

**39<sup>th</sup>**  
**A****NNUAL**  
**REPORT**  
**2012-2013**

**APM INDUSTRIES LIMITED**

## APM INDUSTRIES LIMITED

### BOARD OF DIRECTORS

R K RAJGARHIA  
Chairman & Managing Director

R L TOSHNIWAL

K R GUPTA

S G RAJGARHIA

R R BAGRI

H R Sharma  
Executive Director

### AUDITORS

Chaturvedi & Co.

### BANKERS

Punjab National Bank  
State Bank of Bikaner & Jaipur

### HEAD OFFICE

2-Brabourne Road  
Kolkata - 700 001

### CORPORATE OFFICE

910, Chiranjiv Tower,  
43, Nehru Place  
New Delhi - 110019

### COMPANY SECRETARY

F C GOEL

### REGISTERED OFFICE & WORKS

SP-147, RIICO Industrial Area  
Bhiwadi, Dist. Alwar  
(Rajasthan) - 301019

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## APM INDUSTRIES LIMITED

### NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the 39th Annual General Meeting of the Members of APM Industries Limited will be held on **Saturday**, the **13<sup>th</sup>** day of **July, 2013** 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 31st March 2013, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare the final Dividend for the Financial Year ended March 31, 2013.
3. To appoint a Director in place of Shri R R Bagri, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s Chaturvedi & Co., Chartered Accountants, who are eligible for re-appointment as Auditors of the Company and to fix their remuneration.

#### SPECIAL BUSINESS

5. To consider, and if thought fit, to pass with or without modification, the following resolution as an Special Resolution:

“RESOLVED THAT subject to the provisions of Section 198, 269, 309 and Schedule - XIII and other applicable provisions of the Companies Act, 1956 approval of the members of the company be and is hereby accorded to the re-appointment of Shri R K Rajgarhia, as Chairman & Managing Director of the Company for a period of three (3) years w.e.f. June 1, 2013 upon the terms and conditions set out below:”.

- a) **Basic Salary:** Rs. 2,00,000 (Rupees Two lacs only) per month w.e.f. June 1, 2013 in the grade of Rs. 2,00,000 – Rs. 25,000 – Rs. 2,50,000.
- b) **Commission:** 2% on the net profit of the Company computed in the manner laid down in the Companies Act, 1956.
- c) **Perquisites & Allowances:** In addition, he shall be entitled to the following perquisites and allowances:
  - i) House Rent Allowance @ 60% of salary per month.
  - ii) Provision of furnishings and expenses pertaining to supply of Gas, Electricity, Water and other utilities including repair will be borne/ reimbursed by the Company.
  - iii) Expenses pertaining to services of a guard/ watchmen, a gardener and a servant employed at his residence shall be borne/reimbursed by the Company.

- iv) Medical expenses actually incurred for self, wife and dependent subject to the condition that the total cost to the company shall not exceed one month's salary per year or three month's salary in a period of 3 years.
  - v) Reimbursement of actual traveling expenses for self and family for proceeding on leave once in a year to and from any place in India or outside India.
  - vi) Reimbursement of membership fees in respect of Clubs will be subject to maximum of two Clubs.
  - vii) Personal Accident Insurance Premium subject to limit of Rs.5,000/- per annum.
  - viii) Free use of the Company's car with driver for company's work as well as for personal purposes.
  - ix) Telephone at residence at company's cost.
  - x) Gratuity @ half month's basic salary for each completed year of services.
  - xi) Leave and leave encashment as per rules of the company.
- d) Minimum remuneration: In the event of loss or inadequacy of profit in any financial year during the tenure of Shri R K Rajgarhia as Chairman & Managing Director, he shall be entitled to receive and be paid the remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limits as specified under Part II, Section II of Schedule XIII of the Companies Act, 1956 for a period of three years from the date of appointment.

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

New Delhi  
**May 7, 2013**

By Order of the Board

**F C GOEL**  
Company Secretary

# APM INDUSTRIES LIMITED

## NOTES

1. 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.
2. Explanatory statement as required Under Section 173(2) of the Companies Act, 1956 in respect of Item No.5 is Annexed.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from **July 6, 2013 (Saturday)** to **July 13, 2013 (Saturday)** (both days inclusive) in connection with the payment of final Dividend for the Financial Year 2012 – 2013.
4. The payment of dividend, upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made on or after **July 17, 2013** as under:
  - a) To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the company by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the end of the day on **July 5, 2013**.
  - b) To all those shareholders holding shares in physical form after giving effect to all the valid share transfers lodged with the company before the closing hours on **July 5, 2013**.
5. The amount of dividend remaining unpaid for the year 2005-06, 2006-07, 2010-11, 2011-12 and interim dividend 2012-13 transferred to the company's unpaid dividend account, can be claimed from the company by the members entitled to it for a period of seven years from the respective dates of such transfer after which it shall be transferred to the Investor Education and Protection Fund (IEPF) constituted Under Section 205 (C) of the Companies Act, 1956. The amount pertaining 2005-06 will be transferred to IEPF in October 23, 2013.
6. The company sub-divided the face value of equity shares from Rs.10 to Rs. 2 w.e.f. January 28, 2011. Members were advised through a circular dated January 29, 2011 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 new ISIN Code INE170D01025 pursuant to change in face value.
7. 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:
  - a) os.delhi@orientsyntex.com
  - b) admin@skylinerta.com

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

#### ITEM NO.5

Shri R K Rajgarhia was appointed as Chairman & Managing Director of the Company w.e.f. August 1, 2009 for a period of five years, which term will be expiring on August 1, 2014. The Board of Directors, at its meeting held on May 7, 2013, have decided to reappoint Shri R K Rajgarhia as Chairman & Managing Director of the Company for a further period of three years w.e.f. June 1, 2013, and to approve the remuneration payable, as recommended by Remuneration Committee, set out in the resolution, subject to the approval of shareholders in the ensuing Annual General Meeting.

Under Section 309 of the Companies Act, 1956, this appointment requires members' approval by way of an ordinary resolution. However, in terms of Schedule XIII to provide for minimum remuneration in the event of loss or inadequacy of profits in any financial year, a special resolution is required to be passed by the members approving payment of remuneration for a period of 3 years. The proposed special resolution combines both for appointment and payment of minimum remuneration.

The information required to be given as per paragraph 1(B) of Section II of Part II of Schedule XIII of the Companies Act, 1956 in the context of above appointment is given below:

#### i) GENERAL INFORMATION:

1. Nature of industry  
The company's activities can be classified as manufacturing Synthetic Blended Yarn under the Textile Industry.
2. Date of commencement of commercial production  
The commercial production commenced in January 15, 1981.
3. In case of new companies, expected date of commencement of activities – Not applicable
4. The financial performance for the year ended March 31, 2013

	(Rs. In lacs)
Net Revenue	29255
Net profit	2206
EPS (Rs.)	10.21
5. Export performance and net foreign exchange collaboration  
The demand in the domestic market for the company's product is good with better margins. Therefore, the export turnover declined to Rs.159 lacs from Rs.1443 lacs in the previous year.
6. Foreign investments or collaborators, if any – Not applicable

#### ii) INFORMATION ABOUT THE APPOINTEE:

1. Background details  
Shri R K Rajgarhia, aged 75 years, is a successful industrialist having over 54 years of experience in the field of textile industry. He is the promoter director of the company and holding post of Chairman & Managing Director. He is looking after overall activities of the company.
2. Past remuneration  
The remuneration paid to him during the Financial Year 2012-13 is Rs. 66.65 lacs.
3. Recognition or awards  
No such awards

## APM INDUSTRIES LIMITED

### 4. Job profile and his suitability

Shri R K Rajgarhia is looking after the overall activities of the company and management. Considering his skill, your Board is of the opinion that the service of Shri R K Rajgarhia as Chairman and Managing Director is required to be availed for allround growth and development of the company.

### 5. Remuneration proposed

The remuneration proposed to be paid to Shri R K Rajgarhia is set out in the resolution.

### 6. Comparative remuneration profile with respect to industry.

No such data is available with the company. But the Board is of the view that the remuneration paid/to be paid by the company is totally in line with the performance made by the company under his dedicated services.

### 7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any

Shri R K Rajgarhia's pecuniary relationship is limited to the remuneration receives in the capacity of Chairman & Managing Director.

He is related to Shri Ajay Rajgarhia, Vice President (Business Development) as father.

### Details of the Director seeking reappointment in the forthcoming Annual General Meeting.

#### BRIEF RESUME OF DIRECTOR OFFERING FOR REAPPOINTMENT

Name of the Director	:	Shri R R Bagri
Date of Birth	:	01.04.1944
Date of appointment	:	24.01.2003
Qualification	:	B.E. (Civil & Mech.) and M.S. (San) from New York, USA.
Expertise in specific functional area	:	Shri R R Bagri is a qualified engineer. He is at present Managing Director of M/s Clear Water Limited and he has varied experience of more than 46 years.
List of other Directorship held	:	Clear Water Limited APM Industries Limited Kajaria Ceramics Limited Faridabad Papers Mills Limited Bagri Udyog Pvt. Limited
Chairman/member of the Committee of the Board of Directors of the Company	:	- Audit Committee – Member - Share holder/Investors Grievance Committee – Member - Remuneration Committee - Member
Chairman/member of the committee of Directors of other companies.	:	Kajaria Ceramics Limited - Remuneration Committee

### iii) OTHER INFORMATION:

#### 1. Reason of loss or inadequate profits

For the present the profit of the company are adequate to pay the remuneration as proposed. However, there could be events or external factors beyond the control of the company which would influence company's profitability. Hence it is necessary to provide for minimum remuneration to adequately compensate the Chairman & Managing Director in case of any such eventuality.

#### 2. Steps taken or proposed to be taken for improvement

The profit of the company during the year is adequate and it is expected that the company will perform satisfactorily in the coming years.

#### 3. Expected increase in productivity and profits in measurable terms

The production increased to 166 lac kg from 154 lac kg in 2011-12 up by 8% and the net revenue increased by 12% from Rs.259 crores to Rs.293 crores and achieved a 75% growth in net profit from Rs.12.60 crores to Rs.22.06 crores.

#### Registered Office:

SP-147, RIICO Industrial Area,  
Bhiwadi, Dist. Alwar (Rajasthan)

New Delhi  
May 7, 2013

By Order of the Board

**F C GOEL**  
Company Secretary

### iv) DISCLOSURES:

The remuneration package is already explained in the foregoing paragraph. The report on Corporate Governance which forms part of this annual Report also gives various details related to remuneration and contact of service as required.

The appointment and the remuneration have been approved by the Remuneration Committee and the Board of Directors in their respective meetings held on 07.05.2013.

None of the Director's except Shri R K Rajgarhia and Shri S G Rajgarhia is interested or concerned in the said resolution.

The Board recommends the proposed resolution for your approval.

# APM INDUSTRIES LIMITED

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 39<sup>th</sup> Annual Report and Audited Accounts for the year ended on March 31, 2013.

### FINANCIAL RESULTS

	(Rs. In lacs)	
	2012-13	2011-12
Gross Revenue	29255	25982
Profit before depreciation and tax	3768	2413
Less: Depreciation	468	462
- Profit before income tax	3300	1951
- Less: Income Tax	1094	691
- Net profit for the year	2206	1260
Add: Balance brought forward from the previous year	2602	2493
Amount available for appropriation	4808	3753
<b>Appropriations:</b>		
- Dividend		
- Interim Dividend	130	-
- Proposed Dividend	216	130
- Total Dividend	346	130
- Corporate Dividend Tax	56	21
- General reserve	1000	1000
- Balance carried forward to Balance Sheet	3406	2602
Total	4808	3753

### OPERATIONS

During the year 2012-13, the production of Synthetic Blended Yarn, increased to 166 lac kg from 154 lac kg in 2011-12 up by 8% and the net revenue increased by 12% from Rs. 259 crores to Rs. 293 crores. Your company achieved a 75% growth in net profit from Rs.12.60 crores to Rs. 22.06 crores.

The earnings per share for the year 2012-13 is Rs.10.21 as compared to the previous year's Rs. 5.83.

### EXPORTS

Your company's products had a good demand in the domestic market with better margins. Therefore, the export turnover declined to Rs. 159 lacs from Rs. 1443 lacs in the previous year. In the current year also the trend is expected to continue.

### 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.

### DIVIDEND

Your Directors in its meeting held on November 12, 2012 had paid an interim dividend @ 30% i.e. Rs. 0.60 per equity share. The Board of Directors have now recommended a final dividend of 50% i.e. Rs. 1.00 per equity share of Rs. 2/- each, subject to the approval of the shareholders. The total dividend for financial year 2012-13 is 80% i.e. Rs. 1.60 per equity share.

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

The prescribed details as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, are annexed as **Annexure – I** to this Report.

### PARTICULARS OF EMPLOYEES

Particulars of remuneration paid to the employees as required to be disclosed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 (as amended), are set out in **Annexure – II** attached hereto and form part of this Report.

### DIRECTORS

Shri R R Bagri retires by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment. A brief resume is given in the Notice to the Annual General Meeting. Your Directors recommend his re-appointment at the ensuing Annual General Meeting in the overall interest of the company.

### DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA) of the Companies Act, 1956, your Directors confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed and Notes to the Accounts are self explanatory.
2. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That they have prepared the annual accounts on a going concern basis.

### AUDIT COMMITTEE

The Audit Committee meets at due intervals to conduct the required business. At present the committee comprises of Shri K R Gupta (Chairman), Shri R R Bagri (Member) as independent Directors and Shri S G Rajgarhia (Member) as Non Executive Director.

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.

### AUDITORS

M/s Chaturvedi & Co., Chartered Accountants, the auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. A certificate under section 224(1B) of the Companies Act, 1956 confirming their eligibility has been obtained from them. Your Directors recommend that they be reappointed by the members at the 39<sup>th</sup> Annual General Meeting.

### 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.

### CORPORATE GOVERNANCE

A separate report on Corporate Governance and a certificate from the Auditors of the company regarding compliance of the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges are annexed as **Annexure – III** to this report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis on the matters relating to the business performance, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, is given as a separate statement in the Annual Report.

### 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  
May 7, 2013

**R K RAJGARHIA**  
Chairman & Managing Director

# APM INDUSTRIES LIMITED

## ANNEXURE – I TO DIRECTORS' REPORT

### PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULE 1988.

#### A. CONSERVATION OF ENERGY

##### Energy Conservation Measures taken:

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

1. Replacement of 18 Nos. old humidity plants' Return Air Fan 15 HP Motors by energy efficient motors.
2. Replacement of 28 Nos. old humidity plants' supply Air Fan 20 HP Motors by energy efficient Motors.
3. Replacement of 34 Nos. old (Metal) fans by energy efficient FRP fans in humidity plants.
4. Installation of stabilizer on lighting load.
5. Replacement of 10 Nos. old Mono Block Pump of 7.5 HP by energy efficient Mono Block Pump in Humidity Plant.

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

Efforts made in R & D and Technology Absorption are 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. However, the exports during the year were reduced, because of textile industry faced global recession.

The information in respect of Foreign Exchange earnings and outgo is contained in item (f) & (g) in Note No.33 annexed to the Balance Sheet.

### FORM 'A' FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSUMPTION OF ENERGY

	Unit	2012-13	2011-12
<b>A POWER AND FUEL CONSUMPTION</b>			
<b>1 Electricity</b>			
Purchased unit	Unit in lacs	442.21	443.31
Total amount	Rs. In lacs	2348.09	2154.90
Rate	Rs./Unit	5.31	4.86
<b>2 Own Generation</b>			
a) Through Diesel Generator	Unit in lacs	3.82	2.88
Unit per Litre of Diesel	Unit	3.61	3.62
Cost	Rs./Unit	13.75	11.45
b) Through HFO Generator	Unit in lacs	7.28	7.08
Unit per Litre of Diesel/HFO	Unit	3.63	3.75
Cost	Rs./Unit	12.45	8.50
<b>3 Coal (Grade B, C, D &amp; E)/Petcock</b>			
Quantity	MT	2197.93	2335.09
Total cost	Rs. in lacs	181.12	197.87
Average rate	Rs./MT	8240.40	8473.62
<b>4 Diesel</b>			
Quantity	Ltrs. In lacs	3.07	1.14
Total cost	Rs. In lacs	125.09	45.81
Average rate	Rs./Ltr.	40.81	40.13
<b>5 Furnace Oil</b>			
Quantity	Ltrs. In lacs	-	1.54
Total cost	Rs. In lacs	-	43.93
Average rate	Rs./Ltr.	-	28.45
<b>B CONSUMPTION PER UNIT OF PRODUCTION*</b>			
1 Electricity		273.00	294.00
2 Coal B, C, D & E Grade/Pet coke		13.21	15.14

\* 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, 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.

##### Particulars of imported technology:

Not applicable

For and on behalf of the Board

New Delhi  
May 7, 2013

**R K RAJGARHIA**  
Chairman & Managing Director



# APM INDUSTRIES LIMITED

## ANNEXURE – II TO DIRECTORS' REPORT

**STATEMENT OF PARTICULARS UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2013**

### A. 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	75	66,65,312	Chairman & Managin Director, Overall management	B.Com 54 years	01.08.1994	Orient Steel & Industries Limited

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

#### NOTES

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

## ANNEXURE – III 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, 2013, the Board is comprised of 6 Members. The composition of the Board of Directors meets with the requirements of Listing Agreement. 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 2012 – 13 five Board meetings were held on 29.05.2012, 01.08.2012, 01.10.2012, 12.11.2012 and 05.02.2013.

**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	5	5	4	-	1	Yes
2	Shri R L Toshniwal	Non Executive & Independent	5	-	4	-	-	No
3	Shri K R Gupta	Non Executive & Independent	5	5	1	1	2	Yes
4	Shri S G Rajgarhia	Non Executive	5	5	5	-	-	Yes
5	Shri R R Bagri	Non Executive & Independent	5	5	3	-	-	Yes
6	Shri H R Sharma	Executive	5	4	-	-	-	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 Point C of Note 30 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

#### 3. Audit Committee

The broad terms of reference of the Audit Committee are:-

- a) to review the unaudited financial results and the internal audit reports
- b) to suggest internal control measures after discussion with the internal auditors
- c) to oversee their implementation



## APM INDUSTRIES LIMITED

- d) to review financial statements with the management
- e) to recommend appointment of auditors and
- f) 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 2012 – 13 four Audit Committee meetings were held on 29.05.2012, 01.08.2012, 12.11.2012 and 05.02.2013.

**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	4
3	Shri R R Bagri	Non Executive & Independent	4	4

Shri K R Gupta is the Chairman of the Committee. The Company Secretary acts as the Secretary of the Committee. The meetings were also attended by the representatives of Statutory and Internal Auditors.

#### 4. Remuneration Committee

The remuneration committee was comprising of Shri K R Gupta (Chairman), Shri R R Bagri and Shri R L Toshniwal, all being independent and non-executive directors.

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

The details of remuneration paid to Chairman & Managing Director and Executive Director during 2012 – 2013 are as under:-

Sl. No.	Name of the Directors	Remuneration paid (Rs.)
1	Shri R K Rajgarhia	66,36,512
2	Shri H R Sharma	27,02,628

The details of sitting fee paid to the other Directors during 2012 – 2013 are as under:-

Sl. No.	Name of the Directors	Sitting Fee	Total
1	Shri K R Gupta	95,000	95,000
2	Shri S G Rajgarhia	80,000	80,000
3	Shri R R Bagri	95,000	95,000

#### 5. Shareholders/Investors Grievance Committee

The Shareholders/Investors Grievance Committee of Directors is headed by Shri K R Gupta, Non-Executive & Independent Director. The other members of the Committee are Shri R R Bagri and Shri H R Sharma.

Name, designation and address of Compliance Officer:

Shri V K Singhal  
Dy. Company Secretary  
APM Industries Limited  
910 – Chiranjiv Tower  
43 – Nehru Place  
New Delhi – 110 019  
Ph No. 011-26441022  
Fax No.011-26441018

10 Shareholders' complaints were received during the year 2012 – 2013 and all of them have been resolved.

There were no pending share transfers as on 31.03.2013.

#### 6. General Body Meeting's

Location and time, where last three Annual General Meetings were held and particulars of special resolution, if any are as under.

Year	Location	Date	Time
2012	SP-147 RIICO Industrial Area,	15.09.2012	11.30 A.M.
2011	Bhiwadi	10.09.2011	11.30 A.M.
2010	Dist. Alwar (Rajasthan)	25.09.2010	11.30 A.M.

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.