at 11.30 A.M. at Registered office at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan)	<p>• <b>Special Resolution</b> pursuant to provisions of Section 198, 269, 309 and Schedule - XIII and other applicable provisions of Companies Act, 1956 for re-appointment of Shri H R Sharma, as Executive Director of the Company for a period of five years w.e.f March 1, 2012.</p> <p>• <b>Special Resolution</b> pursuant to provisions of Section 314(1) and other applicable provisions of Companies Act, 1956 promotion of Ajay Rajgarhia son of Shri R K Rajgarhia, Chairman and Managing Director, who holds the place of profit in Company as Vice President (Business Development).</p>

No resolutions have been put through postal ballot so far. Similarly, there are no resolutions, which are required to be put through postal ballot at this Annual General Meeting.

**10. Code of Conduct**

The company has formulated and implemented a Code of Conduct for Board Members and senior management of the company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the company.

**11. CEO/CFO Certification**

Shri C S Vijay, CFO of the Company, has given the above certificate pertaining to financial year 2014-15 to the Board of Directors which was taken note of at the Board meeting.

**12. Disclosures**

- There are no materially significant related party transactions, which may have potential conflict with the interests of the Company at large.
- The company's financial statements are prepared as per the Accounting Standards and the accounting principles generally accepted in India.
- The risk assessment and minimization is an ongoing process within the company. The company has laid down the procedures to inform Board members about the risk assessment and minimization procedures. The Audit Committee/Board reviews the risk assessment and control process in the company periodically.
- The company has not raised any money through Public Issue, Rights Issue or Preferential Issue etc.
- There have been no penalties/strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority for non-compliance of any matter relating to capital markets, during the last three years.
- There is no pecuniary relationship or transaction with the Non-Executive independent Directors.
- The management discussion and analysis report is given as a separate statement in the Annual Reports and forms part of the Directors Report.

**13. Compliance with mandatory/Non-mandatory Requirements**

The company has complied with all the applicable mandatory requirements given in the listing agreement.

**14. Means of Communication**

The quarterly Financial Statements are normally published in Business Standard (all Edition) and Seema Sandesh (Jaipur Edition). Company's website: <http://www.apmindustries.co.in>

**15. General Shareholder Information**

**A. Annual General Meeting:**

Date : **September 25, 2015 (Friday)**  
Time : 11.30 A.M.  
Venue : SP – 147 RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan)

**B. Financial Calendar for 2015 – 2016**

Adoption of Quarterly Results Ended	In the month of
30th June, 2015	August 14, 2015
30th September, 2015	November 15, 2015
31st December, 2015	February 15, 2016
31st March, 2016 (Audited Annual Accounts)	May 15, 2016 (May 30, 2016)

# APM INDUSTRIES LIMITED

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**C. Date of Book Closure**

From September 19, 2015 (Saturday) to September 22, 2015 (Tuesday) (both days inclusive).

**D. Listing on Stock Exchange at:**

Scrip Code

Bombay Stock Exchange Limited

523537

The Listing fees for the year 2015 – 2016 have been paid to the above Stock Exchange.

Demat ISIN No. in NSDL and CDSL for equity shares **INE-170D01025**

**E. Shareholding Pattern of the Company as on 31st March 2015.**

Category	No. of Shares Held	%age of share holding
a) Promoters/persons acting in concern	13321665	61.64
b) Banks, Financial Institutions, Insurance Companies	1250	0.01
c) NRIs/OCBs	97852	0.45
d) Other Corporate bodies	1099745	5.10
e) Indian Public	7090848	32.80
<b>Total</b>	<b>21611360</b>	<b>100.00</b>

**F. Distribution of shareholding as on 31<sup>st</sup> March, 2015**

Range		Shareholders		Shares	
No. of shares		Number	% to Total Holders	Number	% to Total Capital
Upto	500	9097	85.15	1945270	9.00
501	1000	807	7.55	681358	3.15
1001	2000	315	2.95	490436	2.27
2001	3000	174	1.63	443778	2.05
3001	4000	60	0.56	218970	1.01
4001	5000	68	0.64	325575	1.51
5001	10000	72	0.67	513887	2.38
10001	And above	90	0.84	16992086	78.63
<b>Total</b>		<b>10683</b>	<b>100.00</b>	<b>21611360</b>	<b>100.00</b>

**G. Share Transfer System**

Share transfers in physical form are registered by the Registrars and returned to the respective transferees within a period ranging from two to three weeks, provided the documents lodged with the Registrars/Company are complete in all respects.

**H. Dematerialization of shares**

The Company has arrangements with both National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

**I. Share Dematerialized record**

The following data indicates the extent of dematerialization of Company's shares as on 31st March 2015.

No. of shares dematerialized	19700338	91.15% of the total share capital
No. of shareholders in D-mat Form	3726	34.87% of the total No. of shareholders

**J. Market Share Price Data (Rs.)**

Month		Bombay Stock Exchange Limited	
		High	Low
April	2014	27.70	22.80
May	2014	28.95	23.70
June	2014	33.00	27.25
July	2014	36.00	27.10
August	2014	34.00	28.00
September	2014	43.00	34.00
October	2014	37.95	33.00
November	2014	40.75	34.00
December	2014	36.75	32.55
January	2015	39.50	33.40
February	2015	38.25	34.10
March	2015	42.30	34.75

**K. Registered Office and Plant Location of the Company**

APM Industries Limited  
SP-147 RIICO Industrial Area  
Bhiwadi  
Dist. Alwar (Rajasthan) – 301 019  
Tel. : 01493 – 522400  
Fax : 01493 – 522413  
Email : [bhiwadi@apmindustries.co.in](mailto:bhiwadi@apmindustries.co.in)

**L. Investors Correspondence**

Shareholders can make correspondence at the following addresses both for Demat and Physical transfer work and other grievances, if any:

**1. Corporate office**

APM Industries Limited  
910 – Chiranjiv Tower  
43 – Nehru Place  
New Delhi – 110 019  
Tel : 011 – 26441015 – 17  
Fax : 011 – 26441018  
E-mail : [delhi@apmindustries.co.in](mailto:delhi@apmindustries.co.in)

**2. Registrars and Share Transfer Agent**

M/s Skyline Financial Services Pvt. Ltd.,  
D-153/A, 1<sup>st</sup> Floor  
Okhla Industrial Area Phase -1  
New Delhi – 110 020  
Tel : 011 – 26812682/83/84  
E-mail : [admin@skylinerta.com](mailto:admin@skylinerta.com)

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Chairman & Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2015, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the Executive level, Vice President and the Company Secretary as on March 31, 2015.

Place: New Delhi

Date: August 5, 2015

**R K RAJGARHIA**  
Chairman & Managing Director

**AUDITORS' CERTIFICATE**

To

The Shareholders of  
APM Industries Limited

We have examined the compliance of conditions of Corporate Governance by APM Industries Limited for the year ended March 31, 2015, as stipulated in clause 49 of the listing agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreement.

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

**Chaturvedi & Co.**  
Chartered Accountants

New Delhi

August 5, 2015

**(Pankaj Chaturvedi)**  
Partner  
Membership No. 09139



# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

## MANAGEMENT DISCUSSION AND ANALYSIS

### Introduction

Management Discussion and Analysis mainly comprises of the statements which, inter-alia, involve predictions based on perceptions and may, therefore, be prone to risks and uncertainties. It is the sum total of the Company's expectations, beliefs, estimates and projections which may be forward looking within the meaning of applicable laws and regulations. The actual results could differ materially from those expressed herein specifically or impliedly.

#### a) Core Business and products

The core business of the Company is manufacturing and marketing of Synthetic Blended Yarn.

#### b) Industry structure and its development

In India, many states announced Capital subsidy and interest subsidy apart from Technology Upgradation Fund Scheme (TUFS) announced by Government of India for New investments in Textile Sector. However, the pace of investments was not higher than the previous years due to reduced yarn export and downward trend of oil price from September 2014 to March 2015.

With positive sentiments about consistent growth projections for India, we expect to do well in coming year.

#### c) Overview of the company's performance

During the year 2014-15, the production of Synthetic Blended Yarn was marginally lower i.e. 184 lac kg as compared to 185 lac kg in 2013-14 and the gross revenue increased by 3% from Rs.307 crores to Rs.316 crores in 2014-15. Your company achieved a net profit Rs.18.85 crores in 2014-15, which is marginally lower than last year which was due to uncertainty in the market because of decreasing trend in the prices of the Petroleum Products. The earnings per share for the year 2014-15 was Rs.8.72, as compared to the previous year's Rs.9.91.

#### d) Opportunities, threats/risks and concerns

##### 1. Opportunities & Threats:

We expect that there will be good growth potential in Apparel sector, because of premium brands pushing their sales through online e-commerce. With the growth of Automobile industries & construction industries, demand for automotive fabrics and home textiles also will grow. The awareness of fashion amongst the youngsters is pushing up per capita consumption of Textiles in India, which is an opportunity.

The downward trend in Petroleum products creating uncertainty in the Textile chain as a whole, resulting which there may be fall in the yarn prices & profitability.

##### 2. Risks & Concerns:

Volatile oil prices directly influence pressure on Polyester Fibre prices almost on daily basis. This cannot be passed on to the customers on day to day basis. Hence new element of risk has been introduced in yarn industry. Also the non-availability of trained/skilled man power is a matter of concern.

#### e) Segment-wise performance

The Company has only one line of business, namely, manufacturing of Synthetic Blended Yarn. The Company has no activity outside India except export of yarn manufactured in India; therefore, there is no geographical segment and no segment wise information is required.

#### f) Outlook

The company continues to modernize its plant and machinery and add balancing equipment. This would enable the company to improve productivity and widen its product range and improve the quality of its products.

The company's performance in the current year is expected to be satisfactory.

#### g) Internal control system

The company has a professional internal control system, which provides adequate safeguards and effective monitoring of transactions. The company has a strong internal audit system and an independent Internal Auditor. The Internal Auditor reports to the Chairman & Managing Director and the Audit Committee of the Board. Personnel of the Internal Auditor conduct periodical audits in all the areas to ensure that the company's control mechanism is properly followed and all statutory requirements are duly complied with.

#### h) Discussion on financial performance with respect to operating performance

The operating performance of the Company has been discussed in Directors Report under the head Financial Results, Operations and Prospects. The profit before tax for the year 2014-15 was at Rs 28.75 crores as against Rs.33.27 crores in the year 2013-14.

#### i) Developments in human resources and industrial relations

The company treats its human resources as its most important asset and believes in its contribution to the all-round growth of the company. Your company's progress is a reflection and outcome of the human resources it has. Your company has fostered a culture of ownership, accountability and self-evaluation that encourages employees to continuously improve on their efficiency. The industrial relations remained cordial thought the year.

#### j) Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's expectations or predictions may be forward looking within the meaning of applicable laws or regulations. Actual results may differ materially from those expressed or implied.

For and on behalf of the Board

Place : New Delhi  
Date : August 5, 2015

R K RAJGARHIA  
Chairman & Managing Director

# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

## INDEPENDENT AUDITORS' REPORT

### To the Members of APM INDUSTRIES LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **APM INDUSTRIES LIMITED** ("the Company"), which comprise the Balance sheet as at March 31, 2015, the Statement of profit and loss, cash flow statement for the year then ended, and a summary of 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 and presentation 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.

#### Auditors' 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 of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 standalone 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, 2015 and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
  - 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 and with the returns received from the branches not visited by us.
  - 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 March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f. in our opinion and to the best of our information and according to the explanation given to us, we report as under 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:
    - i. the company does not have any pending litigations which would impact its financial position except as disclosed in Note No. 27 of the financial statement.
    - ii. the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protected Fund by the company.

**For CHATURVEDI & CO.**  
Chartered Accountants  
Firm Registration No.302137E

**PANKAJ CHATURVEDI**  
Partner  
Membership No. 091239

New Delhi  
May 20, 2015

#### ANNEXURE REFERRED IN INDEPENDENT AUDITORS REPORT OF EVEN DATE

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2015, we report that:

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b. A major portion of the fixed assets has been physically verified by the management during the year pursuant to a program for physical verification of fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
c. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the clause iii (a) and (b) of paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have neither observed nor have been informed of any continuing failure to correct major weaknesses in internal control system of the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under. No order against the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. We have broadly reviewed the cost records maintained by the company specified by the Central Government for the maintenance of cost records under Sub Section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. However, we are neither required to nor have we carried out any detailed examination of such accounts and records.
- vii. a. The Company is generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, sales tax, service tax, excise duty, value added tax, cess and other statutory dues, as applicable with the appropriate authorities except for the entry tax of Rs. 1,799,836 accrued during the year which was deposited on April 3, 2015.  
b. According to the information and explanation given to us, there were no disputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, value added tax or cess as at March 31, 2015 except for the following:

S. No	Name of the Statute	Nature of Dues	Amount in ₹	Period to which amount relates	Forum where dispute is pending
1.	Sales Tax, Rajasthan	Sales Tax	854,767	1999-2000	Rajasthan High Court
2.	Sales Tax, Rajasthan	Sales Tax	2,550,809	2002-2003	Rajasthan High Court

- c. According to the information and explanations given to us, the company has transferred the required amount to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- viii. The Company does not have accumulated losses at the end of financial year March 31, 2015. The company has not incurred cash losses in this financial year and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company has not issued any debentures.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly the clause x of paragraph 3 of the Order are not applicable to the Company.
- xi. According to the information and explanations given to us, term loans have been applied for the purpose for which the loans were obtained.
- xii. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For CHATURVEDI & CO.**  
Chartered Accountants  
Firm Registration No.302137E

**PANKAJ CHATURVEDI**  
Partner  
Membership No. 091239

New Delhi  
May 20, 2015

**APM INDUSTRIES LIMITED**  
CIN No. L21015RJ1973PLC015819

**BALANCE SHEET**

AS AT MARCH 31, 2015

PARTICULARS	Note No.	As At March 31, 2015 (Rs.)	As At March 31, 2014 (Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	43,222,720	43,222,720
(b) Reserves and Surplus	2	1,745,065,855	1,637,916,587
<b>2 Non-Current Liabilities</b>			
(a) Long Term Borrowings	3	36,210,743	72,947,669
(b) Deferred Tax Liabilities (Net)	4	92,047,972	81,922,000
<b>3 Current Liabilities</b>			
(a) Short Term Borrowings	5	71,669,480	54,252,645
(b) Trade Payables	6	33,035,502	18,022,996
(c) Other Current Liabilities	7	246,837,733	216,687,413
(d) Short Term Provisions	8	54,898,590	39,960,238
<b>Total</b>		<b>2,322,988,595</b>	<b>2,164,932,268</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<b>1 (a) Fixed Assets</b>	9		
(i) Tangible Assets		1,182,888,588	1,208,303,498
(ii) Intangible Assets		1,840,703	3,278,269
(iii) Capital Work in Progress		8,938,791	1,157,378
(b) Non-Current Investments	10	305,739,916	125,774,026
(c) Long Term Loans and Advances	11	15,607,820	15,908,101
<b>2 Current Assets</b>			
(a) Current Investments	12	20,000,000	—
(b) Inventories	13	400,072,837	425,351,251
(c) Trade Receivables	14	235,866,569	261,749,728
(d) Cash and Bank Balances	15	19,951,637	5,513,032
(e) Short Term Loans and Advances	16	127,480,647	114,103,227
(f) Other Current Assets	17	4,601,087	3,793,758
<b>Total</b>		<b>2,322,988,595</b>	<b>2,164,932,268</b>
<b>Significant Accounting Policies</b>	26		
<b>The accompanying notes form an integral part of the financial statements</b>			

As per our report of even date attached

**For CHATURVEDI & CO.**

Chartered Accountants

Firm Registration No. 302137E

**For and on behalf of the Board**

**(PANKAJ CHATURVEDI)**

Partner

Membership No. 091239

**JYOTI UPADHYAY**

Company Secretary

**H R SHARMA**

Executive Director

DIN - 00178632

**K R GUPTA**

Director

DIN - 00027295

**R K RAJGARHIA**

Chairman & Managing Director

DIN - 00141766

**Place : New Delhi**

**Date : May 20, 2015**

**PROFIT & LOSS ACCOUNT**

**FOR THE YEAR ENDED MARCH 31, 2015**

**Statement of Profit & Loss**

PARTICULARS	Note No.	For the Year Ended March 31, 2015 (Rs.₹)	For the Year Ended March 31, 2014 (Rs.₹)
<b>INCOME</b>			
I Revenue from Operations (Gross)		3,137,149,526	3,049,002,264
Less: Excise Duty		(3,538,122)	(4,325,766)
Revenue from Operations (Net)	18	3,133,611,404	3,044,676,498
II Other Income	19	26,449,999	29,754,972
III <b>Total Revenue (I + II)</b>		<b>3,160,061,403</b>	<b>3,074,431,470</b>
IV <b>Expenses:</b>			
Cost of Materials Consumed	20	1,888,261,078	1,985,009,826
Changes in Inventories of Finished Goods and Work-in-Progress	21	67,730,019	(114,430,625)
Employee Benefits Expense	22	344,871,200	312,246,797
Finance Costs	23	18,671,967	26,150,623
Depreciation and Amortization Expense	24	29,586,343	46,527,061
Other Expenses	25	523,446,456	486,229,113
<b>Total Expenses</b>		<b>2,872,567,063</b>	<b>2,741,732,795</b>
V <b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>287,494,340</b>	<b>332,698,675</b>
VI Exceptional Items		-	-
VII <b>Profit before Extraordinary Items and Tax (V-VI)</b>		<b>287,494,340</b>	<b>332,698,675</b>
VIII Extraordinary Item		-	-
IX <b>Profit before tax (VII-VIII)</b>		<b>287,494,340</b>	<b>332,698,675</b>
X <b>Tax Expense</b>			
Current Tax		88,414,280	112,576,877
Deferred Tax		10,819,640	5,946,000
Prior Period Tax Adjustment		(245,545)	-
XI <b>Profit for the year (IX-X)</b>		<b>188,505,965</b>	<b>214,175,798</b>
Earning per equity share: Basic and Diluted	33	8.72	9.91
<b>Significant Accounting Policies</b>	26		
<b>The accompanying notes form an integral part of the financial statements</b>			

As per our report of even date attached

**For CHATURVEDI & CO.**

*Chartered Accountants*

Firm Registration No. 302137E

**For and on behalf of the Board**

**(PANKAJ CHATURVEDI)**

Partner

Membership No. 091239

**JYOTI UPADHYAY**

Company Secretary

**H R SHARMA**

Executive Director

DIN - 00178632

**K R GUPTA**

Director

DIN - 00027295

**R K RAJGARHIA**

Chairman & Managing Director

DIN - 00141766

**Place : New Delhi**

**Date : May 20, 2015**

# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	Year Ended March 31, 2015	Year Ended March 31, 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the year before Taxation	287,494,340	332,698,675
Adjustments for		
Depreciation and amortisation	29,586,343	46,527,061
Excess Provision Written Back	(725,766)	(3,762,023)
(Profit)/ Loss on Sale of Fixed Assets	1,001,867	937,234
Provision for doubtful debtors	68,201	-
Short Term Capital Gain/Loss	-	2,697,635
Long Term Capital Gain/Loss	(5,988,256)	
Interest & Finance Charges	18,671,967	26,150,623
Interest Income	(17,985,028)	(25,321,327)
Dividend Income	(177,170)	(198,605)
<b>Operating profit before working capital changes</b>	<b>311,946,498</b>	<b>379,729,274</b>
<b>Changes in assets and liabilities</b>		
(Increase)/Decrease in Inventories	25,278,414	(90,851,128)
(Increase)/Decrease in Sundry Debtors	25,814,958	(8,812,688)
(Increase)/Decrease in Loans and Advances	(14,526,306)	113,219,023
Increase/(Decrease) in Current Liabilities	45,006,816	47,386,891
<b>Cash generated from operations activities</b>	<b>393,520,380</b>	<b>440,671,372</b>
Taxes Paid	93,977,281	118,398,269
<b>Net cash provided by operating activities</b>	<b>299,543,099</b>	<b>322,273,103</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(22,933,498)	(69,068,861)
Sale of Fixed Assets	1,617,045	2,335,618
Purchase of investments (net)	(193,977,634)	(47,697,635)
Dividend received	177,170	198,605
Interest Received	18,228,230	25,088,041
<b>Net cash used in investing activities</b>	<b>(196,888,687)</b>	<b>(89,144,233)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase/(decrease) in Long Term borrowings	(37,531,058)	(55,123,434)
Increase/(decrease) in Working Capital and other borrowings	17,416,835	(101,129,861)
Dividend and Corporate Dividend Tax Paid	(49,429,617)	(48,826,338)
Interest and finance charges paid	(18,671,967)	(26,446,267)
<b>Net cash provided by financing activities</b>	<b>(88,215,807)</b>	<b>(231,525,901)</b>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR</b>	<b>14,438,604</b>	<b>(1,602,970)</b>
Cash and cash equivalents at the beginning of the year	5,513,033	3,910,063
Cash and cash equivalents at the end of the year	19,951,637	5,513,033

### Notes

- The cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 on cash Flow Statement notified in the Companies (Accounting Standard) Rules 2006.
- Figures in brackets indicate cash outflow.
- Previous year figures have been regrouped and recast wherever necessary to conform to current year classification.
- Cash & Cash Equivalents include:

Cash in Hand	530,895	314,430
Cheques in Hand		
Balances with Banks		
- In Current Accounts	3,891,248	1,456,781
- In Fixed Deposits with less than 3 months maturity	10,000,000	-
- In Unclaimed Dividend Account	5,529,494	3,741,821
	<b>19,951,637</b>	<b>5,513,032</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

**For CHATURVEDI & CO.**

Chartered Accountants

Firm Registration No. 302137E

**For and on behalf of the Board**

**(PANKAJ CHATURVEDI)**

Partner

Membership No. 091239

**JYOTI UPADHYAY**

Company Secretary

**H R SHARMA**

Executive Director

DIN - 00178632

**K R GUPTA**

Director

DIN - 00027295

**R K RAJGARHIA**

Chairman & Managing Director

DIN - 00141766

**Place : New Delhi**

**Date : May 20, 2015**

**APM INDUSTRIES LIMITED**  
CIN No. L21015RJ1973PLC015819

**NOTES FORMING PART OF THE BALANCE SHEET AS ON MARCH 31, 2015**

NOTE NO.	As At March 31, 2015 (Rs.)	As At March 31, 2014 (Rs.)
<b>1 SHARE CAPITAL</b>		
<b>Authorised</b>		
35,000,000 (Previous Year 35,000,000) Equity Shares of Rs. 2/- each	70,000,000	70,000,000
300,000 (Previous year 300,000) Redeemable Preference Shares of Rs. 100/- each	30,000,000	30,000,000
<b>Issued</b>		
22,217,080 (Previous Year 22,217,080) Equity Shares of Rs. 2/- each	44,434,160	44,434,160
<b>Subscribed and Paid up</b>		
21,611,360 (Previous Year 21,611,360) Equity Shares of Rs. 2/- each (fully paid up)	43,222,720	43,222,720
<b>Total</b>	43,222,720	43,222,720
a) The reconciliation of number of shares outstanding is set out below:		
Number of Equity Shares at the beginning	21,611,360	21,611,360
Add: Number of Shares Issued	-	-
Number of Equity Shares at the end	21,611,360	21,611,360
b) Details of Shareholders holding more than 5 percent Shares :		
<b>Name</b>	<b>As at March 31, 2015 Number of Shares</b>	<b>As at March 31, 2014 Number of Shares</b>
	<b>% Held</b>	<b>% Held</b>
<b>Equity</b>		
Rajendra Kumar Rajgarhia	17.81	3,850,000
Faridabad Paper Mills Limited	12.82	2,770,000
Ajay Rajgarhia	10.41	2,250,000
Prabha Rajgarhia	7.40	1,600,000
Rajgarhia Leasing and Financial Services Pvt. Ltd.	5.23	1,130,000
	53.67	53.67
c) <b>Rights to the Share Holders</b>		
The Company has only one class of equity shares having a face value of Rs. 2 per share and each holder of equity shares is entitled to one vote per share. All equity Share holders are having right to get dividend in proportion to paid up value of the each equity share, as and when declared.		
<b>2 RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>	31,000	31,000
Balance at the beginning and end of the year		
<b>General Reserve</b>	550,000,000	450,000,000
Less: Adjustment on A/c of Depreciation (Refer Note 9.1)	1,347,132	-
Add: Surplus	100,000,000	100,000,000
<b>Closing Balance</b>	648,652,868	550,000,000
<b>Revaluation Reserve (Refer note 9.1)</b>		
Balance at the beginning of the Year	659,438,716	669,430,212
Less: Transferred to statement of profit and loss	9,991,496	9,991,496
<b>Closing Balance</b>	649,447,220	659,438,716
<b>Securities Premium Reserve</b>		
Balance at the beginning and end of the year	24,311,925	24,311,925
<b>Surplus</b>		
Balance at the beginning of the year	404,134,946	340,694,516
Add: Transferred from Statement of Profit and Loss	188,505,965	214,175,798
	592,640,911	554,870,314
Less : Appropriations		
Transferred to General Reserve	100,000,000	100,000,000
Proposed Dividend (Refer Note 2.1 & 2.2)	58,350,672	43,222,720
Corporate Tax on Dividend (Refer Note 2.1 & 2.2)	11,667,397	7,512,648
<b>Total</b>	170,018,069	150,735,368
<b>Balance at the end of the year</b>	422,622,842	404,134,946
<b>Total</b>	1,745,065,855	1,637,916,587

- 2.1 The Company had declared interim dividend @ Re.1.00 per share in its Board Meeting held on 07.11.2014 and paid on 11.11.2014 subject to the approval of share holders.
- 2.2 The Company had declared second Interim dividend @ Rs.1.70 per share in its Board Meeting held on 08.04.2015 and paid on 11.04.2015 subject to the approval of share holders.



# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

NOTE NO.	As At March 31, 2015 (Rs.)	As At March 31, 2014 (Rs.)
<b>3 LONG TERM BORROWINGS</b>		
<b>Secured</b>		
Secured Loan from Banks	36,210,743	72,947,669
<b>Total</b>	<b>36,210,743</b>	<b>72,947,669</b>
<b>3.1 Nature of Security</b>		
a. Following Term Loans are secured by joint mortgage by deposit of title deeds of the Company's immovable properties situated at Bhiwadi and charge on all immovable and movable assets, both present and future subject to prior charge created on specified movable assets in favour of Company's bankers ranking pari-passu for working capital facilities:		
<b>Loan From</b>	<b>Terms of Repayment</b>	
i. <b>Industrial Development Bank of India (Rs. 560 Lacs)</b> Term Loans from Banks amounting to Rs. 2,91,15,630/- (March 31, 2014 Rs. 3,49,15,630)		
Repayable in 32 quarterly instalments from October 2011 along with interest at the rate of 13.25% p.a.		
ii. <b>Punjab National Bank (Rs. 163 Lacs)</b> Term Loans from Banks amounting to Rs. 96,30,803/- (March 31, 2014 Rs. 1,29,36,510)		
Repayable in 20 quarterly instalments from June 2014 along with interest at the rate of 12.00% p.a.		
iii. <b>State Bank of Bikaner &amp; Jaipur (Rs. 1710 Lacs)</b> Term Loans from Banks amounting to Rs. 2,96,10,274/- (March 31, 2014 Rs. 5,33,69,740)		
Repayable in 32 quarterly instalments from July 2008 along with interest at the rate of 12.85% p.a.		
iv. <b>State Bank of Bikaner &amp; Jaipur (Rs. 230 Lacs)</b> Term Loans from Banks amounting to Rs. 33,46,764/- (March 31, 2014 Rs. 66,65,068)		
Repayable in 32 quarterly instalments from May 2009 along with interest at the rate of 13.60% p.a.		
b. Vehicle loans from Banks amounting to Rs. 21,24,938/- (March 31, 2014 Rs. 34,72,519/-) are secured by hypothecation/ Lien of the respective vehicles.		
Repayable in 36 equalised monthly instalments		
<b>3.2</b> Secured long term loans aggregating to Rs. 7,17,03,471/- (March 31, 2014 Rs. 107,886,948/-) are guaranteed by the chairman and Managing Director.		
<b>3.3</b> The Long Term borrowing shown above is net of Rs. 3,76,17,666/- (Mar 31, 2014 Rs.38,411,798) current maturities, which is shown under note no. 7		
<b>4 DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liabilities</b>		
Depreciation	97,907,892	89,713,425
<b>Deferred Tax Assets</b>		
On Timing differences	5,859,920	7,381,998
Short Term Capital Loss	—	409,427
<b>Total</b>	<b>92,047,972</b>	<b>81,922,000</b>
Deferred Tax Assets and Deferred Tax liabilities have been offset as they relates to the same governing taxation laws i.e. The Income Tax Act,1961		

**APM INDUSTRIES LIMITED**  
CIN No. L21015RJ1973PLC015819

NOTE NO.	As At March 31, 2015 (Rs.)	As At March 31, 2014 (Rs.)
<b>5 SHORT TERM BORROWINGS</b>		
<b>Secured :</b>		
Working Capital Loans from banks (Refer Note 5.1)	58,267,395	44,551,268
<b>Unsecured</b>		
Demand Loan from others	13,402,085	9,701,377
<b>Total</b>	<b>71,669,480</b>	<b>54,252,645</b>
5.1 Working capital loans are secured by hypothecation of inventories, book debts, receivables and other movable assets and also by second charge on Company's immovable properties situated at Bhiwadi ranking pari-passu between the Banks/ Financial Institutions and guaranteed by Chairman & Managing Director of the Company.		
<b>6 TRADE PAYABLES</b>		
Dues to Micro, Small and Medium Enterprises (Refer Note 28)	659,993	284,048
Other Sundry Creditors	32,375,509	17,738,948
<b>Total</b>	<b>33,035,502</b>	<b>18,022,996</b>
<b>7 OTHER CURRENT LIABILITIES</b>		
<u>Current Maturities of long Term Debts</u>		
From Banks (Refer Note 3.3)	37,617,666	38,411,798
Advance from Customer	4,436,175	2,088,393
Unpaid Dividend (Refer note 7.1)	5,529,494	3,741,821
Other Payables		
i. Accrued salaries and benefits	48,224,785	43,794,336
ii. Statutory Dues Including Provident Fund and Tax Deducted At Source	8,862,678	9,480,572
iii. Security deposit	987,425	1,244,914
iv. Other payables	141,163,521	117,925,579
v. Interest on amount due to micro and small enterprises	15,989	-
<b>Total</b>	<b>246,837,733</b>	<b>216,687,413</b>
7.1 There are no amounts due for payment to The Investor Education and protection Fund as at the year end.		
<b>8 SHORT TERM PROVISIONS</b>		
<b>Provision for Employee Benefits (Refer Note 31)</b>		
For Gratuity	10,699,321	10,353,336
For Leave Encashment	-	234,219
<b>Other Provisions</b>		
For Income Tax (Net of Advances)	-	4,011,773
For Wealth Tax	114,280	76,700
Proposed Dividend on Equity Shares (Refer note 2.2)	36,739,312	21,611,360
Dividend Distribution Tax (Refer note 2.2)	7,345,677	3,672,850
<b>Total</b>	<b>54,898,590</b>	<b>39,960,238</b>

**APM INDUSTRIES LIMITED**  
CIN No. L21015RJ1973PLC015819

**NOTE 9 :- FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As At April 1, 2014 (At Cost) (Rs.)	Additions during the year (Rs.)	Sales/ Adjustments (Rs.)	Total As At March 31, 2015 (At Cost) (Rs.)	Upto March 31, 2014 (Rs.)	For the Current Period (Rs.)	Sales/ Adjustments (Rs.)	Other Adjustments (Rs.)	Upto March 31, 2015 (Rs.)	As At March 31, 2015 (Rs.)	As At March 31, 2014 (Rs.)
Tangible Assets (A)											
(I) Own Assets											
Building	133,345,645	1,734,459		135,080,104	43,894,679	3,312,062			47,206,741	87,873,363	89,450,966
Plant & Equipments	994,435,128	6,334,358	983,033	999,766,453	606,723,175	18,769,127	530,361	346,149	625,308,090	374,478,363	434,133,488
Power Generation Unit	127,024,760	-	-	127,024,760	80,603,225	1,393,859	-	-	81,997,084	45,027,676	-
Furniture & Fixtures	17,105,582	1,814,701	108,000	18,812,283	10,383,511	1,497,375	102,600	644,597	12,422,893	6,389,400	6,722,071
Office Equipments	12,923,394	915,539		13,838,933	10,069,848	261,773		865,312	11,196,933	2,642,000	2,853,546
Vehicles	19,666,023	6,586,018	4,105,923	22,146,118	4,417,520	3,093,138	1,945,083		5,565,575	16,580,543	15,248,503
Total (A)	1,304,500,532	17,385,075	5,196,956	1,316,688,651	756,091,958	28,327,334	2,578,044	1,856,058	783,697,306	532,991,345	548,408,574
(II) Asset on Lease											
Lease hold Land	720,000,000	-	-	720,000,000	60,105,076	9,997,681	-	-	70,102,757	649,897,243	659,894,924
Total Tangible Assets (A+II)	2,024,500,532	17,385,075	5,196,956	2,036,688,651	816,197,034	38,325,015	2,578,044	1,856,058	853,800,063	1,182,888,588	1,208,303,498
For previous year	1,964,427,810	69,155,187	9,082,465	2,024,500,532	766,869,048	55,137,599	5,809,613	-	816,197,034	1,208,303,498	
Intangible Assets (B)											
Computer Software	8,519,172			8,519,172	5,240,903	1,252,824		184,742	6,678,469	1,840,703	3,278,269
For previous year	8,519,172	-		8,519,172	3,859,945	1,380,958		-	5,240,903	3,278,269	4,659,227
Grand Total Fixed Assets (A+B)	2,033,019,704	17,385,075	5,196,956	2,045,207,823	821,437,937	39,577,839	2,578,044	2,040,800	860,478,532	1,184,729,291	1,211,581,767
For previous year	1,972,946,982	69,155,187	9,082,465	2,033,019,704	770,728,993	56,518,557	5,809,613	-	821,437,937	1,211,581,767	1,202,217,989

**Note 9.1**

(a) Lease hold land was revalued as on 12.05.2008 by an external valuer at the then market value which resulted in a net increase of Rs.719,387,692.

(b) Depreciation for the year Rs. 3,95,77,839/- includes Amortisation on revalued lease hold land Rs. 99,91,496/-

(c) Pursuant to the Companies Act, 2013 (the Act) the Company has during the financial year ended March 31, 2015 revised depreciation rates on certain fixed assets as per the useful life specified in schedule ii of the Act or as re-assessed by the company. Due to this, based on transitional provision as per note 7 (b) of the schedule ii, on amount of 13.47 Lacs (net of Deferred Tax of 6.94 lacs) have been adjusted to general reserve.

**Capital work-in-progress:**

Building	5,711,655	1,007,629
Plant & Machinery	3,227,136	-
Furniture & Fixture	-	149,749
Vehicle	-	-
Total	8,938,791	1,157,378
<b>GRAND TOTAL</b>	<b>1,193,668,082</b>	<b>1,212,739,145</b>

**APM INDUSTRIES LIMITED**  
CIN No. L21015RJ1973PLC015819

NOTE No.	Particulars		As At March 31, 2015 Rs.	As At March 31, 2014 Rs.
<b>10 NON-CURRENT INVESTMENTS</b>				
	<b>In Government securities ( Valued at Cost)</b>			
a)	National Saving Certificates (Pledged with Sales Tax Department)		—	6,000
b)	In Post Office Saving Bank (Pledged with Excise Department)		3,000	31,110
	<b>Total</b>		<b>3,000</b>	<b>37,110</b>
S. No.	Particulars	Face Value Per Unit (Rs.)	As at March 31, 2015 Nos (Rs.)	As at March 31, 2014 Nos (Rs.)
I	<b>Trade investments (Valued at Cost)</b>			
	<b>a. Un-quoted Equity Instruments (Refer Note 10.1)</b>			
	Fully Paid Class A Equity Shares, held in			
	V.S. Lignite Power Private Limited	10	1256039 12,560,390	1256039 12,560,390
	<b>b. Un-quoted Preference Shares (Refer Note 10.2)</b>			
	0.01% Class A Redeemable Preference Shares held in V.S. Lignite Power Private Limited	10	1114222 11,142,220	1114222 11,142,220
	<b>Total Un-quoted</b>		<b>23,702,610</b>	<b>23,702,610</b>
10.1	Dividend on Class A equity share is restricted to 0.01% of the face value of the shares.			
10.2	Preference Share-Preference shares are redeemable at par over the period of 10-20 year from date of allotment.			
II	<b>Other Investments</b>			
	<b>Investment in Equity Instruments</b>			
	Bhilwara Spinners Ltd.	10	100 508	100 508
	Deepak Spinners Ltd.	10	100 765	100 765
	G.S.L. (India) Ltd.	10	50 1,819	50 1,819
	Hind Syntex Ltd.	10	100 2,642	100 2,642
	Visaka Industries Ltd.	10	10 194	10 194
	Indo Rama Synthetics (I) Ltd.	10	10 76	10 76
	Spentex Industries Ltd.	10	9 77	9 77
	Rajasthan Spng. & Wvg. Mills. Ltd.	10	195 1,831	195 1,831
	Sangam India Ltd.	10	158 1,951	158 1,951
	Shree Rajasthan Syntex Ltd.	10	50 1,043	50 1,043
	State Bank of Bikaner & Jaipur	10	12200 1,868,400	12,200 1,868,400
	GVK Power & Infrastructure Ltd.	1	5000 155,000	5,000 155,000
			<b>2,034,306</b>	<b>2,034,306</b>
III	<b>Investment in Bonds</b>			
	IIFCL Tax Free Bond	1000	30000 30,000,000	30000 30,000,000
	HUDCO Tax Free Bond	1000	30000 30,000,000	30000 30,000,000
			<b>60,000,000</b>	<b>60,000,000</b>
IV	<b>Investment in Mutual Funds</b>			
	Birla Sunlife Dynamic Bond Fund	10	421448 10,000,000	—
	IIFL-FMP Series-6	10	—	2000000 20,000,000
	Reliance Money Manager	10	—	1022479 20,000,000
	Reliance Fixed Horizon Fund	10	1,000,000 10,000,000	—
	BSL Short Term Opportunity Fund	10	721,567 15,000,000	—
	BIRLA SUNLIFE MONTHLY INCOME PLAN-II	10	1,059,565 30,000,000	—
	RELIANCE MONTHLY INCOME PLAN	10	772,483 25,000,000	—
	BNP PARTIES FLEXI DEBT FUND	10	544,624 12,500,000	—
	HDFC CORPORATE DEBT OPPORTUNITIES FUND	10	1,146,652 12,500,000	—
	HDFC MIP LONG TERM	10	581,602 20,000,000	—
	HDFC PRUDENCE FUND	10	13,523 5,000,000	—
	HDFC BALANCED FUND	10	47,477 5,000,000	—
	ICICI PRUDENTIAL BALANCED FUND	10	54,733 5,000,000	—
	RELIANCE DYNAMIC BOND FUND	10	1,595,670 30,000,000	—
	INDIA INFOLINE FINANCE LTD.	1000000	30 30,000,000	—
	UTI-GILLT ADVANTAGE FUND	10	327,561 10,000,000	—
	<b>Total</b>		<b>220,000,000</b>	<b>40,000,000</b>
	<b>Grand Total</b>		<b>305,739,916</b>	<b>125,774,026</b>
	Aggregate amount of quoted Investments		<b>282,034,306</b>	<b>102,034,306</b>
	Market Value of Quoted Investments		<b>303,336,848</b>	<b>110,328,447</b>
	Aggregate amount of unquoted Investments		<b>23,702,610</b>	<b>23,702,610</b>
	Aggregate Provision for diminution in Value of Investments		—	—

# APM INDUSTRIES LIMITED

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Note No.		As At March 31, 2015 Rs.	As At March 31, 2014 Rs.
<b>11 LONG TERM LOANS AND ADVANCES</b>			
<b>Loans and Advances</b>			
(Un-secured & Considered Good, Unless otherwise stated)			
Capital Advances {Refer Note 27 (b)}		4,423,412	6,656,402
Security Deposits		9,350,054	9,251,699
Advance Income Tax		1,834,354	-
<b>Total</b>		<b>15,607,820</b>	<b>15,908,101</b>
<b>12 CURRENT INVESTMENTS</b>			
	Face Value	No. of Units	As At March 31, 2015 Rs.
Current maturity of long term investments valued at cost or NRV (whichever is lower)			
<b>Quoted</b>			
Mutual Funds			
IIFL-FMP Series-6	10	2000000	20,000,000
<b>Total</b>			<b>20,000,000</b>
<b>13 INVENTORIES (Refer Note 26(f))</b>			
Raw Materials			122,677,802
Work-in-Progress			46,040,137
Finished Goods			220,096,247
Stores and Spares			11,258,651
<b>Total</b>			<b>400,072,837</b>
<b>14 TRADE RECEIVABLES</b>			
<b>Out standing for a period exceeding six months from the due date</b>			
Unsecured, Considered Good			21,594,127
Unsecured, Considered Doubtful			1,934,401
			23,528,528
Less: Provision for Doubtful debts			1,934,401
			21,594,127
<b>Others</b>			
Unsecured, Considered Good			214,272,442
<b>Total</b>			<b>235,866,569</b>
<b>15 CASH AND BANK BALANCES</b>			
<b>Cash and Cash Equivalents</b>			
Cash in Hand			530,895
Balances With Banks:-			
- In Current / Cash Credit Accounts			3,891,248
- In Deposit Accounts with less than 3 months maturity *			10,000,000
			14,422,142
- In Unpaid dividend accounts			5,529,494
			5,529,494
<b>Total</b>			<b>19,951,637</b>
* Includes Rs.100000/- Margin Money deposit against guarantees.			
<b>16 SHORT TERM LOANS AND ADVANCES</b>			
(Un-secured & Considered Good, Unless otherwise stated)			
Unsecured Loans (Note 16.1)			106,000,000
Other loans and advances			
- Prepaid Expenses			3,114,347
- Security Deposit			
- CENVAT/VAT Credit Receivable			14,015,723
- Others advance for supply of goods and rendering of services			4,350,577
<b>Total</b>			<b>127,480,647</b>
16.1 The company has given advances to 11 parties ranging from Rs. 6,000,000 to Rs. 10,000,000 for 90 days to 120 days at interest rate of 15% to 19% p.a.			
<b>17 OTHER CURRENT ASSETS</b>			
(Un-secured & Considered Good, Unless otherwise stated)			
Interest Accrued			1,429,952
Claim and other receivable			3,171,135
<b>Total</b>			<b>4,601,087</b>

**APM INDUSTRIES LIMITED**  
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**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015**

Note No.	For the year ended March 31, 2015 Rs.	For the year ended March 31, 2014 Rs.
<b>18 REVENUE FROM OPERATIONS</b>		
Sale of products (Gross)	3,087,946,020	2,995,661,523
Other Operating Revenues :		
-Sales of Scrap	24,536,497	28,842,950
-Interest from customers on account of overdue receivables	24,213,941	23,641,231
-Job Work and other incentives	453,068	856,560
Sub total	3,137,149,526	3,049,002,264
Less : Excise Duty	(3,538,122)	(4,325,766)
<b>Revenue from Operations (Net)</b>	<b>3,133,611,404</b>	<b>3,044,676,498</b>
<b>19 OTHER INCOME</b>		
Interest received from Banks	10,420	23,670
Interest received from Others	12,898,608	24,289,041
Interest received from Tax Free Bond	5,076,000	1,008,616
Dividend received on investments	177,170	198,605
Liabilities/Provisions no longer required, written back	725,766	3,762,023
Gains on Foreign currency transactions (Net)	9,044	179,258
Miscellaneous Income	1,564,735	293,760
Long Term Capital Gain/Loss	5,988,256	-
<b>Total</b>	<b>26,449,999</b>	<b>29,754,972</b>
<b>20 COST OF MATERIALS CONSUMED</b> {Refer note 32(b)}		
Raw Materials Consumed		
Inventory at the beginning of the year	82,737,256	106,231,805
Add: Purchases (net)	1,928,201,624	1,961,515,277
Less: inventory at the end of the year	122,677,802	82,737,256
<b>Cost of Raw Materials consumed during the year</b>	<b>1,888,261,078</b>	<b>1,985,009,826</b>
<b>21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>		
Stock at the end of the year:		
Finished Goods	220,096,247	280,203,403
Work-in-Progress	46,040,137	53,663,000
<b>Total A</b>	<b>266,136,384</b>	<b>333,866,403</b>
Stock at the beginning of the year		
Finished Good	280,203,403	171,487,123
Work-in-Progress	53,663,000	47,948,655
<b>Total B</b>	<b>333,866,403</b>	<b>219,435,778</b>
<b>Change in inventories (A-B)</b>	<b>(67,730,019)</b>	<b>114,430,625</b>
<b>22 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	303,989,913	276,241,263
Contribution to Provident and other Funds	24,331,897	21,031,907
Staff Welfare Expenses	16,549,390	14,973,627
<b>Total</b>	<b>344,871,200</b>	<b>312,246,797</b>
<b>23 FINANCE COSTS</b>		
Interest Expense	17,053,792	24,309,919
Other Borrowing costs	1,618,175	1,840,705
<b>Total</b>	<b>18,671,967</b>	<b>26,150,623</b>

**APM INDUSTRIES LIMITED**  
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Note No.	For the year ended March 31, 2015 Rs.	For the year ended March 31, 2014 Rs.
<b>24 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation and Amortization (Refer Note - 9)	39,577,839	56,518,557
Less: Withdrawn from Revaluation Reserve (Refer Note - 2)	9,991,496	9,991,496
	<u>29,586,343</u>	<u>46,527,061</u>
<b>25 OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Consumption of Stores and Spare Parts	38,856,629	36,540,503
Packing Material	39,917,215	38,250,794
Power and Fuel	294,585,948	277,300,783
Repairs to Machinery	48,016,935	38,648,238
Repairs to Building	7,327,625	2,360,662
Variance in Excise duty on Finished Goods	(4,732,433)	5,546,477
	<u>423,971,918</u>	<u>398,647,457</u>
<b>Selling and Distribution Expenses</b>		
Freight and Forwarding Expenses	30,267,410	24,333,274
Brokerage and Commission	15,124,468	15,335,959
Provision for Doubtful Debts	68,201	—
Claims & Discount	8,282,757	6,551,530
Bad Debts	—	105,757
	<u>53,742,836</u>	<u>46,326,520</u>
<b>Establishment Expenses</b>		
Legal and Professional Fees	2,897,495	2,549,553
Rent	2,833,980	2,832,581
Rates and Taxes	1,385,268	1,178,183
Repairs to Others	1,199,801	531,302
Insurance	1,951,635	1,806,015
Travelling Expenses	1,170,540	2,002,429
Payment to Auditors (Refer note 30)	541,629	533,547
Printing & Stationary	1,910,437	1,860,840
Vehicle Running Expenses	2,020,324	2,327,273
Computer Maintenance	504,258	516,616
Charity and Donation	—	1,100
Communication Expenses	2,174,770	2,040,265
Electricity & Water Charges	578,174	545,274
Membership Fee & Subscription	256,761	246,313
General Expenses	2,657,466	2,839,451
Director Remuneration & Sitting Fees	14,828,429	14,238,166
CSR Expenses (Refer note 25A)	5,720,793	317,010
Pollution Control Exp	2,098,076	1,254,349
Short Term Capital Gain/Loss	—	2,697,635
Loss on Sale of Fixed Assets	1,001,867	937,234
	<u>45,731,702</u>	<u>41,255,136</u>
<b>Total</b>	<u>523,446,456</u>	<u>486,229,113</u>
<b>25A DISCLOSURE RELATED TO CSR EXPENDITURE DURING THE YEAR</b>		
A Gross amount required to be spent by the company during the year	5,688,588	—
B Expenditure incurred during the year		
(i) Construction/acquisition of any Assets	5,064,332	—
(ii) On purpose other than (i) above	656,461	—
<b>Total</b>	<u>5,720,793</u>	<u>—</u>



## 26 SIGNIFICANT ACCOUNTING POLICIES

### a) Corporate Information

APM INDUSTRIES LIMITED (The Company) is engaged in the production and selling of Man Made Fibre's Spun Yarn. The Company has manufacturing facilities at BHIWADI (DISTT.ALWAR) Rajasthan.

### b) Basis of Accounting

- i) These Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis, except for certain financial tangible assets which are measured at fair value. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### c) Fixed Assets

Fixed assets are stated at their cost of acquisition or construction less accumulated depreciation. Cost of acquisition or construction is inclusive of freight, duties, taxes, incidental expenses and borrowing costs related to such acquisition or construction. Capital Work in Progress comprises the cost of fixed assets not ready for their intended use as at the reporting date of the financial statements.

### d) Depreciation

- i) Pursuant to the Companies Act, 2013 ("the Act"), the Company has, during the financial year ended March 31, 2015 revised depreciation rates on certain fixed assets as per the useful life specified in Schedule-II of the Act or as re-assessed by the Company. Due to this, based on transitional provision as per note 7 (b) of the Schedule II, an amount of Rs.13.47 lacs (net of deferred tax of Rs. 6.94 lacs) have been adjusted to General Reserve. The management estimates the useful lives for the other fixed assets as follows:

Buildings	30-60 years
Plant & Equipment	25 years
Electrical Equipment	10 years
Power Generation Unit	40 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Vehicles	8-10 years
Computer Software	6 years

- ii) Cost of leasehold Land is being amortized over the period of lease of 99 years.
- iii) In case of revalued lease hold land, amortization is calculated on revalued cost based on remaining period of lease and the portion related to the revalued quantum is adjusted against revaluation reserve.

### e) Investments

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long term investments are valued at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.

### f) Inventories

Inventories have been valued at lower of cost or net realizable value. For ascertaining the cost, following method has been adopted :-

Raw materials	At weighted average cost
Stores and spares	At weighted average cost
Stocks in Process	At estimated cost
Finished Goods	At actual cost
Waste Materials	At net realizable value

Cost of raw material, stores and spares is net of cenvat credit, wherever applicable. Cost of finished goods includes direct cost, factory overheads and excise duty, wherever applicable. The Company has made provision for cost of obsolescence or depletion in value, wherever applicable. Material purchased on ex-godown basis but not received till the date of Balance Sheet are considered as goods in transit.

### g) Revenue Recognition

- i) Revenue from sales is recognized on despatch of goods from the factory/depot. Sales are inclusive of excise duty but exclusive of sales tax.
- ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. In case of claim of interest on customers for delayed payments, it is recognized on acceptance of the claim by the customers.
- iii) Dividend income is recognized when company's right to receive dividend is established.
- iv) Profit/(loss) on sales of mutual funds/bonds are accounted on transfer of ownership.

### h) Foreign Currency Transactions

- i) Transactions denominated in the foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.
- ii) Monetary items denominated in foreign currencies, other than those covered by forward exchange contracts, are translated in to rupee equivalent at the rates of exchange prevailing on the Balance Sheet date. In the case of forward contract, the difference between the forward rate and the exchange rate on the date of transaction is recognized as income or expense over the life of the contract.
- iii) All exchange differences arising on settlement /conversion of foreign currency transactions are recognized as income or as expenses in the profit and loss account, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the carrying cost of the asset.

### i) Employee Benefits

- i) The contribution towards Provident Fund is made to the Statutory Authorities and is charged to the profit and loss account.
- ii) Liability towards unavailed earned leaves to employees is provided on the basis of actuarial valuation performed by an independent actuary at the year end and funded with leave encashment fund administrative by the group leave encashment scheme with the Life Insurance Corporation of India ('LIC').
- iii) In accordance with the payment of Gratuity Act 1972, the company provides for gratuity covering eligible employees on the basis of an actuarial valuation as at the year end and funded with gratuity fund administered by the group gratuity scheme with the Life Insurance Corporation of India ('LIC').

### j) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of the qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue in the period in which they are incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Assets that are ready for their intended use when acquired are not considered as qualifying assets.

### K) Segment Reporting

The business of the company, at present, consists of single product viz. yarn and therefore, there are no reportable Segments as per accounting standard (AS-17) "Segment Reporting".

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- l) **Leases**  
Finance leases or similar arrangement, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased items, are capitalized and disclosed as leased assets. Finance charges are charged directly against income.  
Leases where the lesser effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a basis, which reflect the time pattern of such payment appropriately.
- m) **Earnings per Share (EPS)**  
The earnings considered in ascertaining the company's EPS comprise the Net Profit or Loss for the period after tax and extra ordinary items. The basic EPS is computed on the basis of weighted average number of equity shares outstanding during the year. The number of shares for computation of diluted EPS comprises of weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year unless they are issued at a later date. The diluted potential equity shares are adjusted for the proceeds receivable assuming that the shares are actually issued at fair value. The number of shares and potentially dilutive shares are adjusted for shares splits/reverse share splits (consolidation of shares) and bonus shares, as appropriate.
- n) **Taxes on Income**  
Tax expense for the year comprises of current tax and deferred tax. Current taxes are measured at the current rate of tax in accordance with provisions of the Income Tax Act, 1961.  
Deferred tax Assets and Liabilities are recognized for future tax consequences attributable to the timing differences that result between taxable profit and the profit as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.  
Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses under tax laws to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Profit & Loss Account in the year of change.
- o) **Grants/Subsidies**  
Generally grants/subsidies are recognized where there is reasonable assurance that the company shall comply with the conditions attached to them and when such benefits have been earned by the company and is reasonably certain that the collection may be made. Grants/Subsidies related to revenue are credited to the Profit & Loss Statement or are deducted in reporting the related expenses.
- p) **Provisions**  
A provision is recognized when an enterprise has a present 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 a reliable estimate can be made. Provisions are not discounted to the present value and are determined based on the 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.
- q) **Impairment of Assets**  
The carrying values of assets of the cash-generating units at each balance sheet date are reviewed for impairment. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor.
- r) **Contingent Liabilities**  
Contingent liabilities are determined on the basis of available information and are disclosed by way of Notes to Accounts.

## 27. NOTES TO ACCOUNTS

1. Contingent liabilities and commitments (to the extent not provided for)
- a. Claims against the Company not acknowledged as debts:-

Particulars	Year ended	
	March 31, 2015 Rupees	March 31, 2014 Rupees
Sales Tax	3,405,576	3,754,178
Bank Guarantee (Net of Margin Rs. 100000/- (Previous Year NIL)	265,000	NIL

- b. Other Commitments

Estimated amount of contracts remaining to be executed on capital account [Net of advances Rs. 4,423,412/- (Previous Year Rs. 6,656,402/-) not provided for Rs. 31,281,555/- (Previous Year Rs. 33,582,964/-).

## 28. Due to Micro and Small Enterprises

Information relating to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 have been identified on the basis of information available with the Company. The required disclosures are given below:

	As at March 31, 2015	As at March 31, 2014
(a) Dues remaining unpaid as at Balance Sheet date		
-Principal amount	659,993	284,048
-Interest amount	-	-
(b) Interest paid in terms of section 16 of the Act, along with the amount of payment made to the supplier and services providers beyond the appointed day during the period	-	-
-Principal amount		
-Interest amount		
(c) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during period) but without adding the interest specified under the Act	-	-
(d) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	15,989	-
(e) Interest accrued and remaining unpaid as at Balance Sheet date	15,989	-

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**29. Related party disclosures**

Information regarding Related Party Transactions as Accounting Standards AS-18 "Related Party Disclosures" notified by Companies (Accounting Standards) Rules, 2006, (as amended).

**List of related parties**

**A. Companies under common control**

Sr. No.	Name of the Company
1.	Orient Abrasives Limited
2.	Orient Refractories Limited
3.	Perfectpac Limited
4.	Rajgarhia Leasing & Financial Services (P) Limited
5.	Arvind Syntex Pvt Ltd

**B. Key Management Personnel and their relatives**

Sr. No.	Name of the Person	Relationship
1.	R. K. Rajgarhia	Chairman and Managing Director
2.	H. R. Sharma	Executive Director
3.	S. G. Rajgarhia	Director
4.	Ajay Rajgarhia	Key Management Person
5.	Aditi Rajgarhia	Grand Daughter of CMD
6.	Prabha Rajgarhia	Wife of CMD

**C. Related Party Transactions**

Particulars	Year	Company under common control (Rs.)	Key Management Personnel (Rs.)	Total (Rs.)
<b>Income/Expense</b>				
Sales (Net of Indirect Taxes)	2014-15	6,451,304	-	6,451,304
	2013-14	-	-	-
Purchases	2014-15	529,061	-	529,061
	2013-14	5,442,034	-	5,442,034
Interest paid	2014-15	1,274,607	-	1,274,607
	2013-14	2,071,333	998,588	3,069,921
<b>Payment made by the Company for</b>				
<b>Rent</b>	2014-15	-	2,824,980	2,824,980
	2013-14	-	2,819,981	2,819,981
<b>Finance</b>				
Loans Repayment	2014-15	356,799,292	-	358,073,899
	2013-14	426,298,413	101,975,000	528,273,413
<b>Finance</b>				
Loans/ Advances Taken	2014-15	361,500,000	-	361,500,000
	2013-14	429,350,000	89,700,000	519,050,000
Remuneration to key Management personnel	2014-15	-	14,551,129	14,551,129
	2013-14	-	14,053,726	14,053,726
Remuneration to Others	2014-15	-	1,237,571	1,237,571
	2013-14	-	1,019,558	1,019,558
<b>Balances with related parties</b>				
Advances Taken	2014-15	13,402,085	NIL	13,402,085
	2013-14	8,701,377	NIL	8,701,377

D. No amount pertaining to related parties which have been provided for as doubtful debts or written off in respect of related parties.

E. Related party relationship is as identified by the Company and relied upon by the Auditors.

**F. Disclosure of Material Transactions with Related parties**

Particulars	Year ended March 31, 2015 (Rs.)	Year ended March 31, 2014 (Rs.)
<b>Purchases</b>		
Perfectpac Limited	501,970	5,414,942
Orient Refractories Limited	27,091	-
<b>Sales</b>		
Arvind Syntex Pvt Limited	6,451,304	-
<b>Interest Paid</b>		
Shri R.K.Rajgarhia	-	998,588
Rajgarhia Leasing & Financial Services (P) Ltd	1,274,607	2,071,333
<b>Rent Paid</b>		
Smt. Prabha Rajgarhia	979,860	974,860
Ms. Aditi Rajgarhia	159,720	159,720
Shri Ajay Rajgarhia	1,685,400	1,685,401

# APM INDUSTRIES LIMITED

CIN No. L21015RJ1973PLC015819

## 30. Auditors Remuneration:

	Year ended March 31, 2015 (Rs.)	Year ended March 31, 2014 (Rs.)
<b>Payment to Statutory Auditors</b>		
Audit Fee	308,990	308,990
Tax audit Fee	84,270	84,270
Limited Review of Results	50,562	50,562
In other capacity		
(a) For Taxation matters	0	0
Reimbursement of expenses	48,945	46,110
<b>Total (A)</b>	<b>492,767</b>	<b>489,932</b>
<b>Payment to Cost Auditors</b>		
(a) Audit Fee	40,000	35,000
(b) Reimbursement of expenses	8,862	8,615
<b>Total (B)</b>	<b>48,862</b>	<b>43,615</b>
<b>Grand Total (A+B)</b>	<b>541,629</b>	<b>533,547</b>

## 31. Employee Benefit:

Effective from April 01, 2007, the company adopted the revised accounting standard 15 "Employee Benefits" (AS – 15) issued by the Institute of Chartered Accountants of India.

Funded status of the Gratuity & Leave Encashment Plan and the amount recognized as required by AS 15 is set out below:

Particulars	For the Year ended March 31, 2015		For the Year ended March 31, 2014	
	Gratuity (Rs.)	Compensated Absences (Rs.)	Gratuity (Rs.)	Compensated Absences (Rs.)
Obligations at year beginning	46,328,850	7,289,096	41,353,820	6,497,186
Service Cost - Current	4,653,846	997,138	4,480,864	1,239,162
Interest Cost	3,937,952	619,573	3,308,306	519,775
Actuarial (gain) / loss	2,232,834	1,159,641	685,993	(864,086)
Benefit Paid	(5,921,045)	(6,202,811)	(3,500,133)	(102,941)
Obligations at year end	<b>51,232,437</b>	<b>3,862,637</b>	<b>46,328,850</b>	<b>7,289,096</b>
<b>Change in plan assets</b>				
Plan assets at year beginning, at fair value	35,975,514	7,054,877	27,949,609	6,177,795
Expected return on plan assets	3,237,796	634,989	2,445,591	540,557
Actuarial gain / (loss)	(87,425)	-	(15,157)	937
Contributions	7,328,276	-	9,095,604	438,529
Benefits paid	(5,921,045)	-	(3,500,133)	(102,941)
<b>Plan assets at year end, at fair value</b>	<b>40,533,116</b>	<b>7,689,816</b>	<b>35,975,514</b>	<b>7,054,877</b>
<b>Reconciliation of present value of the obligation and the fair value of the plan assets</b>				
Present value of the defined benefit obligations at the end of the year	51,232,437	3,862,637	46,328,850	7,289,096
Fair value of the plan assets at the end of the year	40,533,116	7,689,816	35,975,514	7,054,877
<b>Liability/(Assets) recognised in the Balance Sheet</b>	<b>10,699,321</b>	<b>3,827,179</b>	<b>10,353,336</b>	<b>234,219</b>
<b>Defined benefit obligations cost for the year</b>				
Service Cost - Current	4,653,846	997,138	4,480,864	1,239,162
Interest Cost	3,937,952	619,573	3,308,306	519,775
Expected return on plan assets	(3,237,796)	(634,989)	(2,445,591)	(540,557)
Actuarial (gain) / loss	2,320,259	1,159,641	701,150	(865,023)
<b>Net defined benefit obligations cost</b>	<b>7,674,261</b>	<b>2,141,413</b>	<b>6,044,729</b>	<b>353,357</b>

The principal assumptions used in determining post employment benefit obligations are as below:

Particulars	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	2015 (in %)	2015 (in %)	2014 (in %)	2014 (in %)
Discount Rate	7.75	7.75	8.50	8.50
Future salary increases	5.25	5.25	6.00	6.00
Expected return on plan assets	9.00 & 8.75	9.00	8.75	8.75

**APM INDUSTRIES LIMITED**  
CIN No. L21015RJ1973PLC015819

**32. Additional information relating to Production, Sales, Stocks & Raw Material Consumption.**

**A. Particulars in respect of Production, Sales and Stocks:**

Class of Goods	Unit	Production	Opening Stock		Closing stock	
			Qty (kgs)	Value (Rs.)	Qty (kgs)	Value (Rs.)
Man- Made Fiber's Spun Yarn	Kgs	18406139 (18461826)	1897707 (1138966)	280,203,403 (171,487,123)	1453330 (1897707)	220,096,247 (280,203,403)

**B. Raw Material Consumption:**

Class of Goods	Unit	*Quantity (In Kgs.) Year ended		Value (In Rupees) Year ended	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
1 Viscose Staple Fibre	Kgs	1130028	965385	181,597,617	155,143,466
2 Polyester Fibre	Kgs	17083205	17519318	1,449,603,254	1,606,382,416
3 Acrylic Fibre	Kgs	957060	793266	137,756,218	122,830,106
4 Cotton/Jute Waste	Kgs	12596	2179	1,669,409	333,860
5 Polyester Filament Yarn	Kgs	10196	14176	1,226,844	1,754,741
6 Dyes and Chemicals	Kgs			116,407,736	98,565,237
				1,888,261,078	1,985,009,826

\*Figures are net of sale of raw material

**C. Turnover of Products:**

Class of Goods	Unit	*Quantity (In Kgs.)		Value (In Rupees)	
		Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2014
Man Made Fibre Spun Yarn	Kgs	18848420*	17702764*	3,087,946,020	2,995,661,523

\* Excluding shortage/wastage/loss by theft of 2096 kgs (321 kgs)

**D. Value of imported & indigenous Raw Materials and Stores & Spares and packing Materials consumed and percentage of each of the total consumption:**

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
	(Rs.)	%	(Rs.)	%
1 Raw materials				
Imported	-	-	-	-
Indigenous	1,888,261,078	100	1,985,009,826	100
Total	1,888,261,078	100	1,985,009,826	100
2 Stores, Spares & Packing Material				
Imported	7,698,944	9.77	3,350,188	4.48
Indigenous	71,078,900	90.23	71,441,109	95.52
Total	78,773,844	100.00	74,791,297	100.00

**E. CIF value of Imports**

Particulars	Year ended March 31, 2015 (Rs.)		Year ended March 31, 2014 (Rs.)	
i Stores, Spares & Packing Materials	6,290,456		3,131,358	
Total	6,290,456		3,131,358	

**APM INDUSTRIES LIMITED**  
**CIN No. L21015RJ1973PLC015819**

**F. Expenditure in Foreign Currency (On Payment Basis)**

Particulars	Year ended March 31, 2015 (Rs.)	Year ended March 31, 2014 (Rs.)
i. Commission	<u>154,935</u>	<u>72,372</u>

**G. Earning in Foreign Exchange**

13,741,572

15,583,661

**33. Earning Per Shares**

Particulars	Year ended March 31, 2015 (Rs.)	Year ended March 31, 2014 (Rs.)
(a) (Loss) / Profit After Tax for calculation of Basic and Diluted EPS	<b>188,505,965</b>	214,175,798
(b) Weighted average number of equity shares for calculation of EPS	<b>21,611,360</b>	21,611,360
(c) Basic and Diluted EPS	<b>8.72</b>	9.91

**34.** Profit/Loss on the sale of raw material is adjusted in the raw material consumed account. However, the amount of profit/loss is not material.

**35.** Figures of previous year have been regrouped or rearranged wherever found necessary and the same are appearing in brackets.

**36.** Note 1 to 36 form an integral part of the accounts and have duly been authenticated.

As per our report of even date attached

**For CHATURVEDI & CO.**

*Chartered Accountants*

Firm Registration No. 302137E

**For and on behalf of the Board**

**(PANKAJ CHATURVEDI)**

Partner

Membership No. 091239

**JYOTI UPADHYAY**

Company Secretary

**H R SHARMA**

Executive Director

DIN - 00178632

**K R GUPTA**

Director

DIN - 00027295

**R K RAJGARHIA**

Chairman & Managing Director

DIN - 00141766

**Place : New Delhi**

**Date : May 20, 2015**

# APM INDUSTRIES LIMITED

CIN: L21015RJ1973PLC015819

Regd. Office: SP-147, RIICO Industrial Area, Bhiwadi, Dist., Alwar (Raj.)

Tel: 01493 – 522400 Fax: 01493 – 522413, Email: bhiwadi@apmindustries.co.in

## PROXY FORM

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

DP ID / Client ID / Folio No.	
No. of Share(s) held	

I/We .....  
 R/o.....  
 having email id ....., being the member(s) and having .....  
 shares of the above named company, hereby appoint .....  
 R/o .....  
 having email id ..... or failing him/her .....  
 R/o.....  
 having email id ..... or failing him/her .....  
 R/o.....  
 having email id..... as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **41<sup>st</sup> Annual General Meeting** of the company, to be held on **Friday the 25<sup>th</sup> day of September, 2015 at 11.30 A.M.**, at the registered office of the company situated at **SP-147, RIICO Industrial Area, Bhiwadi, Dist., Alwar (Raj.)** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional (✓)	
		For	Against
Ordinary Business			
1	To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon		
2	To confirm the two interim dividends aggregating to Rs.2.70 per equity share as final dividend, already paid for the year ended 31st March, 2015		
3	To appoint a Director in place of Shri S G Rajgarhia, who retires by rotation and being eligible, offers himself for re-appointment.		
4	To ratify appointment of Statutory Auditors of the Company and to fix their remuneration.		
Special Business			
5	To Appoint Smt Uma Hada (DIN: 06463684) as an Independent Director		
6	To revise the remuneration of Shri H R Sharma (DIN: 00178632), Whole Time Director in the Company		
7	Ratification of Remuneration to Cost Auditor		
8	Borrowing limits of the Company		
9	Creation of charge / Mortgage on the assets of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015

Signature of the 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.**

Affix  
Revenue  
Stamp

## ATTENDANCE SLIP

I/we hereby record my/our presence at the **41<sup>st</sup> Annual General Meeting** of the company held on **Friday the 25<sup>th</sup> day of September, 2015 at 11.30 A.M.**, at the registered office of the company situated at **SP-147, RIICO Industrial Area, Bhiwadi, Dist., Alwar (Raj.)**.

DP ID/ Client ID/ Folio No.	
No. of Share(s) held	

NAME OF THE SHAREHOLDER \_\_\_\_\_ (Signature)

NAME OF THE PROXY \_\_\_\_\_ (Signature)  
 (IN BLOCK LETTERS)

## E-VOTING PARTICULARS ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

Member's Folio/DP ID-Client  
ID No.  
(to be filled by the member)

Member's/Proxy's Name in  
Block Letters  
(to be filled by the member)

Member's/Proxy's  
Signature  
(to be filled by the member)

**Note:** Please fill the Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING.



ROUTE MAP FOR VENUE OF 41<sup>ST</sup> AGM  
 APM INDUSTRIES LIMITED – (UNIT : ORIENT SYNTEX)  
 SP-147, RIICO INDUSTRIAL AREA, BHIWADI, DIST. ALWAR (RAJASTHAN)

