



32nd ANNUAL REPORT 2012

BOARD OF DIRECTORS :

: MR. ARVIND MACHHAR	-CHAIRMAN CUM MANAGING DIRECTOR
: MR. NAWNIT MACHHAR	-WHOLE TIME DIRECTOR
: MR. SANDEEP MACHHAR	-DIRECTOR
: MR. RAVI MACHHAR	-DIRECTOR
: MR. GHEVERCHAND M. BOTHARA	-DIRECTOR
: MR. BALAPRASAD TAPDIYA	-DIRECTOR

AUDITORS

: M/S RATHI & BANGAD

Chartered Accountant, Aurangabad

BANKERS

: PUNJAB NATIONAL BANK

REGISTERED OFFICE

: J-18, MIDC AREA, CHIKALTHANA,

AURANGABAD- 431 006,

Website: <http://www.aptpackaging.in>

LOCATION OF PLANT

: **CO-EXTRUDED TUBES DIVISION**

1. Gut No. 72, Village Pharola, Post Beedkin, Tq.-Paithan, Dist. - Aurangabad – 431 105 (MS).
2. Khasra No 529,5th KM Stone, Akabarpur Urd, Laksar-Haridwar Road, Laksar, Dist:- Haridwar (Uttarakhand)

REGISTRAR AND TRANSFER AGENT

: M/S LINK INTIME INDIA PVT. LIMITED
C-13, PANNALAL SILK MILLS COMPOUND
L.B.S. MARG BHANDUP (W), MUMBAI – 400078
Website: <http://www.linkintime.co.in>

Notice of Annual General Meeting

NOTICE is hereby given that the 32nd **Annual General Meeting** of the members of **Apt Packaging Limited** will be held on Saturday, the 29th day of September, 2012 at 11:30 AM at the registered office of the Company situated at J-18, MIDC Area, Chikalthana, Aurangabad – 431 006 (MS) to transact the following business:

ORDINARY BUSINESS

1. To consider, approve and adopt the Balance Sheet of the Company as on 31st March, 2012 and the Profit and Loss Account for the year ended on that date and the report of the Statutory Auditors and the Directors thereon.
2. To appoint a director in place of Mr. Ghevarchand M. Bothara, who retires by rotation and being eligible to offers himself for re-appointment
3. To appoint M/s Rathi & Bangad, Chartered Accountants, as an Auditor of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next annual general meeting and also fix their remuneration.

SPECIAL BUSINESS:

4. **To consider and if thought fit to pass with or without modification, the following resolution as special resolution:**

“RESOLVED THAT pursuant to the provision of section 23 and other applicable provision of the Sick Industrial Companies (Special Provision) Act 1985 (SICA) and other applicable acts, Board of Directors of the Company be and is hereby authorized for taking appropriate action as per the provision of SICA.”

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

“RESOLVED THAT subject to the provisions of section 198, 269, 309 and other applicable provisions of the Companies Act, 1956 the approval of the company be and is accorded to the reappointment of Mr. Arvind Machhar, as Managing Director of the company for a period of three years effective from 27th June, 2012 on the terms and conditions including remuneration, as set out in the agreement, with liberty to the Board of Directors to alter and vary such terms and condition, including remuneration subject to the eligibility for appointment within the maximum limit prescribed under Part I and Part II Paragraph of Schedule XIII of the Companies Act, 1956, as amended from time to time.

RESOLVED FURTHER THAT the above remuneration will be paid to Mr Arvind Machhar as a minimum remuneration even if the Company's profits are inadequate or it has no profits in any financial year.”

By order of the board

Sd/

Arvind Machhar

Chairman cum Managing Director

Date: 13.08.2012

Place: Aurangabad

NOTES:

- 1) A member entitled to attend and vote and is also entitled to appoint a proxy to vote instead of himself and the proxy need not be a member of the company and the proxy in order to be valid must be deposited with the company at least 48 hours before the time for the meeting.
- 2) The Register of Members and the Share Transfer Books of the company will remain closed from September 25th, 2012 to September 29th, 2012 (both days inclusive).
- 3) The members are requested to intimate to Share Transfer Agent of the Company, changes, if any, in their registered address at an early date and bring the copy of the Annual Report and attendance slip at the Annual General Meeting.
- 4) In all correspondence with the Company/Registrars, members are requested to quote their registered folio number.
- 5) All the documents referred to in accompanying notice are open for inspection at the Registered Office of the company on all working days except Sunday and Holidays between 11.00 a.m. to 5.00 p.m. up to the date of Annual General Meeting.
- 6) Section 109A of the Companies Act, 1956, has introduced provisions for nominations by the holders of shares. The prescribed nomination forms can be obtained from the Company's Registrar and Share Transfer Agent, in case of shares. The Members may take advantage of this facility, if needed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT 1956

ITEM NO:4

Section 23 of the Sick Industrial Companies (special Provision) Act, 1985 provides that if the accumulated losses of an industrial company, as at the end of any financial year, have resulted in erosion of 50% or more of its peak net worth during the immediately preceding four financial years, such company, within a period of 60 days from the date of finalization of duly authorized audited accounts of the company for the relevant financial year:-

- Hold a general meeting of the shareholder for considering such erosion.
- Forward to every member of the company a report of Board of directors as to such erosion and the causes for the erosion and
- Report the fact of such erosion to BIFR.

The shareholders are informed that at the end of Company's financial year on 31st March, 2012, the company has incurred losses of Rs. 341.30 Lacs and the net worth has further reduced by this amount. This has resulted in erosion of net worth as on 31.03.2012 to Rs.155.12 Lacs resulting in erosion of more than 50% as against the company's peak net worth during the immediately preceding four financial years.

The Board of Directors has reported erosion in the peak net worth of the company and the causes for such erosion in their Report attached.

ITEM NO: 5

Mr. Arvind Machhar was appointed as Managing Director of the company in the 30th Annual General Meeting dated 10th July 2010 for a period of three years with effect from 28th June 2010 to 27th June 2013 on the terms and condition including remuneration set out in the agreement entered in to between the company and Mr. Arvind Machhar. The central government had approved for remuneration for two years effective from 28/06/2010 to 27/06/2012 vide their letter 31st May, 2011 as against the application for three years. In recognition of his exposures and experience, the Board of Directors have reappointed him as Managing Director on new terms and Condition and fix the remuneration for further period of three years effective from 27/06/2012 subject to approval of the members.

REMUNERATION:

1. Salary : Rs 1,25,000-10,000-1,45,000
2. Perquisites as follows:
 - a. House Rent Allowance @ 10% of salary per month
 - b. Reimbursement of Medical Expenses incurred for self & family subject to ceiling of one month salary every year
 - c. Leave Travel Assistance for self & family once in a year subject to ceiling of one month salary every year
 - d. Company's contribution to Provident Fund in accordance with the rules of company
 - e. Superannuation Fund or Annuity Fund in accordance with the rules of company
 - f. Gratuity at the rate of half month's salary for each completed year of services
 - g. Encashment of un-availed leave at the end of tenure as per rules of Company
 - h. Provision of telephone at residence, however personal long distance calls shall be paid by him

Your director recommends the resolution to pass ordinary resolution.

Mr. Arvind Machhar, Mr. Nawnit Machhar, Mr. Ravi Machhar, Mr. Sandeep Machhar are interested in this resolution.

Further, a copy of statement containing information required to be given under Para (B) of Part II in section II to Schedule XIII is annexed herewith as Annexure-A.

ANNEXURE - A**I. GENERAL INFORMATION –**

1. Nature of Industry: Plastic packaging Industry
2. Date or expected date of commencement of commercial production: In the year 1997
3. In case of new companies, expected date of commencement of activities as per project approved by the financial institute appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators: As per Balance Sheet attached
5. Export performance and net foreign exchange collaborations: 317.38 Lacs for the FY 2011-12 and 526.97 Lacs for the FY 2010-11.
6. Foreign investments or collaborators, if any: Not applicable

II. INFORMATION ABOUT THE APPOINTEE-

1. Background details: Graduate in Science and acquired MBA from well known Harvard School of Management, Boston, U.S.A. and hold position as Director in Six Companies.
2. Past Remuneration: 1,25,000/- Per Month
3. Recognition or awards: NIL
4. Job profile and his suitability: Served in APT Packaging Ltd as a Chairman Cum Managing Director and has vast industrial experience of 30 years. Looking into his vast experience in running the packaging industry, your directors found his suitability of company.
5. Remuneration proposed: As per Explanatory statement for resolution no.5
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Comparable data is not available with company.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any

Sr. No	Name of the Director	Shareholding of Directors	% of total shareholding
1	Mr. Arvind Machhar	7,65,508	14.54
2	Mr. Nawnit Machhar	51,572	1.17
3	Mr. Sandeep Machhar	86,922	0.97
4	Mr. Ravi Machhar	64,668	1.65

III. OTHEE INFORMATION:

1. Reason of loss or inadequate profits: As Reported in Directors Report attached herewith under the performance review and operational performance.
2. Steps taken or proposed to be taken for improvements: As Reported in Directors Report attached herewith under the performance review and operational performance.
3. Expected increase in productivity and profits in measurable terms: The expected increase in turnover and profit before depreciation & tax would be 50% and 250% respectively during the year 2012-13 as compared to the financial year 2011-12.

IV. DISCLOSURES:

1. The shareholders of the company shall be informed of the remuneration package of the managerial person: As per Explanatory statement attached in this notice of the meeting.
2. The following disclosure shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report:
 - (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors
 - (ii) Details of fixed component and performance linked incentives along with the performance criteria
 - (iii) Service contracts, notice period, severance fees
 - (iv) Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: Not Applicable.

DIRECTORS' REPORT

To,
The Members of
Apt Packaging Limited
Dear Shareholders

The Directors are pleased to present Thirty Second Annual Report on the performance of the company for the financial year ended on 31st March'2012.

1. FINANCIAL RESULTS

PARTICULARS	(Rs in Lacs)	
	YEAR ENDED ON 31.03.2012	YEAR ENDED ON 31.03.2011
Sales and other Income	2,231.63	2,071.72
Less: Operating Expenses	2,073.24	1,930.40
Profit before Interest and Depreciation	158.39	141.31
DEDUCTIONS		
Interest	354.25	209.15
Depreciation & Impairment	281.80	263.07
Operational Profit/(Loss) before Tax	(477.66)	(330.92)
Previous Year Income / Expenses	6.24	(16.11)
Net Profit / (Loss)	(471.42)	(347.01)
Extra ordinary items -Waiver of Interest by Financial Institution	130.12	65.20
Income Tax	-	-
NET PROFIT FOR THE YEAR	(341.30)	(281.81)

2. PERFORMANCE REVIEW

During the year under the review, the sales and other income is Rs 2,231.63 lacs against Rs 2,071.72 lacs in the previous year. The Exports during the year declined from the previous year due to market conditions, overseas, during the year, the new plant at Uttarakhand, though has improved its performance but could not achieve its full capacity due to various reasons. Increase in Raw materials, Increase in overheads and Interest costs therefore have increased the operational costs, where as the price realization due to stiff competition has remained stagnant. This has resulted into low operational margins. Due to low operational margins and underutilization of Uttarakhand plant have further increased the losses during the year.

3. OPERATIONAL PERFORMANCE

During the year under review 446.01 lacs tubes were dispatched as compared to previous year dispatch of 408.82 lacs tubes. The new plant at Uttarakhand is gradually normalizing. Further Management has taken effective steps to add on the capacity at Uttarakhand plant and replace some of the key machines which have become obsolete at Aurangabad plant. The effect of all these initiatives will be fully reflected during the performance of the Financial Year 2012-1013.

4. DIVIDEND:

In view of unavailability of the profits, the Board of Directors expresses its inability to declare any dividend for the year ended 31st March 2012.

5. FIXED DEPOSIT:

Your Company has not accepted any deposits under section 58A of the Companies Act, 1956, from the public during the year.

6. INSURANCE:

All the properties of the Company including Plant & Machinery, Stores and Stocks, wherever necessary and to the extent required have been adequately insured.

7. DIRECTOR

Shri. G. M Bothara, Director of the Company is retiring by rotation and being eligible to offer himself for re-appointment. The Board recommends his re- appointment.

8. AUDITORS:

M/s. Rathii & Bangad, Chartered Accountants, Aurangabad, the Statutory Auditors of the Company are retiring at the forthcoming annual general meeting and they are eligible for re-appointment. The Board recommends their re-appointment.

9. PARTICULARS OF EMPLOYEES:

There are no employees drawing remuneration exceeding the monetary ceiling prescribed under Section 217(2A) of the Companies Act, 1956 read with the companies (Particulars of Employees) Rules 1975.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, the Board confirms that:

- The financial statement is in full conformity with the requirements of the Companies Act, 1956, and applicable accounting standards have been followed along with proper explanation relating to material departure.
- The directors have selected such accounting policies and applied them consistently and made judgment and estimates that were 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 the year under review.
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for preventing and detecting fraud and other irregularities.
- The directors have prepared the Annual Accounts on a going concern basis.

11. INFORMATION TECHNOLOGY (IT)

The Company firmly believes that IT is the backbone of any industry in today's environment. The Company has taken it as a tool to improve the productivity, efficiency and reliability. The Company has implemented mini ERP program me at its manufacturing facility.

12. HEALTH, SAFETY AND ENVIRONMENT

The company also accords highest priority to Protection of Environment. The Company has effective waste management systems to prevent any hazards to the environment. The company has taken adequate steps to prevent occurrence of any accidents. The Company has also taken measures to ensure Health and Safety of its employees and work force. The company conducts regular medical checkups and counseling to ensure fitness of its employees.

13. AUDITORS' OBSERVATIONS:

Refer Point No.2(f, g & h) of the Auditors Report are self explanatory and needs no comment:

Refer Point No.2(i) of the Auditors Report: In respect of debtors, creditors, loans and advances(taken and given), balances with various statutory / fiscal liabilities (Assets & Liabilities) i.e. Excise deposits / balances, VAT(Sales Tax),CST, TDS / TCS, the company is following the system of perpetual confirmation and reconciliation. Accordingly, all the accounts are reconciled and adjusted as and when a note of discrepancy is received from the concerned party and in the opinion of management the ultimate difference will not be material. Refer to note no.40.

Refer Point No. 3 of the Auditors Report: In respect of contingent liability as mentioned in note number 36, for sub point a, d, e, f, g the adverse effect if any will not be material. For sub point b, the guarantee was given in compliance to the Sanctioned Scheme ordered by BIFR for the de-merger of the Company. Regarding sub point c, the Company had imported some capital goods without payment of duty under EPCG scheme for which the Company has obligations to export the specified materials in next 6 years. Refer to note no.36.

Refer Point No.3 of the Auditors Report: In respect of unimplemented portion of BIFR's Sanctioned scheme, the Company is making efforts legally or otherwise to get the scheme implemented. The scheme has attained finality and in the opinion of Directors, the scheme will be implemented fully. Refer to note no.37

Refer Point No.3 of the Auditors Report: In respect of balances etc with Micro, Small and Medium enterprises respectively the Company has posted letters to all the suppliers and the replies are awaited. The Company is in process of identifying the name of the parties for the subject matter. Refer to note no.9.

14. SUBSIDIARY COMPANY

During the year the company has disposed of all the shares held in erstwhile subsidiary company M/S Navneet Machines Manufacturing Company Ltd, therefore the statement pursuant to section 212 of the Companies Act, 1956 in respect of M/s the erstwhile subsidiary company is no further needed or appended to the Balance Sheet as the company ceased to remain the subsidiary. Refer Note Number 35.

15. REPORT ON CORPORATE GOVERNANCE

A report on Corporate governance as required in terms of clause 49 of the Listing Agreement with the Bombay Stock Exchange, containing required details is annexed with corporate governance report and forming part of this report.

16. CORPORATE SOCIAL RESPONSIBILITY

The Company is making all efforts to improve efficiency on all fronts to sustain competition and thereby continue to keep the employment of the employees, contribute towards the exchequer by way of direct and indirect taxes, generate foreign exchange for the country through exports and remain in business.

17. RELATION WITH EMPLOYEES

The relation with the employees continued to be cordial during the year. The directors wish to place on record their sincere appreciation for the excellent team spirit with which they have worked for the progress of the Company.

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

a) **Conservation of Energy:** The Company consistently pursues reduction in energy consumption in its manufacturing process on an ongoing basis. The Company have been granted monetary Incentive from Govt. of Maharashtra for energy saving.

Total energy consumption and per unit of production as prescribed form A:

A: POWER AND FUEL CONSUMPTION:-

(Rs.in Lakhs)		
ELECTRICITY	CURRENT YEAR	PREVIOUS YEAR
(a) Purchased from MSEDCL / UPCL	109.01	94.16
(b) Own Generation		
Through Diesel - Cost	20.57	25.89
Total Amount	129.58	120.05

b) **Technology Absorption:** The Company has not installed any new Plant or Machinery with new technology during the year.

c) **Foreign Exchange Earning and Outgo:** Foreign Exchange earning of the Company is Rs. 418.30 lacs for the year under review, whereas the outgo is Rs. 937.65 lacs.

19. ACKNOWLEDGEMENT

The Board of Directors place on records their sincere gratitude to the employees of their hard work and would like to compliment those Executives who were involved in starting timely production at Uttarakhand plant for their all out efforts, to Punjab National Bank as statutory Authority for their continual support and to the investors for their trust and confidence on the Management.

BY ORDER OF THE BOARD

Sd/-

ARVIND MACHHAR

CHAIRMAN CUM MANAGING DIRECTOR

PLACE: AURANGABAD

DATE: 13-08-2012

REPORT ON EROSION OF THE NET WORTH OF THE COMPANY

Since the net worth of the company during the Financial Year has eroded more than 50% from the peak net worth in immediately four preceding Financial years, the Company therefore is complying with the compliances of Section 23 of Sick Industrial Companies Act accordingly a report is being annexed in this balance sheet for consideration of share holders.

EROSION IN PEAK NET WORTH OF THE COMPANY:

Peak Net Worth during the preceding Four Financial years	Rs 694.65 Lacs
Net worth as on 31.03.2012	Rs 155.11 Lacs
Erosion in the Net Worth of the company	More than 50%

CAUSES FOR EROSION

The external factors contributing for erosion in Net Worth during last four years as under:-

- Adverse market conditions, overseas,
- Recognition of impairment losses in the accounts in the year 2009-2010
- The new plant at Uttarakhand, though has improved its performance but could not achieve its full capacity due to various reasons.
- Low productivity of old obsolete plant at Aurangabad.
- Increase in Raw materials, Increase in overheads and Interest costs therefore have increased the operational costs,
- The price realization due to stiff competition has remained stagnant. This has resulted into low operational margins.
- Due to low operational margins and underutilization of Uttarakhand plant have further increased the losses.
- Volatility in foreign exchange rates.

BY ORDER OF THE BOARD

Sd/-

ARVIND MACHHAR

CHAIRMAN CUM MANAGING DIRECTOR

CORPORATE GOVERNANCE REPORT FOR THE F Y ENDED 31ST MARCH, 2012
(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

1. COMPANY'S PHILOSOPHY

The Company believes that the code prescribes a minimum framework for governance of a business in corporate framework. The company has set, as its mission, the implementation of a Corporate Governance system to ensure transparency, control, accountability and responsibility in all areas of operation. Corporate Governance is considered as, to protect and achieve enhanced value for all its stakeholders i.e. shareholders, employees, customers and society in general.

2. BOARD OF DIRECTORS

The Board of Apt Packaging Limited consisted of two executive director, two non executive / promoter's group director, and two non-executive/independent directors, who are acknowledged as leading professionals in their respective fields.

The constitution of Board in the year under consideration is:	Executive/Non-Executive/Independent*	No. of other Directorship#	Membership Committees/ Chairmanship
Shri Arvind Machhar, CMD	Executive	Five	1/0
Shri Sandeep Machhar, Director	Non-executive	Six	NIL
Shri Ravi Machhar, Director	Non-executive	Eight	NIL
Shri Nawnit Machhar, WTD	Executive	Ten	NIL
Shri Gheverchand Bothara, Director	Non-executive (Indep.)*	Two	2/2
Shri Balaprasad Tapdiya, Director	Non-executive (Indep.)*	Three	3/1

None of the Director holds Directorship in more than 15 companies, Membership in Committees of Board in more than 10 Companies and Chairmanship of Committees of Board in more than 5 Committees.

* The Expression 'Independent Director' shall mean a non-executive director:

- Who apart from receiving director's remuneration does not have any material pecuniary relationships or transaction with the company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the director;
- is not related to promoters or persons occupying management positions at the board level or at one level below the board.
- It has not been an executive of the company in the immediate preceding three financial years.
- is not a partner or an executive or was not partner or an executive during the preceding three years, of any of the following:
 - The statutory audit firm or the internal audit firm that is associated with the company, and
 - The legal firm and consulting firm that have a material association with the company.
- Is not a material suppliers, service provider or customer or a lessor or lessee of the company which may affect the independence of the director; and
- Is not the substantial shareholder of the company i.e. owing two percent or more of the block of the voting shares; (g) Is not less than 21 years of age

Attendance of Directors at Board Meeting and Annual General Meeting

The Board of Company met five times during the last financial year, on the following dates:

(1) 30th April 2011 (2) 13th August, 2011 (3) 31st August, 2011 (4) 30th September, 2011 (5) 8th November, 2011 (6) 14th February 2012. The attendance at the Board Meetings and previous Annual General Meeting as under:

Name of Director	Attendance	
	Board Meeting	AGM / EGM
Shri Arvind Machhar	6	1
Shri Nawnit Machhar*	3	1
Shri Sandeep Machhar	5	1
Shri Ravi Machhar	4	1
Shri G. M. Bothara	6	1
Shri B.H. Tapdiya	6	1

- Attendance of BODM & AGM by Shri Nawnit Machhar to be considered since 31.08.2011, due to effective date of his appointment.

3. AUDIT COMMITTEE

During the financial year 2011-12, five meetings were held on the following dates:

(1) 30th April 2011 (2) 13th August, 2011 (3) 31st August 2011 (4) 8th November, 2011 (5) 14th February 2012.

The Constitution of the committee and the attendance of each member of the Committee are given

Name	Designation	Executive / Non-executive/ Independent	Professional	Committee Meetings Attended
Shri G. M. Bothara*	Chairman	Non-executive / Independent	Consultant	Five
Shri B. H. Tapdiya*	Member	Non-executive / Independent	Consultant	Five
Shri Arvind Machhar	Member	Executive	Industrialist	Five

General Manager (F&A) of the Company is the secretary of the committee.

* Possesses expert knowledge in finance, accounts and taxation.

The Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on 30th September, 2011. The minutes of the Audit Committee were circulated to the Board, discussed and noted.

The terms of reference of the Audit Committee inter-alia include the following:

- To hold periodic discussion with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the company, internal control system, scope of audit and observations of the Auditors/Internal Auditors;
- To review compliances with internal control system;
- To review quarterly, half yearly and annual financial results of the Company before submission to the Board;
- To investigate into any matter in relation to item specified in section 292A of the Companies Act, 1956, or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the company and also seek external profession advice if necessary;
- To make recommendations to the Board in relation to appointment and terms of Statutory Auditors and Internal Auditors
- To make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report.

4. REMUNERATION COMMITTEE (Non-Mandatory Committee)

The Board of Directors formed the Remuneration Committee, which consists of the following directors:

Name	Designation	Executive/Non-Executive/Independent
Shri G. M. Bothara	Chairman	Non-executive Independent
Shri B. H. Tapdiya	Member	Non-executive Independent

General Manager (F&A) of the Company is the secretary of the committee.

During the financial year 2011-2012, one meeting was held on 16th June, 2011 which was attended by Shri G.M.Bothara and Shri. B.H.Tapdiya as the members of the committee.

Details of remuneration paid/payable to directors for the year ended March 31, 2012 are as follows:

Rs.In Lacs

Director	Relation-ship with other directors	Business relation-ship with APL	Loans and advances from APL	Sitting fees* Rs.	Salary and Perquisites Rs.	Commission Rs.	Total
Shri Arvind Machhar	Related to Shri Sandeep Machhar	Promoter	NIL	Nil	16.53	Nil	16.53
Shri Nawnit Machhar	Related to Shri Arvind Machhar	Promoter	NIL	NIL	3.93	Nil	3.93
Shri Sandeep Machhar	Related to Shri Arvind Machhar	Promoter	Nil	0.04	Nil	Nil	0.04
Shri Ravi Machhar	Related to Shri Arvind Machhar	Promoter	NIL	0.03	NIL	NIL	0.03
Shri G.M. Bothara	None	Professional	Nil	0.10	Nil	Nil	0.10
Shri B.H. Tapdiya	None	Professiona l	Nil	0.10	Nil	Nil	0.10

5. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE (Mandatory Committee)

The Board has constituted an Investors Grievances Committee which looks into shareholders and investors grievances. The following are the members of the committee:

Name	Designation	Executive/Non-Executive/Independent
Shri B. H. Tapdiya	Chairman	Non-Executive Independent
Shri Arvind Machhar	Member	Executive

General Manager (F&A) of the Company is the secretary of the committee.

The minutes of the Shareholders'/Investors' Grievance Committee Meeting were circulated to the Board, discussed and taken note of. Secretary to the Committee is also the looking after day to day working related to transfer of shares, correspondence with the shareholders, SEBI, exchanges, etc. The said committee administered the following activities:

- To look into and supervise the redress of shareholders/investors complaints like Transfer of shares, Transmission of shares, Issue of Duplicate Share Certificates, Change of Address, Change of Status, Change of Name Transposition of shares, copy of balance sheet etc.
- To consider and approve transfer of shares, dematerialization of shares deletion of name, splitting and consolidation of shares etc.
- To delegate any of its responsibilities to any officer of the company or to the Registrars and transfer Agents and to supervise the proper exercise of delegated powers.

During the financial year 2011-12 one meeting was held on 26th October, 2011 which was attended by all the members of the committee.

6. GENERAL BODY MEETING

The locations and time of the Annual General Meeting held during the last 3 years are as follows:

Annual General Meeting	Date	Time	Venue	No. of Special Resolutions passed
Twenty Ninth	25/07/2009	11.00 am	Gut No.72, Village Pharola, Post Beedkin, Aurangabad – 431105 (MS)	NIL
Thirtieth	10/07/2010	11.00 am	J-18, MID Area, Chikalthana, Aurangabad - 431 006	One
Thirty First	30/09/2011	11.30 am	J-18, MID Area, Chikalthana, Aurangabad - 431 006	Two

- All the special resolutions indicated above were passed by show of hands as they are ordinary Special Resolution.
- No Resolution Passed through postal ballot during the year, presently company does not have any transaction/proposal for postal ballot.

7. DISCLOSURES

- No Transaction of material nature has been entered into by the Company with Directors or Management and their relatives, etc. that may have a potential conflict with the interest of the Company. The Register of Contracts containing transaction, in which directors are interested, is placed before the Board regularly.
- There are the related parties transactions i.e. transactions of the Company with its Promoters, Directors and Management not conflicting with Company's interest, the details of which have been shown in Note No 32 forming part of the Accounts for the year ended 31st March, 2012.
- There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchange does not arise.

8. NOTE ON DIRECTORS APPOINTMENT/RE-APPOINTMENT

Shri G.M.Bothara is liable to retire by rotation and being eligible offered him for re-appointment. He is Commerce graduate having vast knowledge of Income Tax, Excise, Sales Tax and allied matters.

9. MEANS OF COMMUNICATION

The Company had submitted its quarterly, half yearly and financial results to the stock exchange soon after its approval by the Board and published the same in leading national newspapers (i.e. Lokmat in English and Gawkari in Marathi). The Company did not display the financial results on its website.

10. GENERAL SHAREHOLDER INFORMATION**a) Annual General Meeting**

- * Date, Day and Time
- * Venue

: Saturday, September 29th, 2012 at 11.30 AM
: J-18, MIDC, Chikalthana, Aurangabad (MS)