



APM INDUSTRIES LIMITED

APM INDUSTRIES LIMITED

CIN NO.
L21015RJ1973PLC015819

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

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

REGISTERED OFFICE & WORKS
SP-147, RIICO Industrial Area
Bhiwadi, Dist. Alwar
(Rajasthan) - 301019

COMPANY SECRETARY
F C GOEL

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 40th Annual General Meeting of the Members of **APM Industries Limited** will be held on **Thursday the 25th day of September, 2014** 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 2014, 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, 2014.
3. To appoint Statutory Auditors of the company and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT M/s Chaturvedi & Co., Chartered Accountants, (ICAI Registration No. 302137E) be and is hereby appointed as Statutory Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting of the Company till the conclusion of 43rd Annual General Meeting of the Company, 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 thereunder at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

4. **To Appoint Shri Khushi Ram Gupta (DIN: 00027295) as an Independent Director**

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

“RESOLVED THAT pursuant to the provisions of section 149, 150, 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 upto the date, Shri Khushi Ram Gupta (DIN: 00027295), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, who retires by rotation at this Annual General Meeting and in respect of whom the company has received a notice in writing under section 160 of

the Companies Act, 2013 from a member proposing his 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 45th Annual General Meeting of the Company in the Calendar Year 2019.”

5. **To Appoint Shri Ram Ratan Bagri (DIN: 00275313) as an Independent Director**

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

“RESOLVED THAT pursuant to the provisions of section 149, 150, 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 upto the date, Shri Ram Ratan Bagri (DIN: 00275313), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his 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 45th Annual General Meeting of the Company in the Calendar Year 2019.”

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

New Delhi
August 7, 2014

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. 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.

2. 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.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from **September 16, 2014 (Tuesday) to September 23, 2014 (Tuesday)** (both days inclusive) in connection with the payment of final Dividend for the Financial Year 2013 – 2014.
4. The payment of dividend, upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made on or after **September 29, 2014** 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 **September 15, 2014**.
 - 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 **September 15, 2014**.
5. The amount of dividend remaining unpaid for the year 2006-07, 2010-11, 2011-12, Interim dividend 2012-13, Final 2012-13 and interim dividend 2013-14 have been transferred to the company's unpaid dividend account, and 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 **2006 – 2007** will be transferred to IEPF in **October 26, 2014**.
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 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 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:

- a) os.delhi@orientsyntex.com
- b) admin@skylinerta.com

The Notice of the AGM along with the Annual Report 2013-14 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, 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 e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional. This facility will be available at the link www.evoting.nsdl.com during the following voting period:

Commencement of e-voting : From **9.00 A.M.** on **September 17, 2014**

End of e-voting : Upto **6.00 P.M.** on **September 19, 2014**

E-voting shall not be allowed beyond **6.00 P.M.**, on **September 19, 2014**. 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 cut-off date, may cast their vote electronically. The cut-off date for eligibility for e-voting is **August 22, 2014**.

- 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 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'.

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

APM INDUSTRIES LIMITED

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

ITEM NO. 4

Shri Khushi Ram Gupta (DIN: 00027295), M.Com. retired as Member, Central Board of Direct Tax, New Delhi. He worked in the Income Tax Department for about 43 years in various capacity. Presently he is working as Tax Consultant. Shri Khushi Ram Gupta joined the Board of the company on 20.11.1992 as an Independent Director, liable to retire by Rotation at this Annual General Meeting.

The provisions of the Companies Act, 2013 with respect to the appointment and tenure of the Independent Directors have come into effect. The Board of Directors of the Company has decided to adopt the provisions with respect to the appointment and tenure of the Independent Directors which is consistent with the Companies Act, 2013 and the amended listing agreement. The transition to the Companies Act, 2013 will be managed by appointing Shri Khushi Ram Gupta as an Independent Director for a period of 5 (five) consecutive years for a term up to the conclusion of the 45th Annual General Meeting of the Company in the Calendar Year 2019. He shall not be included in the total number of Directors for retirement by rotation.

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 Shri Khushi Ram Gupta for the Office of Director of the Company.

In the opinion of the Board, Shri Khushi Ram Gupta 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 his consent to act as Director. He also meets the criteria of independence as prescribed under section 149(6) read with Schedule IV of the Companies Act, 2013 and Listing agreement.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail his services on the Board of the Company. Accordingly, the Board recommends the resolution in relation to the appointment of Shri Khushi Ram Gupta as an Independent Director, for the approval by the shareholders of the company.

Except Shri Khushi Ram Gupta, 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. 4.

ITEM NO. 5

Shri Ram Ratan Bagri (DIN: 00275313), B.E. (Civil & Mech.) and M.S. (San) from New York, USA., is a qualified engineer. He is at present Managing Director of M/s Clear Water Limited and he has wide experience of more than 47 years in industry. Shri Ram Ratan Bagri joined the Board of the company on 24.01.2003 as an Independent Director.

The provisions of the Companies Act, 2013 with respect to the appointment and tenure of the Independent Directors have come into effect. The Board of Directors of the Company has decided to adopt the provisions with respect to the appointment and tenure of the Independent Directors which is consistent with the Companies Act, 2013 and the amended listing agreement. The transition to the Companies Act, 2013 will be managed by appointing Shri Ram Ratan Bagri as an Independent Director for a period of 5 (five) consecutive years for a term up to the conclusion of the 45th Annual General Meeting of the Company in the Calendar Year 2019. He shall not be included in the total number of Directors for retirement by rotation.

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 Shri Ram Ratan Bagri for the Office of Director of the Company.

In the opinion of the Board, Shri Ram Ratan Bagri 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 his consent to act as Director. He also meets the criteria of independence as prescribed under section 149(6) read with Schedule IV of the Companies Act, 2013 and Listing agreement.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail his services on the Board of the Company. Accordingly, the Board recommends the resolution in relation to the appointment of Shri Ram Ratan Bagri as an Independent Director, for the approval by the shareholders of the company.

Except Shri Ram Ratan Bagri, 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.

Registered Office:

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

By Order of the Board

New Delhi
August 7, 2014

F C GOEL
Company Secretary

APM INDUSTRIES LIMITED

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 40th Annual Report and Audited Accounts for the year ended on March 31, 2014.

FINANCIAL RESULTS

(Rs. In lacs)

	2013-14	2012-13
Gross Revenue	30744	29252
Profit before depreciation and tax	3792	3768
Less: Depreciation	465	468
- Profit before income tax	3327	3300
- Less: Income Tax	1185	1094
- Net profit for the year	2142	2206
Add: Balance brought forward from the previous year	3407	2603
Amount available for appropriation	5549	4809
Appropriations:		
Dividend		
Interim Dividend	216	130
Proposed Dividend	216	216
Total Dividend	432	346
Corporate Dividend Tax	76	56
General reserve	1000	1000
Balance carried forward to Balance Sheet	4041	3407
Total	5549	4809

OPERATIONS

During the year 2013-14, the production of Synthetic Blended Yarn increased to 185 lac kg from 166 lac kg in 2012-13, up 11% and the net revenue increased 5% from Rs.293 crores to Rs.307 crores.

Your company achieved a net profit Rs.21.42 crores in 2013-14, which is slightly lower than last year due to provision of deferred tax liability.

The earnings per share for the year 2013-14 is Rs.9.91, as compared to the previous year's Rs.10.21.

EXPORTS

The export turnover increased to Rs.266 lacs from Rs.159 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.

DIVIDEND

Your Directors in its meeting held on November 8, 2013 had paid an interim dividend @ 50% i.e. Re.1.00 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 2013-14 is 100% i.e. Rs. 2.00 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 K R Gupta 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 40th 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 21, 2014

R K RAJGARHIA
Chairman & Managing Director

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 17 Nos. Main Motors of 5 HP with energy efficient motors in Draw Frame Machines.
2. Replacement of 02 Nos. ETP Plant Mono Block Pumps with energy efficient Motors.
3. Replacement of 12 Nos. Blow Room Motors with energy efficient motors.
4. Replacement of 3 Nos. Doffer Motor Old (4 HP) with energy efficient motor (3HP) in LC 1/3 Card.
5. Installation of mechanical attachment in place of Brush Motor in C 1/3 Card in 24 Machines.
6. Replacement of old 4 Nos. Dyeing Machine Motors in Dye House with energy efficient motors.
7. Replacement of old 2 TPH capacity Boiler having Steam Coke consumption with Semi-Automatic Pet Coke Boiler.

8. Replacement of 3 Nos. SAF 20 HP Motor with energy efficient motor.
9. Replacement of 25 HP Motor with 15 HP Submersible Tube well Pump.
10. Replacement of 6 Nos. old Coiler in LC 1/3 Carding Machine with energy efficient Coiler.
11. 10 Nos. Ring Frame Machines converted from 480 spindles each to 512 spindles each, resulting energy saved 33 HP.

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.

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	2013-14	2012-13
A POWER AND FUEL CONSUMPTION				
1	Electricity			
	Purchased unit	Unit in lacs	469.11	442.21
	Total amount	Rs. In lacs	2477.71	2348.09
	Rate	Rs./Unit	5.28	5.31
2	Own Generation			
a)	Through Diesel Generator	Unit in lacs	2.03	3.82
	Unit per Litre of Diesel	Unit	3.60	3.61
	Cost	Rs./Unit	14.46	13.75
b)	Through HFO Generator	Unit in lacs	4.07	7.28
	Unit per Litre of Diesel/HFO	Unit	3.63	3.63
	Cost	Rs./Unit	14.04	12.45
3	Coal (Grade B, C, D & E)/Petcock			
	Quantity	MT	2354.80	2197.93
	Total cost	Rs. in lacs	208.73	181.12
	Average rate	Rs./MT	8864.02	8240.40
4	Diesel			
	Quantity	Ltrs. In lacs	1.69	3.07
	Total cost	Rs. In lacs	86.57	125.09
	Average rate	Rs./Ltr.	51.22	40.81
5	Furnace Oil			
	Quantity	Ltrs. In lacs	-	1.54
	Total cost	Rs. In lacs	-	43.93
	Average rate	Rs./Ltr.	-	28.45
B CONSUMPTION PER UNIT OF PRODUCTION*				
1	Electricity		257	273
2	Coal B, C, D & E Grade/Pet coke		12.75	13.21

* 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 21, 2014

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, 2014.

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	76	1,11,20,072	Chairman & Managin Director, Overall management	B.Com 55 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

- 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 – 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, 2014, 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 2013–14 four Board meetings were held on 07.05.2013, 02.08.2013, 08.11.2013 and 31.01.2014.

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	2	-	-	Yes
2	Shri R L Toshniwal	Non Executive & Independent	4	1	4	-	-	No
3	Shri K R Gupta	Non Executive & Independent	4	4	1	1	2	Yes
4	Shri S G Rajgarhia	Non Executive	4	3	5	-	-	Yes
5	Shri R R Bagri	Non Executive & Independent	4	4	2	-	-	Yes
6	Shri H R Sharma	Executive	4	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:

- 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

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 2013–14 four Audit Committee meetings were held on 07.05.2013, 02.08.2013, 08.11.2013 and 31.01.2014.

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

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 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 2013 – 2014 are as under:

Sl. No.	Name of the Directors	Remuneration paid (Rs.)
1	Shri R K Rajgarhia	1,11,20,072
2	Shri H R Sharma	29,33,654

The details of sitting fee paid to the other Directors during 2013–2014 are as under:

Sl. No.	Name of the Directors	Sitting Fee	Total
1	Shri K R Gupta	92,500	92,500
2	Shri S G Rajgarhia	52,500	52,500
3	Shri R R Bagri	92,500	92,500
4	R L Toshniwal	17,500	17,500

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

6 Shareholders' complaints were received during the year 2013–2014 and all of them have been resolved.

There were no pending share transfers as on 31.03.2014.

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
2013	SP-147 RIICO Industrial Area,	13.07.2013	11.30 A.M.
2012	Bhiwadi	15.09.2012	11.30 A.M.
2011	Dist. Alwar (Rajasthan)	10.09.2011	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.