**APM Finvest Limited**
**Notes to the financial statements for the year ended March 31, 2019**

| | March 31, 2019 | | | March 31, 2018 | | |
|---|---|---|---|---|---|---|
| **8 Investments** | Face value per share/ unit | Nos. | Amount in Rs. | Face value per share/ unit | Nos. | Amount in Rs. |
| **Non-trade investments (valued at cost unless stated otherwise)** | | | | | | |
| **Investment in equity instruments (quoted)** | | | | | | |
| HDFC Bank Limited | 2 | 2,250 | 42,43,725 | - | - | - |
| Indian Oil Corporation Limited | 10 | 20,000 | 35,32,000 | - | - | - |
| State Bank of India | 1 | 55,000 | 1,45,73,773 | 1 | 20,000 | 58,27,273 |
| KEC International Limited | 2 | 10,000 | 21,51,929 | 2 | 10,000 | 21,51,929 |
| Dewan Housing Finance Corporation Limited | 10 | 5,000 | 19,43,314 | 10 | 5,000 | 19,43,314 |
| **Investment in bonds (unquoted)** | | | | | | |
| Indian Renewable Energy Development Agency Limited | 1,000 | 13,624 | 1,36,24,000 | - | - | - |
| National Highways Authority of India | 1,000 | 5,714 | 57,14,000 | - | - | - |
| **Investment in mutual funds (unquoted)** | | | | | | |
| ABSL Dynamic Bond Fund - Growth - Regular Plan | 10 | 5,84,938 | 1,75,37,904 | - | - | - |
| ABSL Equity Fund - Growth - Regular Plan | 10 | 9,402 | 64,70,933 | - | - | - |
| ABSL Equity Hybrid Fund - Growth - Regular Plan | 10 | 13,537 | 99,75,850 | - | - | - |
| ABSL Pure Value Fund - Growth - Regular Plan | 10 | 56,558 | 34,06,987 | - | - | - |
| ABSL Regular Savings Fund - Growth - Regular Plan | 10 | 10,59,565 | 4,04,96,381 | - | - | - |
| ABSL Short Term Opportunities Fund - Growth - Regular Plan | 10 | 8,97,035 | 2,58,84,213 | - | - | - |
| Axis Focused 25 Fund - Growth | 10 | 2,34,411 | 59,91,084 | - | - | - |
| Axis Strategic Bond Fund - Growth | 10 | 17,89,267 | 3,03,06,843 | - | - | - |
| DSP Equity & Bond Fund - Growth - Regular Plan | 10 | 69,541 | 99,04,989 | - | - | - |
| Franklin India Smaller Companies Fund - Growth | 10 | 84,647 | 49,83,225 | - | - | - |
| HDFC FMP Series-37 - Growth - Regular Plan | 10 | 20,00,000 | 2,27,87,600 | - | - | - |
| HDFC Balanced Advantage Fund - Growth - Regular Plan | 10 | 70,039 | 1,26,21,479 | - | - | - |
| HDFC Capital Builder Value Fund - Growth - Regular Plan | 10 | 25,844 | 73,53,317 | - | - | - |
| HDFC Credit Risk Debt Fund - Growth - Regular Plan | 10 | 27,37,791 | 3,94,53,755 | - | - | - |
| HDFC Equity Savings Fund - Growth - Regular Plan | 10 | 2,89,260 | 99,94,504 | - | - | - |
| HDFC Hybrid Equity Fund - Growth - Regular Plan | 10 | 2,57,720 | 1,30,93,497 | - | - | - |
| HDFC Small Cap Fund - Growth - Regular Plan | 10 | 1,65,439 | 73,17,357 | - | - | - |
| ICICI Prudential Equity & Debt Fund - Growth | 10 | 1,01,563 | 1,26,84,213 | - | - | - |
| ICICI Prudential FMP Series 79 -1104 Days Plan | 10 | 10,00,000 | 1,14,04,000 | - | - | - |
| ICICI Prudential Short Term Fund - Growth Option | 10 | 1,656 | 59,927 | - | - | - |
| IDFC Core Equity Fund - Growth - Regular Plan | 10 | 1,35,829 | 59,64,483 | - | - | - |
| Invesco India Contra Fund - Growth | 10 | 1,08,719 | 50,00,000 | - | - | - |
| Kotak Credit Risk Fund - Growth - Regular Plan | 10 | 11,60,369 | 2,21,92,401 | - | - | - |
| Kotak Equity Savings Fund - Growth - Regular Plan | 10 | 7,58,725 | 1,00,13,581 | - | - | - |
| Kotak Standard Multicap Fund - Growth - Regular Plan | 10 | 2,86,503 | 91,14,515 | - | - | - |
| L&T Emerging Businesses Fund - Growth | 10 | 1,43,391 | 38,41,721 | - | - | - |
| L&T Hybrid Equity Fund - Growth | 10 | 2,85,322 | 72,96,246 | - | - | - |
| L&T Infrastructure Fund - Growth | 10 | 2,84,899 | 48,83,171 | - | - | - |
| L&T Midcap Fund - Growth | 10 | 23,045 | 31,27,456 | - | - | - |
| L&T Resurgent India Bond Fund - Growth | 10 | 16,12,213 | 2,09,57,962 | - | - | - |
| Motilal Oswal Multicap 35 Fund - Growth - Regular Plan | 10 | 1,92,808 | 50,71,517 | - | - | - |
| SBI Blue Chip Fund - Growth - Regular Plan | 10 | 1,80,663 | 67,24,763 | - | - | - |
| TI Dynamic Bond Fund - Growth - Regular Plan | 10 | 3,03,335 | 60,81,815 | - | - | - |
| eliance Equity Savings Fund | 10 | 7,81,763 | 1,00,07,036 | - | - | - |
| Reliance Regular Saving Fund | 10 | 2,34,341 | 1,32,52,893 | - | - | - |
| Reliance Fixed Horizon Fund - XXX - Series 3 - Direct Growth Plan | 10 | 10,00,000 | 1,24,17,300 | - | - | - |
| Reliance Fixed Horizon Fund - XXXI Series 4 - Direct Growth Plan | 10 | 10,00,000 | 1,17,84,900 | - | - | - |
| Reliance Corporate Bond Fund | 10 | 7,61,441 | 1,10,18,579 | - | - | - |
| **Alternative Investment Equity** | | | | | | |
| Abakkus Growth Fund-1 | 1,000 | 9,263 | 1,00,00,000 | - | - | - |
| DSP Emerging Star Fund - Class B - 1.01 | 100 | 74,378 | 1,26,41,953 | - | - | - |
| DSP Core Fund - Class B - 1.02 | 100 | 94,792 | 1,42,26,407 | - | - | - |
| Enam India Diversified Equity Advantage | - | - | 2,53,17,210 | - | - | - |
| IIFL Special Opportunities Fund | 10 | 9,30,259 | 1,06,55,500 | - | - | - |
| Motilal Oswal Focused Growth Opportunities Fund | 10 | 7,33,008 | 1,06,19,678 | - | - | - |
| Old Bridge Capital Management Private Limited | - | - | 1,40,95,598 | - | - | - |
| Reliance Equity Opportunities Fund - Scheme I | 10 | 15,00,000 | 1,50,00,000 | - | - | - |
| **Alternative Investment Debt** | | | | | | |
| Edelweiss Multi Strategy Fund | - | - | 1,07,35,577 | - | - | - |
| Edelweiss Infrastructure Yield Plus | 10 | 4,00,000 | 40,00,000 | - | - | - |
| Reliance Yield Maximiser AIF – Scheme II | - | - | 1,12,01,632 | - | - | - |
| | | | 64,47,54,693 | | | 99,22,516 |
| Aggregate amount of quoted investments | | | 2,64,44,741 | | | 99,22,516 |
| Market value of quoted investments | | | 2,98,64,525 | | | 1,14,46,250 |
| Aggregate amount of unquoted investments | | | 61,83,09,952 | | | - |

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**APM Finvest Limited**
**Notes to the financial statements for the year ended March 31, 2019**

(Amount in Rs.)

| | March 31, 2019 | March 31, 2018 |
|---|---|---|
| **9. Cash and bank balances** | | |
| **Cash and cash equivalents** | | |
| Balances with banks: | | |
| – On current accounts | 2,99,73,689 | 12,53,269 |
| | **2,99,73,689** | **12,53,269** |
| **10. Short-term loans and advances** | | |
| Loans to body corporates (unsecured, considered good) | 4,50,00,000 | 1,00,00,000 |
| Loan to related party (refer note 17) | 3,67,04,814 | - |
| Advance income-tax (net of provision for tax) | 6,82,663 | - |
| | **8,23,87,477** | **1,00,00,000** |
| **11. Other current assets** | | |
| Interest accrued but not due on loan | 5,23,109 | 86,548 |
| Interest accrued on investments | 6,15,679 | - |
| | **11,38,788** | **86,548** |

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**APM Finvest Limited**
**Notes to the financial statements for the year ended March 31, 2019**

(Amount in Rs.)

| | March 31, 2019 | March 31, 2018 |
|---|---|---|
| **12. Revenue from operations** | | |
| Interest income on | | |
| - Loans to body corporates | 77,24,189 | 13,91,575 |
| - Tax free bonds | 14,16,804 | - |
| - Long-term investments | 25,25,381 | - |
| Dividend income | 2,70,750 | 98,000 |
| Net gain on sale of investments | 11,87,002 | 69,045 |
| | **1,31,24,126** | **15,58,620** |
| **13. Other income** | | |
| Interest on Income-tax refund | - | 502 |
| | - | **502** |
| **14. Employee benefits expense** | | |
| Salaries and wages | 2,07,926 | - |
| Contribution to provident and other funds | 14,477 | - |
| | **2,22,403** | - |
| **15. Other expenses** | | |
| Professional fee | 71,621 | 77,873 |
| Auditor's remuneration (refer details below) | 3,33,350 | 1,24,750 |
| Bank charges | 1,770 | 7,250 |
| Miscellaneous expenses | 32,508 | - |
| | **4,39,249** | **2,09,873** |
| **Auditor's remuneration (including GST)** | | |
| Statutory audit fee | 2,36,000 | 47,200 |
| Tax audit fee | 59,000 | - |
| Other services | 11,800 | 53,100 |
| Certification fee | 23,600 | 24,450 |
| Out of pocket expenses | 2,950 | - |
| | **3,33,350** | **1,24,750** |

NARENDRA SINGHANIA & CO. New Delhi Chartered Accountants

APM FINVEST LIMITED New Delhi

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APM Finvest Limited
Notes to the financial statements for the year ended March 31, 2019

**16. Earnings per share**

| | March 31, 2019 | March 31, 2018 |
|---|---|---|
| (a) Calculation of outstanding weighted average number of equity shares | | |
| Number of shares at the beginning of the year | 1,00,00,000 | 1,00,00,000 |
| Number of shares pending allotment during the year* | 2,16,11,360 | - |
| Number of shares cancelled during the year* | (1,00,00,000) | - |
| Number of shares at the end of the year | 2,16,11,360 | 1,00,00,000 |
| Outstanding weighted average number of shares during the year | 2,16,11,360 | 1,00,00,000 |
| (b) Net profit available for Equity shareholders (in Rs.) | 1,17,94,516 | 10,02,849 |
| (c) Basic and Diluted EPS (in Rs.)# | 0.55 | 0.10 |

*refer note 22

#The Company has sub-divided nominal value of its equity shares from Rs. 10 each to Rs. 2 each on 14 December 2017. Consequently the number of authorized, issued, subscribed and paid-up equity shares have increased accordingly.

**17. Related Party disclosures**

**Names of related parties and related party relationship**

**Related parties where control exists**

| | |
|---|---|
| Holding Company | APM Industries Limited (till March 31, 2018)* |
| Key Management Personnel (KMPs) | Anisha Mittal<br>Sanjay Rajgarhia<br>Ajay Rajgarhia |
| Enterprise over which shareholders/ promoters is able to exercise significant influence | APM Industries Limited (w.e.f. April 1, 2018)* |

**Related parties transactions**

**a. Interest income**

(Amount in Rs.)

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| APM Industries Limited | 18,73,012 | - |

**b. Payments made on behalf of the Company**

(Amount in Rs.)

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| APM Industries Limited | 3,77,55,838 | 1,20,752 |

**c. Collections made on behalf of the Company**

(Amount in Rs.)

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| APM Industries Limited | 10,01,33,400 | - |

**d. Amount received from**

(Amount in Rs.)

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| APM Industries Limited | 2,80,00,000 | - |

**e. Reimbursement made by the Company**

(Amount in Rs.)

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| APM Industries Limited | 4,54,240 | 5,24,662 |

**f. Related parties balances at the year end :**

(Amount in Rs.)

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| APM Industries Limited | 3,67,04,814 | - |

*refer note 22

**18.** The Company has complied with the Reserve Bank of India's - " Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016" as amended from time to time.

**19. Segment reporting**

Based on the guiding principles given in Accounting Standard (AS) - 17 "Segment Reporting" as notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014, as amended, the Company's primary business segment involves providing financial services. In view of the same, separate primary segment information is not required to be given as per the requirements of AS 17 on "Operating Segments". The Company operates solely in one geographical segment namely "Within India" and hence no separate information for geographic segment is required.

**20.** There is no contingent liability as at March 31, 2019.

**21.** There is no unhedged foreign currency exposure as at March 31, 2019.

APM FINVEST LIMITED New Delhi

NEW DELHI

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**22. Scheme of Demerger**

Pursuant to the order of the National Company Law Tribunal ('the NCLT'), Jaipur, the Finance and Investment Undertaking of APM Industries Limited ('AIL' or 'the Demerged Company') has been merged into APM Finvest Limited ('AFL' or 'the Resulting Company') w.e.f. April 1, 2018, being the appointed date.

Pursuant to the Scheme of Arrangement ("the Scheme") under Section 230 to 232 of the Companies Act, 2013 between APM Industries Limited and APM Finvest Limited as approved by the NCLT, Jaipur on May 24, 2019:

a) The assets and liabilities of AIL pertaining to the Finance and Investment Undertaking as on the appointed date have been transferred to AFL at their respective book values as appearing in the books of accounts of AIL.

b) The employees of the Finance and Investment Undertaking as on the appointed date have been transferred to AFL.

c) Summary of assets and liabilities transferred from AIL to AFL as on April 1, 2018 is as under:

| Particulars | Amount (in Rs.) |
|---|---|
| **Assets** | |
| Non-current investment | 69,27,84,671 |
| Loans to body corporates | 3,50,00,000 |
| Interest accrued but not due on loan | 6,25,808 |
| Interest accrued on investments | 6,36,496 |
| Balance with bank (on current account) | 1,08,655 |
| **Liabilities** | |
| Statutory dues payable | (1,250) |
| Provision for bonus | (18,638) |
| Deferred tax liability | (2,08,26,318) |
| **Net assets** | **70,83,09,424** |

The difference between the values of assets and liabilities transferred amounting to Rs. 708,309,424, pursuant to the Scheme is recorded as capital reserve in the books of AFL.

d) The authorised share capital of AIL to the extent of Rs. 250,000,000 divided into 12,500,000 equity shares of Rs. 2 each has been transferred to AFL and the authorised share capital of AFL has been increased by the said amount.

e) The equity share capital of AFL held by AIL on the appointed date has been cancelled. The equity share capital so cancelled, has been credited to the capital reserves of AFL. Accordingly, APM Finvest Limited ceased to be a subsidiary of APM Industries Limited from the appointed date.

f) In consideration of the transfer and vesting of the Finance and Investment Undertaking, AFL shall issue equity shares of face value of Rs. 2 each at par to the equity shareholders of AIL for every 1 equity shares of face value of Rs. 2 each held by them in AIL. Consequently, AFL has recorded equity share capital pending allotment of Rs. 43,222,720 (divided into 21,611,360 equity shares of Rs. 2 each) by a corresponding debit to the capital reserves. AFL is currently in the process of allotment of equity shares to the shareholders of AIL.

M. JEMBRA SINGHANIA & CO. NEW DELHI Chartered Accountants

APM FINVEST LIMITED New Delhi

**APM Finvest Limited**
**Notes to the financial statements for the year ended March 31, 2019**

**23. Schedule in terms of Paragraph 18 of "Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016" as amended from time to time.**

(Amount in Rs.)

| Liabilities side | 31-Mar-19 | | 31-Mar-18 | |
|---|---|---|---|---|
| | Amount outstanding | Amount overdue | Amount outstanding | Amount overdue |
| **(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :** | | | | |
| (a) Debentures : Secured | Nil | Nil | Nil | Nil |
| : Unsecured | Nil | Nil | Nil | Nil |
| (other than falling within the meaning of public deposits) | | | | |
| (b) Deferred Credits | Nil | Nil | Nil | Nil |
| (c) Term Loans | Nil | Nil | Nil | Nil |
| (d) Inter-corporate loans and borrowing | Nil | Nil | Nil | Nil |
| (e) Commercial Paper | Nil | Nil | Nil | Nil |
| (f) Public Deposits | Nil | Nil | Nil | Nil |
| (g) Other Loans (specify nature) | Nil | Nil | Nil | Nil |
| **(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :** | | | | |
| (a) In the form of Unsecured debentures | Nil | Nil | Nil | Nil |
| In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | Nil | Nil | Nil | Nil |
| (c) Other public deposits | Nil | Nil | Nil | Nil |
| **Assets side** | **Amount outstanding** | | **Amount outstanding** | |
| **(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :** | | | | |
| (a) Secured | Nil | | Nil | |
| (b) Unsecured | 8,17,04,814 | | 1,00,00,000 | |
| **(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities** | | | | |
| (i) Lease assets including lease rentals under sundry debtors : | | | | |
| (a) Financial lease | Nil | | Nil | |
| (b) Operating lease | Nil | | Nil | |
| (ii) Stock on hire including hire charges under sundry debtors : | | | | |
| (a) Assets on hire | Nil | | Nil | |
| (b) Repossessed Assets | Nil | | Nil | |
| (iii) Other loans counting towards AFC activities | | | | |
| (a) Loans where assets have been repossessed | Nil | | Nil | |
| (b) Loans other than (a) above | Nil | | Nil | |
| **(5) Break-up of Investments** | | | | |
| **Current Investments** | | | | |
| **Quoted** | | | | |
| (i) Shares | | | | |
| (a) Equity | Nil | | Nil | |
| (b) Preference | Nil | | Nil | |
| (ii) Debentures and Bonds | Nil | | Nil | |
| (iii) Units of mutual funds | Nil | | Nil | |
| (iv) Government Securities | Nil | | Nil | |
| (v) Others (please specify) | Nil | | Nil | |
| **Unquoted** | | | | |
| (i) Shares | | | | |
| (a) Equity | Nil | | Nil | |
| (b) Preference | Nil | | Nil | |
| (ii) Debentures and Bonds | Nil | | Nil | |
| (iii) Units of mutual funds | Nil | | Nil | |
| (iv) Government Securities | Nil | | Nil | |
| (v) Others (please specify) | Nil | | Nil | |

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**APM Finvest Limited**
**Notes on financial statements for the year ended March 31, 2019**

| | 31-Mar-19 | 31-Mar-18 |
|---|---|---|
| **Long Term investments** | | |
| **1. Quoted** | | |
| (i) Shares | | |
| (a) Equity | 2,64,44,741 | 99,22,516 |
| (b) Preference | Nil | Nil |
| (ii) Debentures and Bonds | Nil | Nil |
| (iii) Units of mutual funds | Nil | Nil |
| (iv) Government Securities | Nil | Nil |
| (v) Others (please specify) | Nil | Nil |
| **Unquoted** | | |
| (i) Shares | | |
| (a) Equity | Nil | Nil |
| (b) Preference | Nil | Nil |
| (ii) Debentures and Bonds | 1,93,38,000 | Nil |
| (iii) Units of mutual funds | 46,04,78,396 | Nil |
| (iv) Government Securities | Nil | Nil |
| (v) Others - Alternative Investment Equity | 11,25,56,347 | Nil |
| (vi) Others - Alternative Investment Debt | 2,59,37,209 | Nil |

**Borrower group-wise classification of assets financed as in (3) and (4) above :**

| Category | Amount net of provisions | | Amount net of provisions | |
|---|---|---|---|---|
| | Secured | Unsecured | Secured | Unsecured |
| **1. Related Parties** | | | | |
| (a) Subsidiaries | Nil | Nil | Nil | Nil |
| (b) Companies in the same group | Nil | Nil | Nil | Nil |
| (c) Other related parties | Nil | 3,67,04,814 | Nil | Nil |
| **2. Other than related parties** | Nil | 4,50,00,000 | Nil | 1,00,00,000 |
| Total | Nil | 8,17,04,814 | Nil | 1,00,00,000 |

**(7.) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**

| Category | Market Value / Break up or fair value or NAV | Book Value (Net of Provisions) | Market Value / Break up or fair value or NAV | Book Value (Net of Provisions) |
|---|---|---|---|---|
| **1. Related Parties** | | | | |
| (a) Subsidiaries | Nil | Nil | Nil | Nil |
| (b) Companies in the same group | Nil | Nil | Nil | Nil |
| (c) Other related parties | Nil | Nil | Nil | Nil |
| **2. Other than related parties** | 65,55,40,542 | 64,47,54,693 | 1,14,46,250 | 99,22,516 |
| Total | **65,55,40,542** | **64,47,54,693** | **1,14,46,250** | **99,22,516** |

**Other information**

| Particulars | Amount | Amount |
|---|---|---|
| **(i) Gross Non-Performing Assets** | | |
| (a) Related parties | Nil | Nil |
| (b) Other than related parties | Nil | Nil |
| **(ii) Net Non-Performing Assets** | | |
| (a) Related parties | Nil | Nil |
| (b) Other than related parties | Nil | Nil |
| **(iii) Assets acquired in satisfaction of debt** | Nil | Nil |

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**APM Finvest Limited**
**Notes to the financial statements for the year ended March 31, 2019**

**24.** Previous year's numbers have been recasted/ reclassified to confirm with current year's numbers.

As per our report of even date attached

**For Narendra Singhania & Co.**
**Chartered Accountants**
**Firm Registration Number : 009781N**

**Narendra Singhania**
**Partner**
**Membership No.: 087931**

**Place : New Delhi**
**Date :** 20/06/2019

**For and on behalf of the board of directors of**
**APM Finvest Private Limited**

**Director** **Director**

Sanjay Rajgarhia
DIN: 00154167

Ajay Rajgarhia
DIN: 01065833

## SECTION VI – LEGAL AND OTHER INFORMATION

### A. OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*The details of the outstanding litigation or proceedings involving our Company, Directors, Promoter / Group Company are described in this section in the manner as detailed below.*

*Except as stated in this section, as of the date of this Information Memorandum, there are no (i) outstanding criminal proceedings involving our Company, Directors, Promoter / Group Company; (ii) outstanding actions taken by statutory or regulatory authorities against our Company, Directors, and (iii) outstanding dues to small scale undertakings and other creditors of our Company.*

*It is clarified that for the purposes of the above, pre-litigation notices (other than notices involving actions by statutory or regulatory authorities which are currently pending) received by our Company, Directors, Promoter / Group Company shall not be considered as litigation until such time that our Company, Directors, Promoter / Group Company, as the case may be, is impleaded as defendant or respondent in litigation proceedings before any judicial fora.*

Neither our Company nor its Promoter, members of the Promoter Group, associates and Directors have been declared aswillful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation tolitigation, there are no violations of securities laws committed by them in the past or pending against them.

### LITIGATION BY OR AGAINST OUR COMPANY

A. **Criminal Matters filed by our Company: Nil**
B. **Criminal Matters filed against our Company: Nil**
C. **Taxation Matters involving our Company: Nil**
D. **Civil Matters filed by our Company: Nil**
E. **Civil Matter filed against our Company: Nil**
F. **Labour Cases filed by our Company: Nil**
G. **Labour Cases filed against our Company: Nil**

### LITIGATION BY OR AGAINST OUR PROMOTER COMPANY

**A. Criminal matters filed by the Promoters:**

**Nil**

**B. Civil matters filed by the Promoters:**

| Sr. No. | CASE DETAILS | PARTICULARS | AMOUNT INVOLVED (In Rs.) |
|---|---|---|---|
| 1 | APM Industries Ltd. V/S M/s Shital Fibres Ltd., *Jalandhar* | Case filed by company before NCLT, Chandigarh for recovery of dues. | Rs. 2137249/- |
| 2 | APM Industries Ltd. V/S M/s VS Lignite Power Pvt. Ltd. *Hyderabad* | Case filed by us before Distt. Court, Bikaner for recovery of dues, due to Non delivery of power as per power delivery agreement. | Rs. 81842740/- |

| | | | |
|---|---|---|---|
| 3 | APM Industries Ltd. V/S M/s JVVNL - *Jaipur* | Case filed by the company before Rajasthan High Court, Jodhpur againstdemand of electricity duty, water conservation Cess, Urban Cess & Cross Subsidy on Power consumed by us from group captive power plant. Stay Granted by High Court on recovery. | - |
| 4 | APM Industries Ltd. V/S M/s Kaushik Enterprises - *Meerut* | Appeal filed by us for recovery of dues before Dist. Court, Meerut. | Rs. 996021/- |
| 5 | APM Industries Ltd. V/S M/s Mikano Fabrics - *Meerut* | Case filed by us for recovery of dues before Civil Judge, Meerut. | Rs. 538086/- |
| 6 | APM Industries Ltd. V/S M/s Elder Pharmaceuticals Ltd. | Criminal case filed by us for recovery of dues before Delhi Distt. Court. | Rs. 6000000/- |
| 7 | APM Industries Ltd. V/S M/s Parshvanath Developers Ltd. - *Delhi* | Case filed for refund of Amount Paid for purchase of commercial Space at, Bhiwadi. | Rs. 2500000/- |

**C. Taxation matters by the Promoter:**

**Nil**

**D. Labour cases filed by the Promoter:**

**Nil**

**E. Labour cases filed against the Promoter:**

**Nil**

**F. Taxation matters against the Company:**

| Sr. No. | CASE DETAILS | PARTICULARS | AMOUNT INVOLVED (In Rs.) |
|---|---|---|---|
| 1 | Antievasion Circle,Commercial taxation department , Banswara V/s Orient Syntex ( Prop APM Industries Ltd.), *Bhiwadi* | Appeal filed by Anti Evasion department of commercial Taxation department, Banswara against order of Dy. Commissioner Appeals, Alwar before tax board, *Ajmer*. | Rs. 294483/- |
| 2 | Asstt. Commissioner, Commercial Taxation department, Alwar V/s Orient Syntex ( Prop APM Industries Ltd.), | Appeal by Asstt. Commissioner Commercial taxation department, before Tax board , Ajmer against order of Dy. Commissioner ( Appeals), Alwar, which | Rs. 263208/- |

| | | | |
|---|---|---|---|
| | *Bhiwadi* | was decided in our favour. | |
| 3 | Asstt. Commissioner, Central Excise & Service tax V/s Orient Syntex ( Prop APM Industries Ltd.), *Bhiwadi* | Appeal filed by the Central Excise department against order of dy. Commissioner, Appeals, Alwar vide which cenvat credit on capital goods allowed. | Rs. 14072105/- |
| 4 | Superintendent Central Excise, Bhiwadi V/s M/s Orient Syntex ( Prop APM Industries Ltd.), *Bhiwadi* | Show cause notice issued by Superintendent Central Excise, Bhiwadi for disallowance of cenvat credit on capital goods. | Rs. 304707/- |
| 5 | Orient Syntex ( Prop APM Industries Ltd.), Bhiwadi V/s Additional *Commissioner, CGST, Alwar* | Appeal filed by the Company before commissioner ( Appeal) against order of Dy. Commissioner ( Appeals) Alwar vide which they have ordered to lapsed cenvat credit on input. | Rs. 137844631/- |

**LITIGATION BY OR AGAINST THE DIRECTORS OF OUR COMPANY& OUR PROMOTER:**

A. **Criminal Matters filed by the Directors of our Company and our Promoter Company:** *Nil*
B. **Criminal Matters filed against the Directors of our Company and our Promoter Company:** *Nil*
C. **Taxation Matters involving the Directors of our Company and our Promoter Company:** *Nil*
D. **Civil Matters filed by the Directors of our Company and our Promoter Company:** *Nil*
E. **Civil Matter filed against the Directors of our Company and our Promoter Company:** *Nil*
F. **Labour Cases filed by the Directors of our Company and our Promoter Company:** *Nil*
G. **Labour Cases filed against the Directors of our Company and our Promoter Company:** *Nil*

## B. GOVERNMENT APPROVALS AND LICENCES

**Reserve Bank of India**

Our Company is a registered with the Reserve Bank of India (RBI) as a Non Deposit Accepting, Non-Banking Financial Company (NBFC-ND).

We have received a certificate of Registration bearing Registration No. B-10.00247 from Reserve Bank of India to carry on the business of an investment company.

## C. REGULATORY AND STATUTORY DISCLOSURES

**Authority for the Issue**

The Jaipur Bench of National Company Law Tribunal, vide its order dated 24th May, 2019 has approved the Scheme of Arrangement between APM Industries Limited and APM Finvest Limited and their respective shareholders and creditors. Pursuant to the Scheme, the Finance & Investment Undertaking of the Demerged Company is transferred to and vested with the Resulting Company with effect from the appointed date 1st April 2018 in accordance with the Section 230 to 232 of the Companies Act, 2013. The Scheme was made effective on 3rd June, 2019.

In accordance with the Scheme, the Company has issued and allotted, at par, all the equity shareholders of APM Industries Limited 1 (one) Equity Shares of face value of Rs. 2/- (Rupees Two only) each held in APM Industries Limited. Subsequently, the Equity Shares of the Company issued pursuant to the Scheme shall be listed and admitted to trading on the Stock Exchange. Such admission and listing is not automatic and will be subject to fulfillment of the respective listing criteria of BSE by our Company and also subject to such other terms and conditions as may be prescribed by the Stock Exchange at the time of the application made by our Company to the Stock Exchange for seeking approval for listing.

**Eligibility Criteria**

There being no initial public offering or rights issue, the eligibility criteria of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 do not become applicable.

Our Company has submitted this Information Memorandum, containing information about itself, for making this Information Memorandum available to public through website of BSE i.e., www.bseindia.com. Our Company has made this Information Memorandum available on its website i.e. www.apmfinvest.com.

Our Company has published an advertisement in one English, one Hindi and one regional language newspaper with nationwide circulation containing its details in line with the requirements of the SEBI Circular SEBI/CFD/DIL3/CIR/2017/21 dated 10th March, 2017. The advertisement has draw specific reference to the availability of this Information Memorandum on its website.

**Prohibition by SEBI**

Our Company, it's Directors, its Promoters, other Companies promoted by the Promoters and companies with which our Company's Directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

**Willful Defaulters**

Our Company, its Promoters, other Companies promoted by the Promoters, the relative (as per Companies Act) of the promoters has not been identified as willful defaulters by the RBI, any other government/regulatory authority and or by any bank or financial institution.

**Significant Beneficial Ownership**

Our Company and its promoters are in compliance with the Companies (significant Beneficial Ownership) Rules, 2018.

**Disclaimers:**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THIS INFORMATION MEMORANDUM TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR BE CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. THE EQUITY SHARES HAVE NOT BEEN RECOMMENDED OR APPROVED BY THE SEBI NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS INFORMATION MEMORANDUM, OR THE FINANCIAL SOUNDNESS OF THE INVESTMENT IN THE EQUITY SHARES OR THE CORRECTNESS OF ANY STATEMENTS SET OUT IN THIS INFORMATION MEMORANDUM.**

BSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- warrant that the Company's Equity Shares will be listed or will continue to be listed on the BSE; or

- take any responsibility for the financial or other soundness of the Company or its Promoters, Promoter Group Entities, Group Companies; and
- It should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the BSE.

Every person who desires to acquire / invest in the Equity Shares of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such acquisition/investment whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever

**General Disclaimer of Our Company**

Our Company accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of us and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public and shareholders at large and no selective or additional information would be available for a section of the investors in any manner.

**Listing**

Application has been made to BSE for obtaining an In-principal approval of listing of the equity shares of our Company. The Company has nominated BSE Limited as the Designated Stock Exchange for the aforesaid listing of Equity Shares. The Company shall ensure that all steps for the completion of necessary formalities for listing and commencement of trading at BSE within such period as approved by SEBI.

**Expert Opinion**

Save as stated elsewhere in this Information Memorandum, we have not obtained any expert opinion.

**Demat Credit & Dispatch of Share Certificates**

In accordance with the scheme, the new shares have been issued and allotted to the eligible shareholders of APM Finvest Limited standing as on the record date i.e. 18th June, 2019.

Our Company has credited the new shares to depository participants' accounts of the shareholders on:

CDSL Credit date: 29.06.2019

NSDL Credit date: 27.06.2019

**Previous Rights and Public Issues**

The Company has not made any public issue since its incorporation.

**Commission and Brokerage on previous issues**

Since the Company has not issued shares to the public in the past, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since its incorporation.

**Outstanding Debenture or Bonds and Redeemable Preference Shares and Other Instruments Issued by the Company**

There are no outstanding debentures, bonds, redeemable preference shares or any other instruments issued by the Company.

**Stock Market Data for Equity Shares of the Company**

Equity Shares of the Company are not listed on any stock exchange. The Company is seeking approval for listing of its Equity Shares through this Information Memorandum.

**Redressal of Investor Grievances**

The Company has the following platforms for addressing investors' grievances:

- Email id : http://www.apmfinvest.com/
- Shareholders can express their grievances by sending mails to above mail id

## SECTION VII –OTHER INFORMATION

## A. MAIN PROVISIONS OF ARTICLES OF ASSOCIATIONS OF OUR COMPANY

### *VOTING RIGHTS*

1. *Subject to any rights or restrictions for the time being attached to any class or classes of shares,—*

*(a) on a show of hands, every member present in person shall have one vote; and*

*(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.*

2. *A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.*
3. *Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.*
4. *No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.*

5. *(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.*

   *(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.*

### *DIVIDENDS AND RESERVE*

1. *The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.*

2. *Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.*

3. *(i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.*

*(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.*

4. *(i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.*

   *(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.*

   *(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.*

5. *The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.*

6. *(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.*

   *(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.*

7. *Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.*

8. *Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.*

9. *No dividend shall bear interest against the company*

## ***LIEN***

1. *(i) The Company shall have a first and paramount lien-*

   *(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and*

   *(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:*

   *Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.*

   *ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.*

2. *The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien provided that no sale shall be made—*

*(a) unless a sum in respect of which the lien exists is presently payable; or*

*(b) until the expiration of Thirty days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.*

3. *(i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.*

*(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.*

*(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.*

4. *(i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.*

*(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.*

*(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.*

5. *(i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.*

*(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.*

## ***FORFEITURE OF SHARES***

*1. If a member fails to pay any call or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.*

*2. The notice aforesaid shall:-*

*(a) Name a further day (not earlier than the expiry of 14 (Fourteen days from the date of service of notice) on or before which the payment required by the notice is to be made; and*

*(b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.*

*3. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment equired by the notice has been made, be forfeited by a resolution of the Board to that effect.*



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*4. (i) A forfeited share may be sold or otherwise disposed off on such terms and in such manner as the Board think fit.*

*(ii) At any time before a sale or disposal, as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.*

*5. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at date of forfeiture, were presently payable by him to the Company in respect of the shares.*

*(ii) The liability of such person shall cease if and when the Company shall have received payments in full of all such money in respect of the shares.*

*6. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts stated therein stated as against all persons claiming to be entitled to the share.*

*(ii)The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.*

*iii) The transferee shall thereupon be registered as the holder of the share and*

*(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.*

*35. The provisions of these regulations as to forfeiture shall apply, in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified*

## B. MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Copies of the following documents shall be available for inspection at the registered office of our Company on any working days & not being a bank holiday in State of Rajasthan between 10:00 A.M. A.M. to 02:00 P.M. for a period of seven days from the date of filing of this information memorandum with the stock exchange.

### DOCUMENTS FOR INSPECTION

1. Memorandum and Articles of Association of our Company, as amended to date
2. Certificate of incorporation of our Company dated May 13th 2016 issued by the Registrar of Companies (RoC)
3. Certificate of Registration dated 16.02.2017 bearing Registration No. B-10.00247 issued by the Reserve Bank Of India (RBI)
4. Annual Reports of our Company for the last 3 financial years
5. Order of the Hon'ble NCLT, Jaipur Bench dated 24th May, 2019 sanctioning the Scheme of arrangement for Demerger.
6. Tripartite Agreement between the Company, RTA and NSDL dated 29.05.2019.
7. SEBI's Letter No. CFD/DILII/ADM/RK/23857/2019 dated September 12, 2019 granting relaxation from Rule 19(2)(b) of the Securities Contract Regulation (Rules), 1957 for the purpose of listing of shares of APM Finvest Limited.



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8. BSE Letter No. DCS/AMAL//SD/IP/1540/2019-20 dated August 02, 2019 granted in-principal approval for listing.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Information Memorandum is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements and disclosures are true and correct.

**For and on behalf of APM Finvest Limited**

Nidhi
Company Secretary and
Compliance Officer

APM FINVEST LIMITED New Delhi

**Place: New Delhi**
**Date: September 18, 2019**