

40th
A *NNUAL*
REPORT
2013-2014

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:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and Notes to the Accounts are self explanatory.
- 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.
- 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.
- 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

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, 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:

- 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 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.

APM INDUSTRIES LIMITED

7. Code of Conduct

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

8. CEO/CFO Certification

Shri R K Rajgarhia, Chairman & Managing Director and Shri H R Sharma, Executive Director have given the above certificate pertaining to financial year 2013-14 to the Board of Directors which was taken note of at the Board meeting.

9. Disclosures

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

10. Compliance with mandatory/Non-mandatory Requirements

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

11. Means of Communication

The quarterly Financial Statements are normally published in Business Standard (all Edition) and Seema Sandesh (Jaipur Edition).

12. General Shareholder Information

A. Annual General Meeting:

Date : **September 25, 2014 (Thursday)**

Time : 11.30 A.M.

Venue : SP – 147 RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan)

B. Financial Calendar for 2014 – 2015

Adoption of Quarterly Results Ended	In the month of
30th June, 2014	August 15, 2014
30th September, 2014	November 15, 2014
31st December, 2014	February 15, 2015
31st March, 2015 (Audited Annual Accounts)	May 15, 2015 (May 30, 2015)

C. Date of Book Closure

From **September 16, 2014 (Tuesday)** to **September 23, 2014 (Tuesday)** (both days inclusive).

D. Dividend payment date

On or after **September 29, 2014**

E. Listing on Stock Exchange at:

Bombay Stock Exchange Limited Scrip Code
523537

The Listing fees for the year 2014 – 2015 have been paid to the above Stock Exchange.

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

F. Shareholding Pattern of the Company as on 31st March 2014.

Category	No. of Shares Held	%age of share holding
a) Promoters/persons acting in concern	13314165	61.61
b) Banks, Financial Institutions, Insurance Companies	1250	0.01
c) NRIs/OCBs	95440	0.44
d) Other Corporate bodies	693798	3.21
e) Indian Public	7506707	34.73
Total	21611360	100.00

APM INDUSTRIES LIMITED

G. Distribution of shareholding as on 31st March, 2014

Range		Shareholders		Shares		
No. of shares		Number	% to Total Holders	Number	% to Total Capital	
Upto	500	9021	85.49	1954867	9.05	
	501	1000	758	7.18	641304	2.97
	1001	2000	332	3.15	526111	2.43
	2001	3000	165	1.56	423257	1.96
	3001	4000	60	0.57	218588	1.01
	4001	5000	68	0.64	330881	1.53
	5001	10000	58	0.55	418868	1.94
	10001	And above	90	0.86	17097484	79.11
Total		10552	100.00	21611360	100.00	

H. Share Transfer System

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

I. Dematerialization of shares

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

J. Share Dematerialized record

The following data indicates the extent of dematerialization of Company's shares as on 31st March 2014.

No. of shares dematerialized 19656653 90.96% of the total share capital
 No. of shareholders in D-mat Form 3466 32.85% of the total No. of shareholders

K. Market Share Price Data (Rs.)

Month		Bombay Stock Exchange Limited	
		High	Low
April	2013	19.75	16.05
May	2013	24.10	19.00
June	2013	22.75	18.05
July	2013	20.90	17.75
August	2013	20.20	16.80
September	2013	21.80	17.75
October	2013	24.85	17.25
November	2013	28.40	24.40
December	2013	28.85	24.65
January	2014	30.00	23.05
February	2014	23.60	21.00
March	2014	25.90	21.00

L. Registered Office and Plant Location of the Company

APM Industries Limited
 SP-147 RIICO Industrial Area
 Bhiwadi
 Dist. Alwar (Rajasthan) – 301 019
 Tel. : 01493 – 220832/09694090890
 Fax : 01493 – 220228
 Email : os.bhiwadi@orientsyntex.com

M. Investors Correspondence

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

1. Corporate office

APM Industries Limited
 910 – Chiranjiv Tower
 43 – Nehru Place
 New Delhi – 110 019
 Tel : 011 – 26441015 – 17
 Fax : 011 – 26441018
 E-mail: os.delhi@orientsyntex.com

2. Registrars and Share Transfer Agent

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

APM INDUSTRIES LIMITED

AUDITORS' CERTIFICATE

To

The Shareholders of
APM Industries Limited

We have examined the compliance of conditions of Corporate Governance by APM Industries Limited for the year ended March 31, 2014, as stipulated in clause 49 of the listing agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreement.

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

Chaturvedi & Co.
Chartered Accountants

(Pankaj Chaturvedi)
Partner
Membership No. 91239

New Delhi
May 21, 2014

MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

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

a) Core Business and products

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

b) Industry structure and its development

The Indian textile industry was stagnant before the introduction of TUFs by the Government of India. A large number of textile manufacturers in India have expanded their production capacity due to Technology Upgradation Fund Scheme (TUFs), which allows for an interest subsidy.

The textile industry holds a very significant position in the Indian Industry and is the 2nd largest employment generating industry in the country. Therefore, the Government is continuously extending support for growth of this segment.

c) Overview of the company's performance

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.

d) Opportunities, threats/risks and concerns

The demand for Indian fabric in the domestic and international market is an opportunity for us.

The fall in yarn prices and sluggish demand is a threat to the industry.

Non-availability of trained manpower is a matter of concern.

e) Segment-wise performance

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

f) Outlook

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

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

g) Award

The Company has been awarded **National Energy Conservation Award – 2013 "First Prize"** in Textile Sector by the **Hon'ble President of India, Shri Pranab Mukherjee on 16th December 2013.**

h) Internal control system

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

i) Discussion on financial performance with respect to operating performance

The operating performance of the Company has been discussed in Directors Report under the head Financial Results, Operations and Prospects. The profit before tax for the year 2013-14 was at Rs. 33.27 crores as against Rs. 33.00 crores in the year 2012-13.

j) Developments in human resources and industrial relations

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

k) Cautionary Statement

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

For and on behalf of the Board

Place : New Delhi
Date : May 21, 2014

R K RAJGARHIA
Chairman & Managing Director

INDEPENDENT AUDITORS' REPORT

To the Members of

APM INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **APM INDUSTRIES LIMITED (The Company)**, which comprise the Balance sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read together with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the unit's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014,
- ii. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order), as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 read together with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

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

New Delhi
May 21, 2014

PANKAJ CHATURVEDI
Partner
Membership No. 091239

ANNEXURE REFERRED TO IN PARAGRAPH REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE

- i.
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. A major portion of the fixed assets has been physically verified by the management during the year pursuant to a programme for physical verification of fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern status of the Company.
- ii.
 - a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
- iii.
 - a. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of the clause (iii) (b), (iii)(c) and (iii)(d) Companies (Auditors' Report) Order, 2003 are not applicable to the Company.

- b. The Company has taken unsecured loan from one director and one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 67,117,051 and year-end balance was ₹ 9,701,377.
- c. In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been taken are not prima facie prejudicial to the interest of the Company.
- d. The Company is regular in repaying the principal amount and interest thereon, as stipulated.
- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have neither observed nor have been informed of any continuing failure to correct major weaknesses in internal control system of the Company.
- v.
 - a. In our opinion, and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered in the Register maintained under section 301 of the Act have been so entered.
 - b. In our opinion according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits under the provisions of Sections 58A, 58AA and other relevant provisions of the Companies Act, 1956 and the rules framed there under. No order against the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed cost records have been maintained. However, we are neither required to nor have we carried out any detailed examination of such accounts and records.
- ix.
 - a. According to the information and explanations given to us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues applicable to it.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty and excise duty were in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.
 - c. According to information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty and excise duty which have not been deposited on account of any dispute excepting those mentioned hereunder:

No	Name of the Statute	Nature of Dues	Amount in	Period to which amount relates	Forum where dispute is pending
1.	Entry Tax, Rajasthan	Entry Tax	7,716,417	2012-13 & 2013-14	Rajasthan High Court
2.	Sales Tax, Rajasthan	Sales Tax	2,550,809	1999-2000 & 2002-03	Rajasthan High Court
3.	Entry Tax, Rajasthan	Entry Tax	1,203,369	2005-06	Rajasthan Tax Board
x.	The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.				
xi.	In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company has not issued any debentures.				
xii.	In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.				
xiii.	In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, the provisions of clause 4 (xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.				
xiv.	According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.				
xv.	According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.				
xvi.	In our opinion, and according to the information and explanations given to us, term loans have been applied for the purposes for which they were raised.				
xvii.	According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on a short-term basis have been used for long-term investment.				
xviii.	The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year. Accordingly, the provisions of clause 4 (xviii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.				
xix.	The Company has not issued any debentures during the year.				
xx.	The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4 (xx) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.				
xxi.	To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.				

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

New Delhi
May 21, 2014

PANKAJ CHATURVEDI
Partner
Membership No. 091239

APM INDUSTRIES LIMITED

BALANCE SHEET

AS AT MARCH 31, 2014

PARTICULARS	Note No.	As At March 31, 2014 (Rs.)	As At March 31, 2013 (Rs.)
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	43,222,720	43,222,720
(b) Reserves and Surplus	2	1,637,916,587	1,484,467,653
2 Non-Current Liabilities			
(a) Long Term Borrowings	3	72,947,669	109,797,824
(b) Deferred Tax Liabilities (Net)	4	81,922,000	75,976,000
(c) Long Term Provisions	5		
3 Current Liabilities			
(a) Short Term Borrowings	6	54,252,645	155,382,506
(b) Trade Payables	7	21,924,037	25,569,572
(c) Other Current Liabilities	8	212,786,372	178,728,261
(d) Short Term Provisions	9	39,960,238	48,750,730
Total		2,164,932,268	2,121,895,266
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets			
(i) Tangible Assets	10	1,208,303,498	1,197,558,762
(ii) Intangible Assets		3,278,269	4,659,227
(iii) Capital Work in Progress		1,157,378	2,139,048
(b) Non-Current Investments	11	125,774,026	80,774,026
(c) Long Term Loans and Advances	12	15,908,101	18,478,155
2 Current Assets			
(a) Inventories	13	425,351,251	334,500,123
(b) Trade Receivables	14	261,749,728	252,458,539
(c) Cash and Bank Balances	15	5,513,032	3,910,062
(d) Short Term Loans and Advances	16	114,103,227	221,308,742
(e) Other Current Assets	17	3,793,758	6,108,582
Total		2,164,932,268	2,121,895,266

**Significant Accounting Policies and
Notes to the Financial Statements**

1 to 35

As per our report of even date attached

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

For and on behalf of the Board

(PANKAJ CHATURVEDI)
Partner
Membership No. 091239

F C GOEL
Company Secretary

H R SHARMA
Executive Director

K R GUPTA
Director

R K RAJGARHIA
Chairman & Managing Director

Place : New Delhi
Date : May 21, 2014

APM INDUSTRIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Statement of Profit & Loss

PARTICULARS	Note No.	For the Year Ended March 31, 2014 (Rs.·)	For the Year Ended March 31, 2013 (Rs.·)
INCOME			
I Revenue from Operations (Gross)		3,049,002,264	2,921,044,144
Less: Excise Duty		<u>(4,325,766)</u>	<u>(10,190,239)</u>
Revenue from Operations (Net)	18	3,044,676,498	2,910,853,905
II Other Income	19	<u>29,754,972</u>	<u>14,154,404</u>
III Total Revenue (I + II)		<u>3,074,431,470</u>	<u>2,925,008,309</u>
IV Expenses:			
Cost of Materials Consumed	20	1,985,009,826	1,760,263,821
Changes in Inventories of Finished Goods and Work-in-Progress	21	<u>(114,430,625)</u>	45,212,945
Employee Benefits Expenses	22	312,246,797	264,016,103
Finance Costs	23	26,150,623	31,983,881
Depreciation and Amortization Expense	24	46,527,061	46,852,849
Other Expenses	25	<u>486,229,113</u>	<u>446,701,223</u>
Total Expenses		<u>2,741,732,795</u>	<u>2,595,030,822</u>
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		332,698,675	329,977,487
VI Exceptional Items			
VII Profit before Extraordinary Items and Tax (V-VI)		332,698,675	329,977,487
VIII Extraordinary Item			
IX Profit before tax (VII-VIII)		<u>332,698,675</u>	<u>329,977,487</u>
X Tax Expense			
Current Tax		112,576,877	111,660,628
Deferred Tax		5,946,000	(1,594,000)
Prior Period Tax Adjustment			<u>(673,622)</u>
XI Profit for the year (IX-X)		<u>214,175,798</u>	<u>220,584,481</u>
Earning per equity share:			
Basic and Diluted		9.91	10.21
Significant Accounting Policies, and Notes to the Financial Statements	1 to 35		

As per our report of even date attached

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

For and on behalf of the Board

(PANKAJ CHATURVEDI)
Partner
Membership No. 091239

F C GOEL
Company Secretary

H R SHARMA
Executive Director

K R GUPTA
Director

R K RAJGARHIA
Chairman & Managing Director

Place : New Delhi
Date : May 21, 2014

APM INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	Year Ended March 31, 2014 Ruppes	Year Ended March 31, 2013 Ruppes
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year before Taxation	332,698,675	329,977,487
Adjustments for		
Depreciation and amortisation	46,527,061	46,852,849
Excess Provision Written Back	(3,762,023)	(260,487)
(Profit)/ Loss on Sale of Fixed Assets	937,234	(1,928,528)
Provision for doubtful debtors		1,683,200
Short Term Capital Gain/Loss	2,697,635	
Interest & Finance Charges	26,150,623	31,983,881
Interest Income	25,321,327	(10,914,739)
Dividend Income	(198,605)	(177,143)
Operating profit before working capital changes	379,729,274	397,216,520
Changes in assets and liabilities		
(Increase)/Decrease in Inventories	(90,851,128)	40,991,993
(Increase)/Decrease in Sundry Debtors	(8,812,688)	(22,188,906)
(Increase)/Decrease in Loans and Advances	113,219,023	(158,350,144)
Increase/(Decrease) in Current Liabilities	47,386,891	57,120,249
Cash generated from operations activities	440,671,372	314,789,712
Taxes Paid	118,398,269	104,449,780
Net cash provided by operating activities	322,273,103	210,339,933
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(69,068,861)	(22,630,889)
Sale of Fixed Assets	2,335,618	3,338,325
Purchase of investments (net)	(47,697,635)	(61,782,610)
Dividend received	198,605	177,143
Interest Received	25,088,041	10,842,178
Net cash used in investing activities	(89,144,233)	(70,055,853)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in Long Term borrowings	(55,123,434)	(57,179,532)
Increase/(decrease) in Working Capital and other borrowings	(101,129,861)	(24,029,019)
Dividend and Corporate Dividend Tax Paid	(48,826,338)	(28,392,372)
Interest and finance charges paid	(26,446,267)	(32,745,767)
Net cash provided by financing activities	(231,525,901)	(142,346,690)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	(1,602,970)	(2,062,610)
Cash and cash equivalents at the beginning of the year	3,910,063	5,972,673
Cash and cash equivalents at the end of the year	5,513,032	3,910,063

Notes

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

Cash in Hand	314,430	243,814
Cheques in Hand		
Balances with Scheduled Banks		
- In Current Accounts	1,456,781	1,004,410
- In Fixed Deposits		662,101
- In Unclaimed Dividend Account	3,741,821	1,999,738
	5,513,032	3,910,062

As per our report of even date attached

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

For and on behalf of the Board

(PANKAJ CHATURVEDI)
Partner
Membership No. 091239

F C GOEL
Company Secretary

H R SHARMA
Executive Director

K R GUPTA
Director

R K RAJGARHIA
Chairman & Managing Director

Place : New Delhi
Date : May 21, 2014

APM INDUSTRIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE NO.	As At March 31, 2014 (Rs.)	As At March 31, 2013 (Rs.)
1 SHARE CAPITAL		
Authorised		
35,000,000 (Previous Year 35,000,000) Equity Shares of Rs. 2/- each	<u>70,000,000</u>	<u>70,000,000</u>
300,000 (Previous year 300,000) Redeemable Preference Shares of Rs. 100/- each	<u>30,000,000</u>	<u>30,000,000</u>
Issued		
22,217,080 (Previous Year 22,217,080) Equity Shares of Rs. 2/- each	44,434,160	44,434,160
Subscribed and Paid up		
21,611,360 (Previous Year 21,611,360) Equity Shares of Rs. 2/- each (fully paid up)	<u>43,222,720</u>	<u>43,222,720</u>
Total	<u>43,222,720</u>	<u>43,222,720</u>
a) The reconciliation of number of shares outstanding is set out below:		
Number of Equity Shares at the beginning	21,611,360	21,611,360
Add: Number of Shares Issued		
Number of Equity Shares at the end	<u>21,611,360</u>	<u>21,611,360</u>
b) Details of Shareholders holding more than 5 percent Shares :		
Name	As at March 31,2014	As at March 31, 2013
	Percentage Held	Percentage Held
	Number of Shares	Number of Shares
Equity		
Rajendra Kumar Rajgarhia	17.81	3,850,000
Faridabad Paper Mills Limited	12.82	2,770,000
Ajay Rajgarhia	10.41	2,250,000
Prabha Rajgarhia	7.40	1,600,000
Rajgarhia Leasing and Financial Services Pvt. Ltd.	5.23	1,130,000
	53.67	54.59
c) Rights to the Share Holders		
The Company has only one class of equity shares having a face value of Rs. 2 per share and each holder of equity shares is entitled to one vote per share. All equity Share holders are having right to get dividend in proportion to paid up value of the each equity share, as and when declared.		
2 RESERVES & SURPLUS		
Capital Reserve	31,000	31,000
Balance at the beginning and end of the year		
General Reserve	450,000,000	350,000,000
Add: Transferred from Surplus	<u>100,000,000</u>	<u>100,000,000</u>
Closing Balance	<u>550,000,000</u>	<u>450,000,000</u>
Revaluation Reserve (Refer note 10.1)		
Balance at the beginning of the Year	669,430,212	679,421,708
Less: Transferred to statement of profit and loss	<u>9,991,496</u>	<u>9,991,496</u>
Closing Balance	<u>659,438,716</u>	<u>669,430,212</u>
Securities Premium Reserve		
Balance at the beginning and end of the year	24,311,925	24,311,925
Surplus		
Balance at the beginning of the year	340,694,516	260,297,656
Add: Transferred from Statement of Profit and Loss	<u>214,175,798</u>	<u>220,584,481</u>
	<u>554,870,314</u>	<u>480,882,137</u>
Less : Appropriations		
Transferred to General Reserve	100,000,000	100,000,000
Proposed Dividend (Refer Note 2.1 & 2.2)	43,222,720	34,578,176
Corporate Tax on Dividend (Refer Note 2.1 & 2.2)	7,512,648	5,609,445
Total	<u>150,735,368</u>	<u>140,187,621</u>
Balance at the end of the year	<u>404,134,946</u>	<u>340,694,516</u>
Total	<u>1,637,916,587</u>	<u>1,484,467,653</u>

2.1 The Company had declared interim dividend @ Rs.1.00 per share in its Board Meeting held on 08.11.2013 and paid on 12.11.2013. Interim dividend is subject to the approval of share holders.

2.2 The Company had declared final dividend @ Rs.1.00 per share in its Board Meeting held on 21.05.2014 and is subject to the approval of share holders.

APM INDUSTRIES LIMITED

NOTE NO.	As At March 31, 2014 (Rs.)	As At March 31, 2013 (Rs.)
3 LONG TERM BORROWINGS		
Secured		
From Banks	72,947,669	109,797,824
From Others		
Total	72,947,669	109,797,824
3.1 Nature of Security		
a. Following Term Loans are secured by joint mortgage by deposit of title deeds of the Company's immovable properties situated at Bhiwadi and charge on all immovable and movable assets, both present and future subject to prior charge created on specified movable assets in favour of Company's bankers ranking pari-passu for working capital facilities:		
Loan From	Terms of Repayment	
i. Industrial Development Bank of India (Rs. 560 Lacs) Term Loans from Banks amounting to Rs 3,49,15,630 (March 31, 2013 Rs. 37,634,433)		
	Repayable in 32 quarterly instalments from October 2011 along with interest at the rate of 13.25% p.a.	
ii. Industrial Development Bank of India (Rs. 865 Lacs) Term Loans from Banks amounting to Rs. NIL (March 31, 2013 Rs. 10,900,000)		
	Repaid during the year	
iii. Punjab National Bank (Rs. 790 Lacs) Term Loans from Banks amounting to Rs. NIL (March 31, 2013 Rs. 9,918,022)		
	Repaid during the year	
iv. Punjab National Bank (Rs. 330 Lacs) Term Loans from Banks amounting to Rs. NIL (March 31, 2013 Rs. 4,179,216)		
	Repaid during the year	
v. Punjab National Bank (Rs. 163 Lacs) Term Loans from Banks amounting to Rs. 1,29,36,510 (March 31, 2013 Rs. 16,224,957)		
	Repayable in 20 quarterly instalments from June 2014 along with interest at the rate of 13.00% p.a.	
vii. State Bank of Bikaner & Jaipur (Rs. 1710 Lacs) Term Loans from Banks amounting to Rs. 5,33,69,740 (March 31, 2013 Rs. 77,135,894)		
	Repayable in 32 quarterly instalments from July 2008 along with interest at the rate of 13.00% p.a.	
viii. State Bank of Bikaner & Jaipur (Rs. 230 Lacs) Term Loans from Banks amounting to Rs. 66,65,068 (March 31, 2013 Rs. 9,984,237)		
	Repayable in 32 quarterly instalments from May 2009 along with interest at the rate of 13.75% p.a.	
b. Vehicle loans from Banks amounting to Rs 34,72,519 (March 31, 2013 Rs. 4,77,768/-) are secured by hypothecation/ Lien of the respective vehicles.		
	Repayable in 36 equalised monthly instalments	
c. Vehicle loans from Others amounting to Rs. Nil (March 31, 2013 Rs. 28,374/-) are secured by hypothecation/ Lien of the respective vehicles.		
	Repaid during the year	
3.2 Secured long term loans aggregating to Rs. 107,886,948 (March 31, 2013 Rs. 165,976,759/-) are guaranteed by the chairman and Managing Director.		
3.3 The Long Term borrowing shown above is net of Rs. 38,411,798 (Mar 31, 2013 Rs. 56,685,077) current maturities, which is shown under note no.8		
4 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Depreciation	89,713,425	83,803,614
Deferred Tax Assets		
On Timing differences	7,381,998	7,827,614
Short Term Capital Loss	409,427	
Total	81,922,000	75,976,000
Deferred Tax Assets and Deferred Tax liabilities have been offset as they relates to the same governing taxation laws i.e. The Income Tax Act, 1961		

APM INDUSTRIES LIMITED

NOTE NO.	As At March 31, 2014 (Rs.)	As At March 31, 2013 (Rs.)
5 LONG TERM PROVISIONS		
Provision for Employment Benefits (Refer note 31)		
For Gratuity	_____	_____
For Leave Encashment	_____	_____
6 SHORT TERM BORROWINGS		
Secured :		
Working Capital Loans from banks (Refer Note 6.1)	44,551,268	136,457,716
Unsecured		
Demand Loan from others (Refer Note 6.2)	9,701,377	18,924,790
Total	54,252,645	155,382,506
6.1 Working capital loans are secured by hypothecation of inventories, book debts, receivables and other movable assets and also by second charge on Company's immovable properties situated at Bhiwadi ranking pari-passu between the Banks/ Financial Institutions and guaranteed by Chairman & Managing Director of the Company.		
6.2 Demand Loan includes loan from related party amounting to Nil (` 12,275,000)		
7 TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises (Refer Note 28)	284,048	128,468
Other Sundry Creditors	21,639,989	25,441,104
Total	21,924,037	25,569,572
8 OTHER CURRENT LIABILITIES		
Current Maturities of long Term Debts		
From Banks (Refer Note 3.3)	38,411,798	56,656,703
From Others		28,374
Interest accrued but not due		295,644
Advance from Customer	2,088,393	1,778,288
Unpaid Dividend (Refer note 8.1)	3,741,821	1,999,737
Other Payables		
i. Accrued salaries and benefits	43,794,336	31,740,818
ii. Statutory Dues Including Provident Fund and Tax Deducted At Source	3,430,839	2,766,766
iii. Security deposit	1,244,914	489,892
iv. Other payables	120,074,271	82,972,039
	212,786,372	178,728,261
8.1 There are no amounts due for payment to The Investor Education and protection Fund under section 205C of the Companies Act,1956 as at the year end.		
9 SHORT TERM PROVISIONS		
Provision for Employee Benefits (Refer Note 31)		
For Gratuity	10,353,336	13,404,211
For Leave Encashment	234,219	319,391
Other Provisions		
For Income Tax (Net of Advances)	4,011,773	9,849,237
For Fringe Benefit Tax		
For Wealth Tax	76,700	60,628
Proposed Dividend on Equity Shares (Refer note-2.2)	21,611,360	21,611,360
Dividend Distribution Tax (Refer note- 2.2)	3,672,850	3,505,903
Total	39,960,238	48,750,730

APM INDUSTRIES LIMITED

NOTE 10 :- FIXED ASSETS											
PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	As At April 1, 2013 (At Cost) (Rs.)	Additions during the year (Rs.)	Sales/ Adjustments (Rs.)	Other Adjustments	Total As At March 31, 2014 (At Cost) (Rs.)	Upto March 31, 2013 (Rs.)	For the Current Period (Rs.)	Sales/ Adjustments (Rs.)	Upto March 31, 2014 (Rs.)	As At March 31, 2014 (Rs.)	As At March 31, 2013 (Rs.)
Tangible Assets (A)											
(I) Own Assets											
Building	125,452,366	7,893,279	-		133,345,645	40,399,415	3,495,264	-	43,894,679	89,450,966	85,052,951
Plant & Equipments	1,076,738,224	50,026,450	5,304,786		1,121,459,888	652,910,400	38,504,860	4,088,860	687,326,400	434,133,488	423,827,824
Furniture & Fixtures	14,509,445	2,607,737	11,600		17,105,582	9,438,998	950,444	5,931	10,383,511	6,722,071	5,070,447
Office Equipments	12,261,794	661,600			12,923,394	9,600,837	469,011		10,069,848	2,853,546	2,660,957
Vehicles	15,465,981	7,966,121	3,766,079		19,666,023	4,412,001	1,720,341	1,714,822	4,417,520	15,248,503	11,053,980
Total (A)	1,244,427,810	69,155,187	9,082,465		1,304,500,532	716,761,651	45,139,920	5,809,613	756,091,958	548,408,574	527,666,159
(II) Asset on Lease											
Lease hold Land	720,000,000				720,000,000	50,107,397	9,997,679		60,105,076	659,894,924	669,892,603
Total Tangible Assets (I+II)	1,964,427,810	69,155,187	9,082,465		2,024,500,532	766,869,048	55,137,599	5,809,613	816,197,034	1,208,303,498	1,197,558,762
For previous year	1,969,699,562	19,512,871	24,784,623		1,964,427,810	734,649,552	55,594,322	23,374,826	766,869,048	1,197,558,762	
Intangible Assets (B)											
Computer Software	8,519,172				8,519,172	3,859,945	1,380,958		5,240,903	3,278,269	4,659,227
For previous year	7,389,570	1,129,602			8,519,172	2,609,922	1,250,023		3,859,945	4,659,227	4,779,648
Grand Total Fixed Assets (A+B)	1,972,946,982	69,155,187	9,082,465		2,033,019,704	770,728,993	56,518,557	5,809,613	821,437,937	1,211,581,767	1,202,217,989
For previous year	1,977,089,132	20,642,473	24,784,623		1,972,946,982	737,259,474	56,844,345	23,374,826	770,728,993	1,202,217,989	

Note 10.1

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

(b) Depreciation for the year Rs. 56,518,557/- includes Amortisation on revalued lease hold land Rs. 9,991,496/-

APM INDUSTRIES LIMITED

NOTE No.	Particulars	As At March 31, 2014 Rs.		As At March 31, 2013 Rs.		
11 NON-CURRENT INVESTMENTS						
In Government securities (Valued at Cost)						
a)	National Saving Certificates (Pledged with Sales Tax Department)		6,000		6,000	
b)	In Post Office Saving Bank (pledged with Excise Department)		31,110		31,110	
	Total		<u>37,110</u>		<u>37,110</u>	
S. No.	Particulars	Face Value Per Unit (Rs.)	As at March 31, 2014 Nos	As at March 31, 2014 (Rs.)	As at March 31, 2013 Nos	As at March 31, 2013 (Rs.)
I	Trade investments (Valued at Cost)					
	a. Un-quoted Equity Instruments (Refer Note 11.1)					
	Fully Paid Class A Equity Shares, held in V.S.Lignite Power Private Limited	10	1256039	12,560,390	1256039	12,560,390
	b. Un-quoted Preference Shares (Refer Note 11.2)					
	0.01% Class A Redeemable Preference Shares held in V.S.Lignite Power Private Limited	10	1114222	11,142,220	1114222	11,142,220
	Total Un-quoted			<u>23,702,610</u>		<u>23,702,610</u>
11.1	Dividend on Class A equity share is restricted to 0.01% of the face value of the shares.					
11.2	Preference Share- Preference shares are redeemable at par over the period of 10-20 year from date of allotment.					
II	Other Investments					
	a. Quoted Equity Instruments					
	Fully paid equity shares, in					
	Bhilwara Spinners Ltd.	10	100	508	100	508
	Deepak Spinners Ltd.	10	100	765	100	765
	G.S.L. (India) Ltd.	10	50	1,819	50	1,819
	Hind Syntex Ltd.	10	100	2,642	100	2,642
	Visaka Industries Ltd.	10	10	194	10	194
	Indo Rama Synthetics (I) Ltd.	10	10	76	10	76
	Spentex Industrires Ltd.	10	9	77	9	77
	Rajasthan Spng.& Wvg. Mills. Ltd.	10	195	1,831	195	1,831
	Sangam India Ltd.	10	158	1,951	158	1,951
	Shree Rajasthan Syntex Ltd.	10	50	1,043	50	1,043
	State Bank of Bikaner & Jaipur	10	12200	1,868,400	12,200	1,868,400
	GVK Power & Infrastructure Ltd.	1	5000	155,000	5,000	155,000
	b. In Bonds/Mutual Funds					
	Kotak Bond	10			77,062	2,500,000
	SBI Dynamic Bond Fund	10			179,100	2,500,000
	Birla Sunlife Dynamic Bond Fund	10			131,403	2,500,000
	IDFC Dynamic Bond Fund	10			1,275,624	17,500,000
	Reliance Income Fund (Refer note- 11.3)	10	329462.153		878,566	10,000,000
	IIFLME NFO Collection	10	2000000	20,000,000	2,000,000	20,000,000
	Reliance Money Manager	10	1022479	20,000,000		
	IIFCL Tax Free Bond	1000	30000	30,000,000		
	HUDCO Tax Free Bond	1000	30000	30,000,000		
	Reliance Income Fund -Growth Plan-Bonus Option					
	Total (Quoted)			<u>102,034,306</u>		<u>57,034,306</u>
	Grand Total			<u>125,774,026</u>		<u>80,774,026</u>
	Aggregate amount of quoted Investments			<u>102,034,306</u>		<u>57,034,306</u>
	Market Value of Quoted Investments			<u>110,328,447</u>		<u>60,888,542</u>
	Aggregate amount of unquoted Investments			<u>23,702,610</u>		<u>23,702,610</u>
	Aggregate Provision for diminution in Value of Investments					
11.3	Bonus shares received during the year Nil (previous year-329462.153units)					
12 LONG TERM LOANS AND ADVANCES						
Loans and Advances						
(Un-secured & Considered Good, Unless otherwise stated)						
	Capital Advances (Refer Note 27 (b))			6,656,402		5,761,058
	Security Deposits			9,251,699		12,717,097
	Total			<u>15,908,101</u>		<u>18,478,155</u>

APM INDUSTRIES LIMITED

Note No.	As At March 31, 2014 Rs.	As At March 31, 2013 Rs.
13 INVENTORIES <i>(Refer Note 26(f))</i>		
Raw Materials	82,737,256	106,231,805
Work-in-Progress	53,663,000	47,948,655
Finished Goods	280,203,403	171,487,123
Stores and Spares	8,747,592	8,832,540
Total	425,351,251	334,500,123
14 TRADE RECEIVABLES		
Out standing for a period exceeding six months from the due date		
<u>Unsecured, Considered Good</u>	19,123,010	17,348,692
<u>Unsecured, Considered Doubtful</u>	1,866,200	2,344,700
	20,989,210	19,693,392
Less: Provision for Doubtful debts	1,866,200	2,344,700
	19,123,010	17,348,692
<u>Others</u>		
Unsecured, Considered Good	242,626,718	235,109,847
Total	261,749,728	252,458,539
15 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
<u>Cash in Hand</u>	314,430	243,814
Balance with Banks:-		
- In Current Accounts	1,456,781	1,004,410
- In Deposit Accounts with less than 3 months maturity *		550,000
	1,771,211	1,798,224
Other Bank Balances#		
In margin money with deposit accounts with maturities less than 12 months		
- In Unpaid dividend accounts	3,741,821	1,999,737
	3,741,821	2,111,838
Total	5,513,032	3,910,062
(*) Margin Money deposite against guarantees.		
# Other Bank balances are restricted bank balances on account of margin money deposit against guarantees and unclaimed dividends.		
16 SHORT TERM LOANS AND ADVANCES		
<u>Unsecured Considered Good</u>		
Unsecured Loans	86,000,000	190,348,164
<u>Other loans and advances</u>		
- Prepaid Expenses	2,845,686	2,639,377
- Security Deposit	3,240,000	3,240,000
- CENVAT/VAT Credit Receivable	16,801,114	19,452,868
- Others advance for supply of goods and rendering of services	5,216,427	5,628,333
Total	114,103,227	221,308,742
17 OTHER CURRENT ASSETS		
<u>(Un-secured & Considered Good, Unless otherwise stated)</u>		
Interest Accrued	1,673,154	1,439,868
Claim and other receivable	2,120,604	4,668,714
Total	3,793,758	6,108,582

APM INDUSTRIES LIMITED

NOTES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Note No.	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
18 REVENUE FROM OPERATIONS		
Sale of products (Gross)	2,995,661,523	2,870,382,432
Other Operating Revenues :		
-Sales of Scrap	28,842,950	29,583,747
-Interest from customers on account of overdue receivables	23,641,231	19,469,963
-Job Work and other incentives	856,560	1,608,002
Sub total	3,049,002,264	2,921,044,144
Less : Excise Duty	(4,325,766)	(10,190,239)
Revenue from Operations (Net)	3,044,676,498	2,910,853,905
19 OTHER INCOME		
Interest received from Banks	23,670	91,520
Interest received from Others	24,289,041	10,823,219
Interest received from Tax Free Bond	1,008,616	
Dividend received on investments	198,605	177,143
Profits on Sales of Fixed Assets		1,928,528
Liabilities/Provisions no longer required, written back	3,762,023	260,487
Gains on Foreign currency transactions (Net)	179,258	
Miscellaneous Income	293,760	873,507
Total	29,754,972	14,154,404
20 COST OF MATERIALS CONSUMED {Refer note 32(b)}		
Raw Materials Consumed		
Inventory at the beginning of the year	106,231,805	104,099,576
Add: Purchases (net)	1,961,515,277	1,762,396,050
Less: inventory at the end of the year	82,737,256	106,231,805
Cost of Raw Materials consumed during the year	1,985,009,826	1,760,263,821
21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Stock at the end of the year:		
Finished Goods	280,203,403	171,487,123
Work-in-Progress	53,663,000	47,948,655
Total A	333,866,403	219,435,778
Stock at the beginning of the year		
Finished Good	171,487,123	218,649,156
Work-in-Progress	47,948,655	45,999,567
Total B	219,435,778	264,648,723
Change in inventories (A-B)	114,430,625	(45,212,945)
22 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	276,241,263	230,736,885
Contribution to Provident and other Funds	21,031,907	20,865,662
Staff Welfare Expenses	14,973,627	12,413,556
Total	312,246,797	264,016,103
23 FINANCE COSTS		
Interest Expense	24,309,919	29,620,832
Other Borrowing costs	1,840,705	2,363,049
Total	26,150,623	31,983,881

APM INDUSTRIES LIMITED

Note No.	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
<u>24 DEPRECIATION AND AMORTIZATION EXPENSES</u>		
Depreciation and Amortization (Refer Note - 10)	56,518,557	56,844,345
Less: Withdrawn from Revaluation Reserve (Refer Note - 2)	9,991,496	9,991,496
	<u>46,527,061</u>	<u>46,852,849</u>
<u>25 OTHER EXPENSES</u>		
Manufacturing Expenses		
Consumption of Stores and Spare Parts	36,540,503	34,361,772
Packing Material	38,250,794	33,493,338
Power and Fuel	277,300,783	267,243,696
Repairs to Machinery	38,648,238	35,657,827
Repairs to Building	2,360,662	3,683,180
Variance in Excise duty on Finished Goods	5,546,477	(447,805)
	<u>398,647,457</u>	<u>373,992,008</u>
Selling and Distribution Expenses		
Freight and Forwarding Expenses	24,333,274	20,875,379
Brokerage and Commission	15,335,959	13,844,891
Provision for Doubtful Debts		1,683,200
Claims & Discount	6,551,530	3,494,895
Bad Debts	105,757	
	<u>46,326,520</u>	<u>39,898,365</u>
Establishment Expenses		
Legal and Professional Fees	2,549,553	2,512,303
Rent	2,832,581	2,555,268
Rates and Taxes	1,178,183	1,315,810
Repairs to Others	531,302	495,656
Insurance	1,806,015	1,665,403
Travelling Expenses	2,002,429	2,026,132
Payment to Auditors (Refer note 30)	533,547	524,667
Printing & Stationary	1,860,840	1,470,692
Vehicle Running Expenses	2,327,273	1,939,014
Computer Maintenance	516,616	608,559
Charity and Donation	1,100	21,100
Communication Expenses	2,040,265	1,929,239
Electricity & Water Charges	545,274	476,346
Membership Fee & Subscription	246,313	195,491
General Expenses	2,839,451	4,147,856
Director Remuneration & Sitting Fees	14,238,166	9,599,780
CSR & Pollution Control Expenses	1,571,359	1,327,533
Short Term Capital Gain/Loss	2,697,635	
Loss on Sale of Fixed Assets	937,234	
	<u>41,255,136</u>	<u>32,810,850</u>
Total	<u>486,229,113</u>	<u>446,701,223</u>

26 SIGNIFICANT ACCOUNTING POLICIES

a) Corporate Information

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

b) Basis of Accounting

- i) The Financial Statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP), the mandatory Accounting Standards on an accrual basis (except for revaluation of Land) notified in the Companies (Accounting Standard) Rules 2006 and relevant provisions of the Companies Act, 1956 read together with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- ii) The Company follows the mercantile system of accounting & recognizes the income & expenditure on accrual basis. Claims for interest on customers for delayed payments which is accounted for on acceptance basis as the exact quantum, in respect thereof, cannot be ascertained with reasonable accuracy. This accounting policy has been consistently applied by the company.

c) Fixed Assets

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

d) Depreciation

- i) Depreciation on fixed assets is provided for on the Straight Line method in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions/disposals are provided on pro-rata basis.
- ii) Cost of leasehold Land is being amortized over the period of lease of 99 years.
- iii) In case of revalued lease hold land, amortization is calculated on revalued cost based on remaining period of lease and the portion related to the revalued quantum is adjusted against revaluation reserve.
- iv) The Plant & Machinery of spinning unit & Power Plant division is considered as continuous process plant, hence depreciation is provided accordingly.
- v) Assets costing less than Rs. 5000 individually are fully depreciated at the end of the year

e) Investments

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

f) Inventories

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

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

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

g) Revenue Recognition

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

h) Foreign Currency Transactions

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

i) Employee Benefits

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

j) Borrowing Costs

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

k) Segment Reporting

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

l) Leases

Finance leases or similar arrangement, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased items, are capitalized and disclosed as leased assets. Finance charges are charged directly against income.

APM INDUSTRIES LIMITED

Leases where the lesser effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a basis, which reflect the time pattern of such payment appropriately.

m) **Earnings per Share (EPS)**

The earnings considered in ascertaining the company's EPS comprise the Net Profit or Loss for the period after tax and extra ordinary items. The basic EPS is computed on the basis of weighted average number of equity shares outstanding during the year. The number of shares for computation of diluted EPS comprises of weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year unless they are issued at a later date. The diluted potential equity shares are adjusted for the proceeds receivable assuming that the shares are actually issued at fair value. The number of shares and potentially dilutive shares are adjusted for shares splits/reverse share splits (consolidation of shares) and bonus shares, as appropriate.

n) **Taxes on Income**

Tax expense for the year comprises of current tax and deferred tax. Current taxes are measured at the current rate of tax in accordance with provisions of the Income Tax Act, 1961.

Deferred tax Assets and Liabilities are recognized for future tax consequences attributable to the timing differences that result between taxable profit and the profit as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses under tax laws to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Profit & Loss Account in the year of change.

o) **Grants/Subsidies**

Generally grants/subsidies are recognized where there is reasonable assurance that the company shall comply with the conditions attached to them and when such benefits have been earned by the company and is reasonably certain that the collection may be made. Grants/Subsidies related to revenue are credited to the Profit & Loss Statement or are deducted in reporting the related expenses.

p) **Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to the present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

q) **Impairment of Assets**

The carrying values of assets of the cash-generating units at each balance sheet date are reviewed for impairment. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor.

r) **Contingent Liabilities**

Contingent liabilities are determined on the basis of available information and are disclosed by way of Notes to Accounts.

27. NOTES TO ACCOUNTS

1. Contingent liabilities and commitments (to the extent not provided for)

a. Claims against the Company not acknowledged as debts:-

Particulars	Year ended	
	March 31, 2014 Rupees	March 31, 2013 Rupees
Excise Duty [Payment made Rs .NIL (Previous years 486,240)]	0	888,970
Sales Tax	3,754,178	3,754,178
Bank Guarantee (Net of Margin Rs. NIL (Previous Year 661,000)	NIL	1,024,000

b. Other Commitments

Estimated amount of contracts remaining to be executed on capital account [Net of advances Rs. 6,656,402/- Previous Year Rs. 5,761,058/-] not provided for Rs. 33,582,964/- (Previous Year Rs. 38,356,018/-).

28. There are no Micro, Small and Medium Enterprises to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2014. This information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

29. Related party disclosures

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

List of related parties

A. Companies under common control

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

B. Key Management Personnel and their relatives

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

APM INDUSTRIES LIMITED

C. Related Party Transactions

Particulars	Year	Company under common control (Rs.)	Key Management Personnel (Rs.)	Total (Rs.)
Income/Expense				
Sales (Net of Indirect Taxes)	2013-14	-	-	
	2012-13	273,367	-	273,367
Purchases	2013-14	5,442,034	-	5,442,034
	2012-13	5,532,835	-	5,532,835
Interest paid	2013-14	2,071,333	998,588	3,069,921
	2012-13	1,215,022	675,122	1,890,144
Payment made by the Company for				
Rent	2013-14	-	2,819,981	2,819,981
	2012-13	-	2,547,508	2,547,508
Finance				
Loans Repayment	2013-14	426,298,413	101,975,000	528,273,413
	2012-13	264,675,950	46,750,000	311,425,950
Finance				
Loans/ Advances Taken	2013-14	429,350,000	89,700,000	519,050,000
	2012-13	268,050,000	45,150,000	313,200,000
Remuneration to key Management personnel	2013-14	-	14,053,726	14,053,726
	2012-13	-	9,339,140	9,339,140
Remuneration to Others	2013-14	-	1,019,558	1,019,558
	2012-13	-	902,430	902,430
Balances with related parties				
Advances Taken	2013-14	8,701,377	NIL	8,701,377
	2012-13	5,649,790	12,275,000	17,924,790

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

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

F. Disclosure of Material Transactions with Related parties

Particulars	Year ended March 31, 2014 (Rs.)	Year ended March 31, 2013 (Rs.)
Purchases		
Perfectpac Limited	5,414,942	5,532,835
Sales		
Orient Refractories Limited	-	273,367
Interest Paid		
Shri R.K.Rajgarhia	998,588	675,122
Rajgarhia Leasing & Financial Services (P) Ltd	2,071,333	1,215,022
Rent Paid		
Smt. Prabha Rajgarhia	974,860	857,440
Ms. Aditi Rajgarhia	159,720	159,720
Shri Ajay Rajgarhia	1,685,401	1,530,348

30. Auditors Remuneration:

	Year ended March 31, 2014 (Rs.)	Year ended March 31, 2013 (Rs.)
Payment to Statutory Auditors		
Audit Fee	308,990	308,990
Tax audit Fee	84,270	84,270
Limited Review of Results	50,562	50,562
In other capacity		
(a) For Taxation matters	0	27,575
Reimbursement of expenses	46,110	11,400
Total (A)	<u>489,932</u>	<u>482,797</u>
Payment to Cost Auditors		
(a) Audit Fee	35,000	35,000
(b) Reimbursement of expenses	8,615	6,870
Total (B)	<u>43,615</u>	<u>41,870</u>
Grand Total (A+B)	<u>533,547</u>	<u>524,667</u>

APM INDUSTRIES LIMITED

31. Employee Benefit:

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

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

Particulars	For the Year ended March 31, 2014		For the Year ended March 31, 2013	
	Gratuity (Rs.)	Compensated Absences (Rs.)	Gratuity (Rs.)	Compensated Absences (Rs.)
Obligations at year beginning	41,353,820	6,497,186	33,489,667	5,817,141
Service Cost - Current	4,480,864	1,239,162	4,142,111	1,161,324
Interest Cost	3,308,306	519,775	2,679,173	465,371
Actuarial (gain) / loss	685,993	(864,086)	3,353,169	1,966,801
Benefit Paid	(3,500,133)	(102,941)	(2,310,300)	(2,913,451)
Obligations at year end	46,328,850	7,289,096	41,353,820	6,497,186
Change in plan assets				
Plan assets at year beginning, at fair value	27,949,609	6,177,795	22,622,672	6,050,798
Expected return on plan assets	2,445,591	540,557	2,092,597	559,699
Actuarial gain / (loss)	(15,157)	937	(115,886)	6,598
Contributions	9,095,604	438,529	5,660,526	571,651
Benefits paid	(3,500,133)	(102,941)	(2,310,300)	(1,010,951)
Plan assets at year end, at fair value	35,975,514	7,054,877	27,949,609	6,177,795
Reconciliation of present value of the obligation and the fair value of the plan assets				
Present value of the defined benefit obligations at the end of the year	46,328,850	7,289,096	41,353,820	6,497,186
Fair value of the plan assets at the end of the year	35,975,514	7,054,877	27,949,609	6,177,795
Liability/(Assets) recognised in the Balance Sheet	10,353,336	234,219	13,404,211	319,391
Defined benefit obligations cost for the year				
Service Cost - Current	4,480,864	1,239,162	4,142,111	1,161,324
Interest Cost	3,308,306	519,775	2,679,173	465,371
Expected return on plan assets	(2,445,591)	(540,557)	(2,092,597)	(559,699)
Actuarial (gain) / loss	701,150	(865,023)	3,469,055	1,960,203
Net defined benefit obligations cost	6,044,729	353,357	8,197,742	3,027,199

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

Particulars	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	2014 (in %)	2014 (in %)	2013 (in %)	2013 (in %)
Discount Rate	8.50	8.50	8.00	8.00
Future salary increases	6.00	6.00	5.50	5.50
Expected return on plan assets	8.75	8.75	9.25	9.25

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

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

Class of Goods	Unit	Production	Opening Stock		Closing stock	
			Qty (kgs)	Value (Rs.)	Qty (kgs)	Value (Rs.)
Man- Made Fiber's Spun Yarn	Kgs	18461826	1138966	171,487,123	1897707	280,203,403
		(16635074)	(1622471)	(218,649,156)	(1138966)	(171,487,123)

B. Raw Material Consumption:

Class of Goods	Unit	*Quantity (In Kgs.) Year ended		Value (In Rupees) Year ended	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
		1 Viscose Staple Fibre	Kgs	965385	1092176
2 Polyester Fibre	Kgs	17519318	15102062	1,606,382,416	1,334,069,047
3 Acrylic Fibre	Kgs	793266	1140908	122,830,106	163,694,902
4 Cotton/Jute Waste	Kgs	2179	0	333,860	0
5 Polyester Filament Yarn	Kgs	14176	17762	1,754,741	2,185,111
6 Dyes and Chemicals	Kgs			98,565,237	86,213,698
				1,985,009,826	1,760,263,821

*Figures are net of sale of raw material

APM INDUSTRIES LIMITED

C. Turnover of Products:

Class of Goods	Unit	*Quantity (In Kgs.)		Value (In Rupees)	
		Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2013
Man Made Fibre Spun Yarn	Kgs	17702764*	17118429*	2,995,661,523	2,870,382,432

* Excluding shortage/wastage of 321 kgs (150 kgs)

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

Particulars	Year ended March 31, 2014		Year ended March 31, 2013	
	(Rs.)	%	(Rs.)	%
1 Raw materials				
Imported	-	-	-	-
Indigenous	1,985,009,826	100	1,760,263,821	100
Total	1,985,009,826	100	1,760,263,821	100
2 Stores, Spares & Packing Material				
Imported	3,350,188	4.48	599,679	0.88
Indigenous	71,441,109	95.52	67,255,431	99.12
Total	74,791,297	100.00	67,855,110	100.00

E. CIF value of Imports

Particulars	Year ended March 31, 2014 (Rs.)	Year ended March 31, 2013 (Rs.)
i Stores, Spares & Packing Materials	3,131,358	558,186
ii Capital Items	0	0
Total	3,131,358	558,186

F. Expenditure in Foreign Currency (On Payment Basis)

Particulars	Year ended March 31, 2014 (Rs.)	Year ended March 31, 2013 (Rs.)
i. Commission	<u>72,372</u>	<u>150,704</u>

G. Earning in Foreign Exchange

15,583,661 11,568,734

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

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

35. Note 1 to 35 form an integral part of the accounts and have duly been authenticated.

As per our report of even date attached

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

For and on behalf of the Board

(PANKAJ CHATURVEDI)
Partner
Membership No. 091239

F C GOEL
Company Secretary

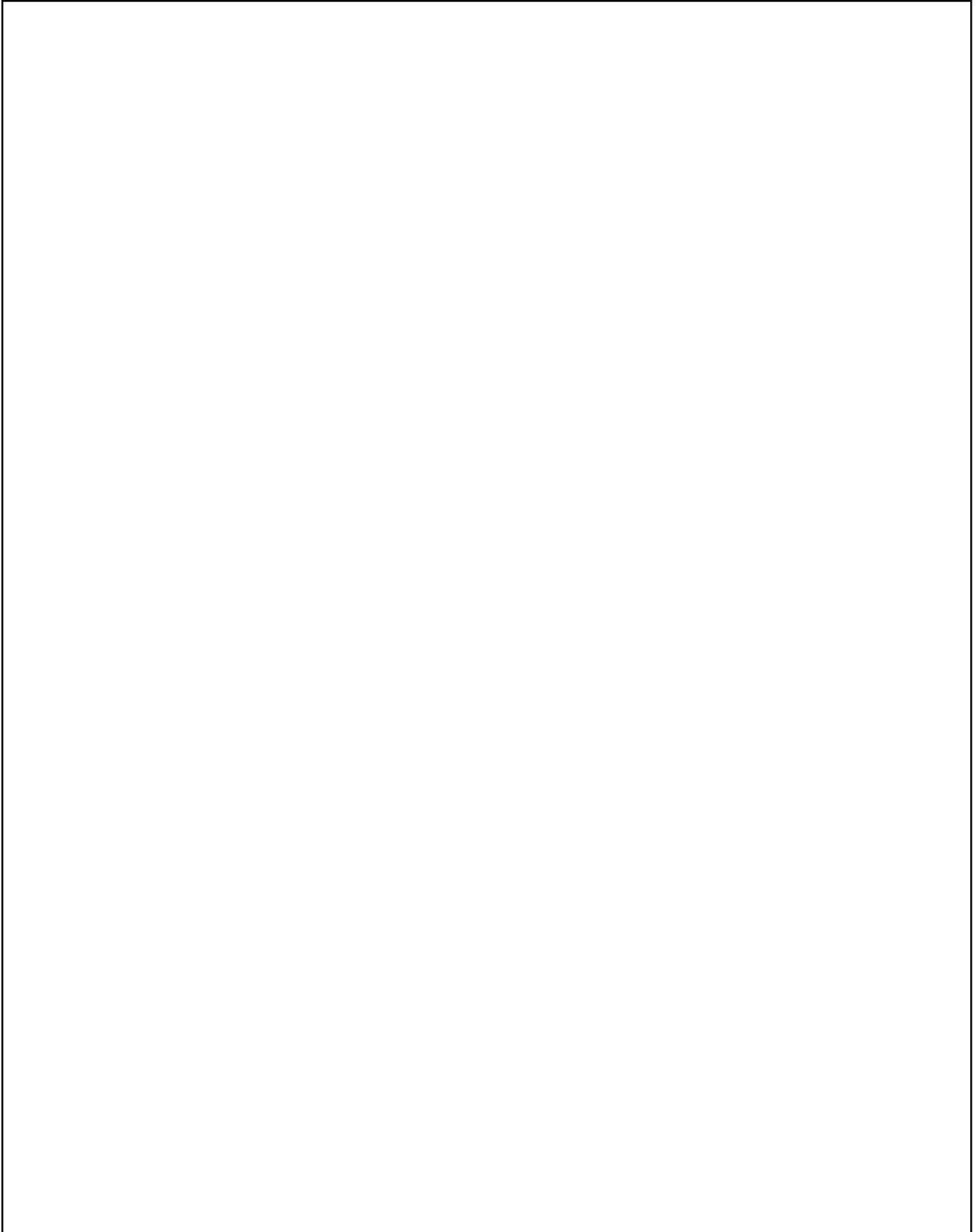
H R SHARMA
Executive Director

K R GUPTA
Director

R K RAJGARHIA
Chairman & Managing Director

Place : New Delhi
Date : May 21, 2014

APM INDUSTRIES LIMITED



APM INDUSTRIES LIMITED

CIN: L21015RJ1973PLC015819

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

Tel : 01493 – 220832/09694090890 Fax : 01493 – 220228, Email : os.bhiwadi@orientsyntex.com

PROXY FORM

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

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

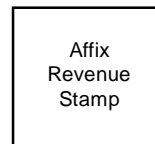
I/We
 R/o.....
 having email id, being the member(s) and having
 shares of the above named company, hereby appoint
 R/o
 having email id or failing him/her
 R/o.....
 having email id or failing him/her
 R/o.....
 having email id..... as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40th Annual General Meeting of the company, to be held on **Thursday** the **25th** day of **September, 2014** at **11.30 A.M.**, at the registered office of the company situated at SP-147, RIICO Industrial Area, Bhiwadi, Dist, Alwar (Raj.) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional (✓)	
		For	Against
Ordinary Business			
1	Adoption of Audited Balance Sheet as at March 31, 2014 together with the reports of the Board of Directors and Auditors thereon.		
2	Declaration of Dividend on equity shares.		
3	Appointment of M/s Chaturvedi & Co., Chartered Accountants, who are eligible for re-appointment as Auditors of the Company and to fix their remuneration.		
Special Business			
4	Appointment of Shri Khushi Ram Gupta as an Independent Director.		
5	Appointment of Shri Ram Ratan Bagri as an Independent Director.		

Signed this _____ day of _____, 2014

Signature of the Shareholder: _____

Signature of Proxy holder(s) : _____



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

ATTENDANCE SLIP

I/we hereby record my/our presence at the **40th Annual General Meeting** of the company held on **25th** day of **September, 2014** at **11.30 A.M.**, at the registered office of the company situated at SP-147, RIICO Industrial Area, Bhiwadi, Dist, Alwar (Raj.).

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

NAME OF THE SHAREHOLDER _____ (Signature)

NAME OF THE PROXY _____ (IN BLOCK LETTERS) (Signature)

E-VOTING PARTICULARS ELECTRONIC VOTING PARTICULARS

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

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

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

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

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

If undelivered please return to:

APM INDUSTRIES LIMITED

CIN : L21015RJ1973PLC015819

910, Chiranjiv Tower, 43, Nehru Place

New Delhi - 110019

Tel : 011 – 26441015 – 17 Fax : 011 – 26441018

Email : os.delhi@orientssyntex.com