



IS/ISO 9001 - 2000

APM INDUSTRIES LIMITED

910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019
Phone : (011) 26441015-17 Fax : (011) 26441018
E-mail : delhi@apmindustries.co.in
CIN No. : **L21015RJ1973PLC015819**
Website : www.apmindustries.co.in

September 07, 2020

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai - 400001

Ref: Stock Code 523537

Sub: Annual Report for FY 2019-20 & Book Closure Dates

Dear Sir,

Pursuant to the provisions of Regulation 30, 34, 42 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform the following:

1. The 46th Annual General Meeting ('AGM') of APM Industries Limited is scheduled to be held on Wednesday, September 30, 2020 at 11:30 A.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact businesses as set out in the Notice of AGM. Copy of Annual Report for Financial Year 2019-20 including Notice of AGM of the Company is enclosed;
2. The Company is providing facility to the members to cast their votes by electronic means, as per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, on all the resolutions set out in the Notice for 46th AGM; and
3. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, September 23, 2020 to Wednesday, September 30, 2020 (both days inclusive) for the purpose of AGM.

The Annual Report for Financial Year 2019-20 also available on the website of the Company at www.apmindustries.co.in.

This is for your information and records.

Thanking you,

Yours faithfully,
For **APM Industries Limited**

Neha Jain
Company Secretary

Encl: as above

46th
A **NNUAL**
REPORT
2019-2020

APM INDUSTRIES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Rajendra Kumar Rajgarhia
Chairman

Shri Hari Ram Sharma
Managing Director

Shri S G Rajgarhia
Non-Executive Director

Shri Khushi Ram Gupta
Independent Director

Shri Ram Ratan Bagri
Independent Director

Smt. Uma Hada
Independent Director

**COMPANY SECRETARY &
COMPLIANCE OFFICER**

Ms. Neha Jain

REGISTERED OFFICE & WORKS

SP-147, RIICO Industrial Area, Bhiwadi,
Dist. Alwar (Rajasthan)-301019
Tel: 01493-265400
Fax: 01493-265413
Email: bhiwadi@apmindustries.co.in

CORPORATE OFFICE

910, Chiranjiv Tower,
43, Nehru Place, New Delhi-110019
Tel: 011-26441018
Email: csapmindustriesltd@gmail.com

STATUTORY AUDITORS

Chaturvedi & Partners
Chartered Accountants,
501, Devika Tower,
6, Nehru Place, New Delhi-110019

INTERNAL AUDITORS

M M Sharma & Co.
Chartered Accountants,
1502, Chiranjiv Tower,
43, Nehru Place, New Delhi-110019

BANKERS

State Bank of India
HDFC Bank

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt Ltd
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020
Tel: 011-40450193-97
Email: admin@skylinerta.com

CORPORATE IDENTITY NUMBER

L21015RJ1973PLC015819

STOCK EXCHANGE

BSE Limited

WEBSITE

www.apmindustries.co.in

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NOTICE

NOTICE is hereby given that the **46th** Annual General Meeting (AGM) of the Members of **APM Industries Limited** will be held on **Wednesday the 30th day of September, 2020 at 11:30 A.M.**, through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rajendra Kumar Rajgarhia (DIN: 00141766), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. **To Re-appoint Smt. Uma Hada (DIN: 06463684) as Non-Executive Independent Director on the Board of the Company**

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act, Regulation 16(1)(b) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Nomination and Remuneration Policy of the Company, Smt. Uma Hada (DIN: 06463684), who was appointed as an Independent Director of the Company for a term upto September 24, 2020 and who has submitted a declaration that she meets the criteria for independence as provided under the Act and Listing Regulations, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors vide resolution dated August 24, 2020 be and is hereby re-appointed as an Independent Director on the Board of the Company to hold office for a second term of 5 (Five) consecutive years with effect from September 25, 2020 to September 24, 2025."

4. **To Ratify the Cost Auditors' Remuneration for the Financial Year 2020-21**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any amendment therein) the reappointment of Shri Naresh Kumar Goel, Cost Accountant (Membership No. 9876), as Cost Auditor to audit the cost records maintained by

the Company for the Financial Year 2020-21 on a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) (apart from reimbursement of out-of-pocket expenses incurred for the purpose of Audit) be and is hereby ratified by the members of the Company.

RESOLVED FURTHER THAT all Directors or Key Managerial Personnel of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

Registered Office:

SP-147, RIICO Industrial Area,
Bhiwadi, Dist. Alwar
(Rajasthan)-301019
Tel: (01493)- 265400,
Fax: (01493)-265413
e-mail: csapmindustriesltd@gmail.com
website: www.apmindustries.co.in

By Order of the Board
For APM Industries Limited

Neha Jain
Company Secretary
(Membership No. 48053)

Place : New Delhi

Dated : August 24, 2020

NOTES:-

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the Annual General Meeting venue is not required and AGM be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the Annual General Meeting is annexed hereto.

Information pursuant to provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Item No. 2, is annexed to this notice.

Further, the information and facts as specified in the Regulations 36(3) and 26 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India for Item No. 3 has been given in the respective explanatory statement annexed to this notice.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. Attendance of the Members participating in the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. Corporate Members are required to scan and send a certified true copy of the Board Resolution, pursuant to Section 113 of the Act, authorizing their representatives to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through their registered e-mail address to contact@csrsm.com with a copy marked to the Company on csapmindustriestd@gmail.com.
6. Relevant documents as required by law and referred to in the accompanying Notice and in the Explanatory Statement shall be available for inspection through electronic mode. Members may write to the Company on csapmindustriestd@gmail.com for inspection of said documents and the same will also be available for inspection by the members during the AGM, upon login at NSDL e-voting system at www.evoting.nsdl.com.
7. In case of joint holders attending the AGM, the Member whose name appears as the First holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(4) of Companies (Share Capital and Debentures) Rules, 2014, members of the Company may nominate a person in whom the shares held by him/ them shall vest in the event of his/ their unfortunate death. Accordingly, members holding shares in physical form, desirous of availing this facility may submit nomination in Form SH-13 to RTA of the Company. In respect of shares held in dematerialised form, the nomination form may be filed with the concerned Depository Participant.
9. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, September 23, 2020 to Wednesday, September 30, 2020** (both days inclusive) for the purpose of Annual General Meeting.
10. All shares and dividend related correspondence may be sent to RTA at the following address:
Skyline Financial Services Private Limited
 (Unit: APM Industries Limited)
 D-153 A, 1st Floor, Okhla Industrial Area,
 Phase-I, New Delhi-110020
 Tel: 011-40450193-97
 Fax: 011-26812682
 Email: admin@skylinerta.com
- In all correspondence, please quote your DP ID & Client ID or Folio Number.
11. **Change of Address or Other Particulars**
 Members are requested to intimate change, if any, in their name, address (with PIN Code), telephone/mobile numbers, E-mail ID, Permanent Account Number (PAN), nominations, mandate instructions, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC etc. under the signature of the registered holder(s) to:
- RTA of the Company in respect of shares held in physical form; and
 - The Depository Participants in respect of shares held in electronic form.
12. The Securities and Exchange Board of India has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA.
13. The Securities and Exchange Board of India vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated to all the members who holds securities of the Company in physical form, to furnish to the Company / its Registrar and Transfer Agent, the details of their valid Permanent Account Number (PAN) and bank account. To support the SEBI's initiative, the Members are requested to furnish the details of PAN and bank account to the Company or RTA.
14. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact the Company or Company's Share Transfer Agent, Skyline Financial Services Private Limited for assistance in this regard.
15. **Green Initiative** – Members who are yet to register/ update their email addresses with the Company or with the Depository Participants are once again requested to register/ update the same for receiving the Notices, Annual Reports and other documents through electronic mode. Members holding shares in physical form may get their email addresses registered/ updated by providing their Name, Folio Number, E-mail ID and consent to receive the Notices, Annual Reports and other documents through electronic mode, by sending an email at admin@skylinerta.com or csapmindustriestd@gmail.com.
 Member holding shares in dematerialized form may get email address registered/updated by providing E-mail ID to their Depository Participant(s).
16. In compliance with the MCA Circulars and the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Notice of the 46th AGM along with the Annual Report for Financial Year 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / National Securities Depository Limited and Central Depository Services (India) Limited ('the Depositories').
17. Queries on the Annual Report and operations of the Company, if any, may please be sent to the Company at least seven days prior to the date of the AGM so that answers may be provided at the Meeting.
18. With a view to serving the Members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company or RTA to consolidate their holdings in one folio.
19. The Notice of the AGM and the Annual Report for the Financial Year 2019-20 are also available on the Company's website and Stock Exchange i.e. www.apmindustries.co.in and www.bseindia.com. The Notice is also available on www.evoting.nsdl.com.
20. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report.
21. The Company has a dedicated E-mail address csapmindustriestd@gmail.com for members to mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest.
 The Company's website www.apmindustries.co.in has a dedicated section on Investors.
22. **Voting Options:**
 The business set out in the Notice of the AGM may be transacted through electronic voting system or voting at AGM. The Company is providing facility for voting by electronic means. Information relating to remote e-Voting facility and voting at the AGM is given below:
- A. Voting through electronic means-**
- I. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Regulation 44 of the SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (the 'ICSI'), the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

II. The remote e-Voting period commences at **9:00 A.M. (IST)** on **Sunday, September 27, 2020** and ends at **5:00 P.M. (IST)** on **Tuesday, September 29, 2020**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date **Thursday, September 24, 2020** ("Cutoff date"), may cast their vote by remote e-Voting. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

III. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

IV. The instructions for remote e-Voting are as under:

a) Members whose email address is registered with the Company / Depository Participant will receive an e-mail from NSDL. Open e-mail and open PDF file viz.; "Remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and Password for remote e-Voting. Please note that the password is an initial password. Members are requested to go through the following steps to cast votes through remote e-Voting.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.*

iv.) Your User ID details will be as per details given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v.) Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

vi.) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "**Forgot User Details / Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

vii.) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii.) Now, you will have to click on "Login" button.

ix.) After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of the Company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail contact@csrsm.com to with a copy marked to csapminsdustriesltd@gmail.com.
 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on www.evoting.nsdcl.com to reset the password.
 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdcl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.
 4. In case of any queries or grievances relating to e-Voting, you may contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, India through e-mail at evoting@nsdl.co.in/pallavid@nsdl.co.in or on Toll Free No.: 1800-222-990 / Telephone No.: 022- 24994545 OR Mr. Virender Kumar Rana, Director, Skyline Financial Services Pvt Ltd., D-153A, 1st floor, Okhla Industrial Area, Phase-I, New Delhi-110020, India through e-mail at admin@skylinerta.com or on Telephone No.: 011-40450193-97.
- b) For members whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:
- i. **Physical Holding:-** Send a request to the Registrar and Share Transfer Agent at admin@skylinerta.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).
Demat Holding:- Send a request to the Registrar and Share Transfer Agent at admin@skylinerta.com providing DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).
 - ii. Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

B. Instructions for members for attending the AGM through VC / OAVM are as under:

- I. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdcl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned as above to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- II. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their

request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at csapminsdustriesltd@gmail.com from **9:00 A.M. (IST) on Thursday, September 24, 2020** and ends at **5:00 P.M. (IST) on Saturday, September 26, 2020**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

- III. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- IV. Members who need assistance before or during the AGM, can contact Skyline Financial Services Private Limited on lokesh@skylinerta.com or contact Mr. Lokesh Sharma, Mobile Number 9910026709.

Other Instructions:

1. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the AGM. A person who is not a member as on the Cut-off date should treat this Notice for information purpose only.
2. Please note that the Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
3. Mr. Ravi Sharma (FCS No. 4468, C.P. No.: 3666), and/or Ms. Suman Pandey (FCS No. 7606, C.P. No.: 8404) Partners of M/s. RSM & Co., Company Secretaries, has been appointed as 'Scrutinizer' to scrutinize the remote e-Voting and voting during AGM in a fair and transparent manner.
4. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and voting at AGM by electronic means and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the Board who shall countersign the Scrutinizer's Report. The result shall be declared by the Chairman or a person as authorised by him in writing.
5. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.apmindustries.co.in and on the website of NSDL immediately after declaration of result by the Chairman or a person so authorized by him and the results shall also be communicated to the Stock Exchange. The results shall be displayed at the Registered Office at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan) – 301019.
6. Members may also write to the Company Secretary of the Company at the address: csapminsdustriesltd@gmail.com or contact at telephone no. 011-26441022.

ANNEXURE TO THE NOTICE

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT

[In pursuance of Secretarial Standard on General Meetings (SS-2) & Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Particulars	Item No. 2	Item No. 3
Name of the Director	Shri R K Rajgarhia	Smt. Uma Hada
Director Identification Number (DIN)	00141766	06463684
Date of Birth	August 14, 1938	July 14, 1948
Age	82 Years	72 Years
Nationality	Indian	Indian
Date of first Appointment on Board	August 01, 2004	April 08, 2015
Qualification	B. Com	B.A.
Brief resume including experience, expertise in specific functional areas	<p>Shri Rajendra Kumar Rajgarhia is having more than 60 years of work experience in textile industries and also having experience in financing activities, strategic planning in capital Budgeting. He is being appointed as a Director on the Board of the Company since 1994. During the term of his office, the Company has made a steady growth and strengthened its financial position as evidenced in the financial results.</p> <p>Under the guidance and technical expertise of Shri Rajendra Kumar Rajgarhia, the Company has been recognized with the following awards: The appreciation of the achievements in National Energy Conservation in the Textile Sector for the year 2013, the Govt. of India, Ministry of Power awarded the FIRST PRIZE under National Energy Conservation Award. In appreciation of the achievements in energy conservation in the Textile Sector for the year 2009-10 Govt. of Rajasthan, Department of Energy awarded the SECOND PRIZE to the Company. In appreciation of the achievements in Energy conservation in the Textile Sector for the year 2008-09, Govt. of Rajasthan, Department of Energy awarded the SECOND PRIZE to the Company.</p> <p>Shri Rajendra Kumar Rajgarhia devotes his full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company. Shri Rajendra Kumar Rajgarhia has over 3 decades of invaluable experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance.</p>	<p>Smt. Uma Hada is having around 12 years of work experience in the field of financing activities. She is being appointed as a Director on the Board of the Company since 2015 as Woman Director.</p>
Terms & Conditions for appointment/re-appointment	On-reappointment he is liable to be retire by rotation	As an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years from September 25, 2020 to September 24, 2025 and shall not be liable to retire by rotation.
Details of Remuneration / Remuneration last drawn	Disclosed in the Corporate Governance Report forming part of Annual Report.	She is eligible to receive sitting fee for attending the Board/ Committee Meetings
Shareholding in APM Industries Limited (No. & %)	38,50,000 (17.81%)	2,002 (0.01%)
List of Directorships held in other Companies	- Perfectpac Limited - Rajgarhia Leasing and Financial Services Pvt. Ltd.	Uma Properties & Traders Limited
Members / Chairman of Committees in APM Industries Limited	- Member of Nomination and Remuneration Committee - Chairman of Corporate Social Responsibility Committee	- Member of Audit Committee - Member of Nomination and Remuneration Committee
Members / Chairman of in other Public Companies	- Member in Nomination and Remuneration Committee of Perfectpac Limited	Nil
Relationship with other directors	Shri R.K. Rajgarhia being brother of Shri S G Rajgarhia, Chairman, is related to him. He is not related to any other Director and KMP of the Company	None
Number of Meetings of the Board attended during the year	Disclosed in the Corporate Governance Report forming part of Annual Report.	Disclosed in the Corporate Governance Report forming part of Annual Report.

EXPLANATORY STATEMENT**(Pursuant to Section 102 of the Companies Act, 2013)****Items to Special Business****Item No. 3**

Pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and applicable provisions of the Listing Regulations (including any statutory modification or re-enactment thereof for the time being in force), Smt. Uma Hada (DIN: 06463684) was appointed as Independent Director of the Company to hold office upto September 24, 2020.

Based on the reports of performance evaluation, Smt. Uma Hada has effectively and efficiently discharged her duties, roles and responsibilities during her tenure as Independent Director of the Company. Accordingly, Nomination and Remuneration Committee (the 'NRC Committee') has recommended the re-appointment of Smt. Uma Hada as Independent Director of the Company for a period of 5 (five) consecutive years starting from September 25, 2020 to September 24, 2025 to the Board of Directors.

In view of the reports of performance evaluation and on recommendations of the NRC Committee, the Board of Directors is of the opinion that her continued association, being Independent Director will immensely benefit the Company and would enable the board to discharge its functions and duties effectively.

In opinion of the Board of Directors, Smt. Uma Hada fulfil the conditions for re-appointment as Independent Director as specified in the Act, the rules made thereunder and the Listing Regulations and are independent of the Management.

Smt. Uma Hada has given her consent to act as Director. She has also given declarations to the effect that she is not disqualified from being appointed as Directors in terms of Section 164 of the Act and that she meets the criteria of Independence as specified under Section 149 of the Act and the Listing Regulations. Also gave declaration that her name was included in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs under Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Copy of Appointment Letter setting out terms and conditions of her appointment are available for inspection by Members at the Registered Office as well as at Corporate Office of the Company on all working days during normal business hours upto the date of AGM. The terms and conditions of appointment, being Independent Director are also posted on the Company's website www.apmindustries.co.in.

The Board of Directors recommends the Special Resolution set out at Item No. 3 of the Notice of AGM for approval of the members.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in this Special Resolution.

Item No. 4

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain Cost Audit records and have the same audited by a Cost Auditor. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on August 24, 2020, re-appointed Shri Naresh Kumar Goel, Cost Accountant (Membership No. 9876) as the Cost Auditor for conducting the Cost Audit for the financial year 2020-2021, on a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) apart from reimbursement of out-of-pocket expenses incurred for the purpose of Audit.

Rule 14 of Companies (Audit and Auditors) Rules, 2014 as amended, requires that the remuneration payable to the Cost Auditor be ratified by the Members. Hence, the resolution set out at Item No. 4 of the Notice.

The Directors recommend that the remuneration payable to the Cost Auditor in terms of the resolution set out at Item No. 4 of the accompanying Notice be ratified by the Members by way of Ordinary Resolution.

None of the other Directors or Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financial or otherwise, in the resolution set out in item No. 4 of the Notice.

Registered Office:

SP-147, RIICO Industrial Area,
Bhiwadi, Dist. Alwar
(Rajasthan)-301019
Tel: (01493)- 265400,
Fax: (01493)-265413
e-mail: csapmindustriesltd@gmail.com
website: www.apmindustries.co.in

By Order of the Board
For APM Industries Limited

Neha Jain
Company Secretary
(Membership No. 48053)

Place : New Delhi
Dated : August 24, 2020

BOARD'S REPORT

To

The Members**APM Industries Limited**

The Board of Directors are pleased to present the 46th (Forty Sixth) Annual Report of the Company, together with the Audited Financial Statements for the financial year (FY) ended March 31, 2020.

1. FINANCIAL SUMMARY

Particulars	(Rs in Lakhs)	
	2019-20	2018-19
Total Revenue	26992	27365
Total Expenses	26278	26554
Profit Before Tax	714	811
Less: Tax (including deferred tax)	(3)	77
Profit for the period	717	734
Other Comprehensive Income	(13)	21
Total comprehensive profit for the year	704	755
Retained Earnings:-		
Balance brought forward	6575	11397
Profit for the year	717	734
Adjustment on account of Demerger	-	(296)
Amount transfer to general reserve	-	(5000)
Effect of deferred tax on items earlier recognised directly in equity	339	-
Equity Dividend	(108)	(216)
Tax on Equity Dividend	(23)	(44)
Balance carried forward	7500	6575

Note:

- The financial statement has been prepared in accordance with the Indian accounting standard (Ind. As) specified in the Companies (Indian Accounting standard) Rules - 2015 (as amended) under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- Pursuant to the Scheme of Arrangement ('the scheme') under Section 230 to 232 of the Companies Act, 2013 between APM Industries Ltd. (AIL) ('Demerged Company') and APM Finvest Ltd. (AFL) ('Resulting Company') as approved by the National Company Law Tribunal (NCLT), Jaipur on May 24, 2019.
 - All the properties and liabilities, of whatsoever nature and kind and wheresoever situated, of the Finance and Investment undertaking of AIL as on the appointed date (April 01, 2018) have been transferred to AFL at their respective book values as appearing in the books of accounts of AIL.
 - The difference between the values of assets and liabilities transferred amounting to Rs. 7283 lakhs (including 200 lakhs investment in AFL) pursuant to the scheme is appropriated and adjusted against reserves as decided by the Board of Directors of AIL, pursuant to the scheme.
 - As consideration for the transfer and vesting of the finance and investment undertaking, AFL has issued 1 equity share of face value of Rs. 2/- at par to the shareholders of AIL for every 1 Share of Rs. 2/- held by them on the record date, June 18, 2019 in AIL.

2. STATE OF COMPANY AFFAIRS & OPERATIONS

Our Company was operated in two business segment - Yarn & Finance and Investment till 31.03.2018. Pursuant to the scheme of arrangements under Section 230 to 232 of the Companies Act, 2013, between APM Industries Ltd. ('Demerged Company') and APM Finvest Ltd. ('Resulting Company') as approved by NCLT, Jaipur, the operations of the Finance and Investment divisions has been demerged w.e.f. 01.04.2018, hence in the financial year 2019-20 the Company operates only under one segment, i.e., yarn.

The Profit before Tax and Profit after Tax for the year under review for the yarn business amounted to Rs. 714 lakhs and

Rs. 717 lakhs respectively as compared to Rs. 811 lakhs and Rs. 734 lakhs in the previous financial year.

The performance of the Company has been comprehensively discussed in the 'Management Discussion and Analysis Report' forming part of this Annual Report.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

4. COVID-19

The operation and the financial performance of the Company during the financial year ended March 31, 2020 were marginally impacted due to the shutdown of the Company's plants under the lockdown announced by the state/central Government after the outbreak of Covid-19 pandemic in March 22, 2020. The Company has since resumed its operations since May 04, 2020 conforming to the guidelines of the Government. All necessary precautions relating to Hygiene, Sanitization, social distancing, care and protection of the employees would continue to be followed.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Property, Plants and Equipment, Inventories, Receivables and Other Current Assets. In developing the assumptions relating to the possible future uncertainties in the economic condition because of this pandemic, the Company as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed analysis on the assumptions used and based on current indicators of Future Economic conditions, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the Business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact of the Company's assets and performance in future may differ from that estimated as at the date of approval of these Financial statements.

5. TRANSFER TO RESERVES

No transfer to reserve has been done in Financial Year 2019-20. The Company proposes to retain the entire amount of profits in the Profit and Loss Account.

6. EXPORTS

During the Financial Year 2019-20, the export turnover was NIL because the Company's thrust area for sale of its product is Domestic market only and the product of the Company is well recognized in domestic market, and having better profitability in domestic market as compared to export.

7. EXPANSION AND MODERNIZATION

The Company continues to modernize its plant and machinery and adding balancing equipment. The production capacity remains 55,584 spindles during the Financial Year 2019-20.

The Company has installed 1722 KW ground/ rooftop Solar Power generation Plant, replaced 33 KV Power supply system to 132 KV power supply system and installed energy efficient heat recovery system and heating Solution for dyeing process to save energy cost. This would enable to the Company to save cost of production and increased profitability.

Looking to the effect of COVID-19 pandemic & economic uncertainties, the Company does not have plan for major expansion & modernization in the financial year 2020-21.

8. DIVIDEND

Due to the COVID-19 pandemic and resulting economic uncertainties, profits of the Company can be deployed for the creation of reserves that can be used for expansion and as a buffer against a crisis. As per the present circumstances, it may be wise to use profits of the Company to create reserves that may be deployed to cushion the fall in demand, if any, in the future.

Accordingly, the management of the company has decided not to pay dividend from the profits pertaining to the financial year ended March 31, 2020.

9. CAPITAL STRUCTURE

Authorised Share Capital

The authorised equity share capital of the Company as at March 31, 2020 was Rs. 4,50,00,000/- comprising of 2,25,00,000 equity shares of Rs. 2/- each and Preference Share Capital was Rs. 3,00,00,000/- comprising of 3,00,000 preference shares of Rs. 100/- each i.e. total authorized share capital of the Company was Rs. 7,50,00,000/-.

Paid up Share Capital

The Paid-up share capital as at March 31, 2020 stands at Rs. 4,32,22,720/- comprising of 2,16,11,360 equity shares of Rs. 2/- each fully paid up.

10. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company doesn't have any subsidiary, joint venture or associate Company.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment, Re-appointment and Resignation

Shri R K Rajgarhia will retire at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment to the members in the ensuing AGM. Brief resume of Shri R K Rajgarhia with other details as stipulated in Regulation 36(3) of the SEBI Listing Regulations, 2015, are provided in the Notice convening the 46th AGM.

The Board of Directors in its Meeting held on May 29, 2019 has appointed Ms. Neha Jain as the Company Secretary and Compliance Officer and also designated her as Key Managerial Personnel of the Company.

Further, the term of appointment of Smt. Uma Hada, Independent Director will be expiring on September 24, 2020. Accordingly, based on the reports of performance evaluation and recommendation of Nomination and Remuneration Committee, the Board has, at its meeting held on August 24, 2020, re-appointed, Smt. Uma Hada, as Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, starting from September 25, 2020 to September 25, 2025, subject to approval of members of the Company at the ensuing AGM.

Declaration by Independent Directors

All Independent Directors have given declaration that they meet the criteria of independence as provided under Section 149 read with Schedule IV of the Act and Regulation 16 of the SEBI Listing Regulations, 2015 and have also complied with the code of conduct of Directors and Senior Management. They have also given declaration that their names were included in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs under Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Annual Performance Evaluation of the Board

A statement on annual evaluation by the Board of its performance and performance of its Committees as well as Individual Directors forms part of the Corporate Governance Report attached to this report.

Meetings of the Board

During the FY 2019-20, six (6) meetings of the Board of Directors were held. The details of Board Meetings and the attendance of Directors are provided in the Corporate Governance Report, attached to this Report.

12. DEPOSIT UNDER CHAPTER V OF THE COMPANIES ACT, 2013

During the financial year, the Company has not accepted any deposits within the meaning of Section 73 & 76 of the

Companies Act, 2013, read with the Rules made thereunder, and therefore, no amount of principal or interest on deposit was outstanding as of the Balance Sheet date.

13. AUDITORS' & AUDIT REPORTS

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s. Chaturvedi & Partners, Chartered Accountants (Firm Registration No. 307068E), were appointed as the Company's Statutory Auditors by the shareholders at their 43rd AGM held on September 25, 2017, for a period of five years i.e. till the conclusion of 48th AGM.

The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018. Hence, the appointment of M/s. Chaturvedi & Partners, Chartered Accountants has not been placed for ratification as Statutory Auditors before the members at ensuing AGM.

The statutory auditors have confirmed that they satisfy the independence criteria required under the Companies Act, 2013 and the Code of Ethics issued by the Institute of Chartered Accountants of India.

The reports of Statutory Auditors on Financial Statements for the financial year 2019-20 forms part of the Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Auditors' Reports.

Secretarial Auditor

In terms of provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. RSM & Co., Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2020. The Secretarial Audit Report is attached as **Annexure-1** to this report and contains qualification which is mentioned in said Report.

The Board has re-appointed M/s. RSM & Co., Company Secretaries (ICSI Firm Registration No.: P1997DE017000), as Secretarial Auditors of the Company for FY 2020-21.

Cost Auditor

Shri Naresh Kumar Goel, Cost Accountant (Membership No. 9876), carried out the cost audit for applicable business during the year. The Board has, on the recommendation of the Audit Committee, re-appointed him as Cost Auditor of the Company for the financial year 2020-21.

The remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to Shri Naresh Kumar Goel, Cost Accountant is included at Item No. 4 of the notice convening the Annual General Meeting.

Pursuant to Section 148 of the Act, your Company carries out an annual audit of cost accounts. The Cost Audit Report of your Company for financial year 2019, was filed with the Ministry of Corporate Affairs through Extensive Business Reporting Language (XBRL) by Shri Naresh Kumar Goel, Cost Accountant. Further, the cost accounts and records as required to be maintained under Section 148 of the Act are duly made and maintained by the Company.

Internal Auditor

In terms of provisions of Section 138 of the Companies Act, 2013, the Board of Directors has re-appointed M/s M M Sharma & Co., Chartered Accountants (Firm Registration No. 001797N), as an Internal Auditors of the Company, for the financial year 2020-21.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had 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 i.e. March 31, 2020 and of the profit and loss of the Company for the year ended March 31, 2020;
- the Directors had 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;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Based on the framework of internal financial controls for financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditor and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2019-20; and

- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. INTERNAL FINANCIAL CONTROLS

The details on Internal Financial Control System and their adequacy are provided in the Management Discussion and Analysis Report of the Company, which forms part of the Annual Report.

16. DETAILS OF FRAUDS REPORTED BY AUDITORS

There were no frauds reported by the Statutory Auditors under the provisions of Section 143(12) of the Companies Act, 2013 and the Rules made there under.

17. DISCLOSURES OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

18. CORPORATE SOCIAL RESPONSIBILITY**Corporate Social Responsibility ('CSR') Committee**

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the applicable rules made there under, the Company has a duly constituted CSR Committee. The details of the Committee are provided in the Corporate Governance Report of the Company, which forms part of the Annual Report.

CSR Policy

The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the CSR Committee is available on the website of the Company and can be accessed through the web link: <https://www.apmindustries.co.in/wp-content/uploads/2017/08/Policy-CSR.pdf>

CSR initiatives undertaken during the financial year 2019-20

The Annual Report on CSR Activities undertaken by Company during the financial year 2019-20, is annexed as **Annexure-2** which forms part of this Report.

19. COMMITTEES OF BOARD

The Company has the following committees of the Board of Directors as on March 31, 2020 and the details pertaining to such committees are mentioned in the Corporate Governance Report, which forms part of the Annual Report.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

20. LISTING OF SECURITIES

As on the date of this report, the Company has its Equity Shares listed on the BSE Limited. The Company has paid the Annual Listing Fees for the financial year 2020-21 for all its listed securities to the Stock Exchange.

21. NOMINATION AND REMUNERATION POLICY

The Company has implemented an Appointment and Remuneration Policy pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Schedule II, Part D of the Listing Regulations. Salient features of the Policy and other details have been disclosed in the Corporate Governance Report, attached to this Report.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company had formulated a policy on Related Party Transactions ('RPTs'), dealing with the review and approval of RPTs. Prior omnibus approval is obtained for RPTs which are of repetitive nature. All RPTs are placed before the Audit Committee for review and approval.

All RPTs entered into during FY 2019-20 were in the ordinary course of business and on arm's length basis. No material RPTs were entered into during FY 2019-20 by the Company as defined in the Policy on RPTs. Accordingly, the disclosure of RPTs as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable. Your Directors draw attention of the members to Note No. 50 to the Financial Statements which sets out the Related Party disclosures.

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

The prescribed details as required under Section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are annexed as **Annexure-3** to this Report.

24. PARTICULARS OF EMPLOYEES

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 (12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure-4** which forms part of this Report.

In terms of the second proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company upto the date of the 46th Annual General Meeting.

25. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as on March 31, 2020 in Form No. MGT – 9 is attached as **Annexure-5** to this Report. Additionally, your Company has also placed a copy of annual return for the financial year 2018-19 on its website at https://www.apmindustries.co.in/wp-content/uploads/2020/01/AR_2019.pdf

26. CORPORATE GOVERNANCE

As a responsible corporate citizen, the Company is committed to maintain the highest standards of Corporate Governance and believes in adhering to the best corporate practices prevalent globally.

A detailed Report on Corporate Governance pursuant to the requirements of Regulation 34 read with Schedule V of the SEBI Listing Regulations, 2015, is attached to this Report as **Annexure-6**. A certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the SEBI Listing Regulations, 2015 is attached to the Corporate Governance Report.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the year ended March 31, 2020. A certificate from the Managing Director confirming the same is attached to the Corporate Governance Report.

A certificate from the Managing Director and CFO confirming correctness of the financial statements, adequacy of internal control measures, etc. is also attached to the Corporate Governance Report.

27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year 2019-20, as stipulated under SEBI Listing Regulations, 2015 is attached to this Report as **Annexure-7**.

28. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The details of Vigil Mechanism (Whistle Blower Policy) adopted by the Company have been disclosed in the Corporate Governance Report and forms an integral part of this report.

29. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in Notes to the financial statements.

30. MATERIAL CHANGES AND COMMITMENTS

No material changes or commitment has occurred after the close of the Financial Year 2019-20 till the date of this Report, which affects the financial position of the Company.

31. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standard-1 on 'Meetings of the Board of Directors' and Secretarial Standard-2 on 'General Meetings' issued by the Institute of Company Secretaries of India.

32. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

A statement on annual evaluation by the Board of its performance and performance of its Committees as well as Individual Directors forms part of the Corporate Governance Report attached to this report.

33. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has Zero Tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every women executive working in the Company.

Hence, the Company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Further, the Company has also constituted Internal Complaints Committee in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No case has been reported during the year under review under the policy.

34. INVESTOR SERVICES

In its endeavor to improve investor services, your Company has taken the following initiatives:

- An Investors Section on the website of the Company www.apmindustries.co.in has been created.
- There is a dedicated e-mail id csapmindustriesltd@gmail.com for sending communications to the Company Secretary.
- Disclosure made to the Stock Exchange are promptly uploaded on the website of the Company for information of the Investors.

Members may lodge their requests, complaints and suggestions on this e-mail as well.

35. ACKNOWLEDGMENTS

Your Directors acknowledge with gratitude the cooperation and assistance received from the Central and State Government Authorities. Your Directors thank the Shareholders, Financial institutions, Banks/ other Lenders, Customers, Vendors and other business associates for the confidence reposed in the Company and its management and look forward to their continued support. The Board places on record its appreciation for the dedication and commitment of the employees at all levels, which has continued to be our major strength. We look forward to their continued support in the future.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

For and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman
DIN : 00141766

Place : New Delhi
Dated : August 24, 2020

Annexure-1

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Members

APM Industries Limited

CIN: L21015RJ1973PLC015819

Registered Office: RIICO Industrial Area

Bhiwadi, Dist. Alwar

Rajasthan- 301019

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **APM INDUSTRIES LIMITED** (hereinafter called the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board - Processes and Compliance – Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2020 according to the provisions of :-

- The Companies Act, 2013 ("the Act") and Rules made thereunder as amended/modified;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder;
- The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 to the extent applicable;
 - Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018 to the extent applicable;
 - Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;
 - Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Not applicable to the Company during the audit period);
 - Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);
 - Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
 - Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares)

Regulations, 2013 (Not applicable to the Company during the audit period);

- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable.
 - The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, to the extent applicable;
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client to the extent to securities issued;
 - Securities and Exchange Board of India (Investor Protection and Education Fund) Regulation, 2009 to the extent applicable.
- We further report that, we relied on the representation made by the Company and its officer for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company;
 - We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.
 - We have also examined the compliances with the applicable clauses of the Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/Circulars/ guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
1.	Trading window closure as per SEBI (Prohibition of Insider Trading) Regulations, 2015	Trading window closure was not proper for the quarter ended March 2019.	The Company has closed the trading window for the March 2019 quarter from 08.04.2019 while it should be immediate before closure of quarter.
2.	Regulation 33 of SEBI (LODR), 2015	Late Submission of financial result for the quarter ended March, 2019	The Company has late submitted the audited financial result for the quarter ended March, 2019. The fine was imposed by the exchange of Rs. 90,000 plus GST @ 18% vide letter dated 17.06.2019.
3.	Regulation 27(2) of SEBI (LODR), 2015	Delay in submission of Corporate Governance Report for the quarter ended March, 2019	The Company has late submitted the Corporate Governance Report for the quarter ended March 31, 2019. The fine was imposed by the exchange of Rs. 18,000 plus GST @ 18% vide letter dated 02.05.2019.

- We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

Adequate notice is given to all Directors to schedule the Board Meetings, agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and

Majority of decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or committee of the Board, as the case may be.

Annexure-A

There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines standard etc. referred to above:-

- i) The Scheme of Arrangement among APM Industries Limited (Demerged Company) and APM Finvest Limited (Resulting Company) in accordance with Sections 230-232 of the Companies Act, 2013 for the demerger of 'Finance & Investment Undertaking' ('Demerged Undertaking') of APM Industries Limited (Demerged Company) and subsequent amalgamation of Demerged Undertaking with its wholly owned subsidiary APM Finvest Limited (Resulting Company) has been approved by the Hon'ble National Company Law Tribunal ("Tribunal"), Jaipur Bench vide its order dated 24th May, 2019.
- ii) Pursuant to the Order of National Company Law Tribunal, Finance and Investment undertaking of the Company has been demerged into APM Finvest Limited (Resulting Company) w.e.f April 1, 2018 being appointed date and pursuant to the NCLT Order, APM Finvest Limited ceased to be a subsidiary of APM Industries Limited from appointed date.
- iii) The authorized share capital of the Company has reduced from 1000 Lakh to Rs. 750 Lakhs divided into 22,500,000 Equity Shares of Rs. 2/- each and 3,00,000 preference shares of Rs. 100/- each.
- iv) As consideration for the transfer and vesting of the Finance and Investment Undertaking APM Finvest Limited (Resulting Company) has issued 1 equity shares of face value of Rs. 2/- at par to the Shareholders of the APM Industries Limited (Demerged Company) for every 1 shares of Rs. 2/- held by them on the record date June 18, 2019 in the demerged Company.

This report is to be read with our letter of even date which is annexed as "Annexure-A" and form an integral part of this report.

For RSM & CO.
Company Secretaries

SUMAN PANDEY
PARTNER
FCS NO.7606, C. P. NO. 8404
UDIN: F007606B000608272

Dated : August 24, 2020
Place : New Delhi

The Members
APM Industries Limited
CIN: L21015RJ1973PLC015819
Registered Office: RIICO Industrial Area
Bhiwadi, Dist. Alwar
Rajasthan- 301019

Our Report of even date is to be read along with this letter.

1. Due to pandemic situation and entire lockdown in the Country, we have verified the documents virtually and no physical verification was done by us.
2. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the Secretarial Records based on our audit.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial and books of accounts of the Company.
5. Wherever required, we have obtained the Management representation about the compliances of Laws, Rules and Regulations and happening of events etc.
6. The compliance of the provisions of corporate and other applicable Laws, rule and regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
7. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company

For RSM & CO.
Company Secretaries

SUMAN PANDEY
PARTNER
FCS NO.7606, C. P. NO. 8404
UDIN: F007606B000608272

Dated : August 24, 2020
Place : New Delhi

Annexure-2**REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****1. A brief outline of the Company's Corporate Social Responsibility Policy ("CSR Policy"), including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs**

Corporate Social Responsibility ("CSR") at APM is the commitment of businesses to contribute to sustainable economic development by working with the employees, their families, the local community and the society at large to improve their lives in ways that are good for business and for its development.

In compliance with the provisions of Section 135 of the Companies Act, 2013 (the "Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has taken the following steps:

- Adoption of CSR Policy which has been placed on the Company's website www.apmindustries.co.in the web link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2017/08/Policy-CSR.pdf>
- While implementing CSR projects, the Company shall give priority to the area around its manufacturing locations in India.
- The Committee approved the following CSR activities which are in line with Schedule VII to the Act:
 - (a) Promoting Education
 - (b) Promotion of Health Care
 - (c) Running of Charitable Dispensary
 - (d) Contribution to Registered Organisation Trust
 - (e) Animal Welfare

2. Composition of CSR Committee

The Composition of the Committee of as on March 31, 2020 are as follows:-

S. No.	Name	Designation
1.	Shri Rajendra Kumar Rajgarhia	Chairman
2.	Shri Ram Ratan Bagri	Member
3.	Shri Hari Ram Sharma	Member

3. Average Net Profit of the Company for last three financial years: 1463.04 lakh**4. Prescribed CSR Expenditure (2% of the amount as in item 3 above):**

As per the provisions of Section 135 of the Companies Act, 2013, read with the rules framed there under, the corpus amount to be spent by the Company on CSR activities shall be at least 2% of the average net profits of the Company for the preceding three financial years, mentioned as below:-

Particulars	Amount (in lakh)
Prescribed CSR Expenditure	29.26
Unspent amount carry forward from previous Financial year 2018-19	0.69
Total CSR Expenditure to be spent in the Financial year 2019-20	29.95

5. Details of CSR spend during the Financial Year 2019-20

- (a) The Total amount to be spent as per budget for the financial year 2019-20 was Rs. 29.95 lakhs
- (b) Amount unspent, vis-à-vis prescribed CSR expenditure as per Section 135(5) of the Act: Rs.3.30 lakhs
- (c) Manner in which the amount spent during the year is detailed below:

Sl. No	CSR Project or activity identified	Sector in which the project is covered	Project or Program (1) Local area or other; (2) Specify the State and district where projects or program was undertaken	Amount outlay or (Budget) Project or program wise	Amount spent on the projects or programs		Cumulative Expenditure upto the reporting period	Amount spent direct or through implementing agency
					Direct Expenditure on projects or programmes	Overheads		
1	Promoting Education	Clause (ii) promoting education	Bhiwadi,	8.00	7.70	-	7.70	Direct
2	Promotion of Healthcare	Clause (i) promoting health care including preventive health care	Bhiwadi, Distt. Alwar (Rajasthan),	11.50	11.17	-	11.17	Direct/Ram Lal Rajgarhia Memorial Trust
3	Animal Welfare	Clause (iv)	Bhiwadi and New Delhi	4.00	3.21	-	3.21	Various Trust
4	Conservation of Natural Resources	Clause (iv)	Tijara (Distt. Alwar)	6.45	4.57	-	4.57	Direct
Total Expenditure				29.95	26.65		26.65	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report.

Due to spread of Covid-19 pandemic, the project undertaken could not be completed. The unspent amount will be incurred in the financial year 2020-21.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

The CSR Committee confirms that the implementation and monitoring of the CSR policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board

Place : New Delhi
Date : August 24, 2020

Rajendra Kumar Rajgarhia
Chairman in CSR Committee
DIN : 00141766

Hari Ram Sharma
Member in CSR Committee
DIN: 00178632

Annexure-3**DISCLOSURE UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014****A. CONSERVATION OF ENERGY****(i) Energy conservation measures taken in 2019-20:**

- The Company has installed solar power energy panels 1.722 Mw.
- The Company has shifted power supply voltage from 33 KV to 132 KV which will save energy cost.
- Commissioned energy efficient heat recovery and heating solution for dyeing process to save energy cost.
- Installation of condensate water recovery system in Dye house to save energy cost.

(ii) Energy conservation plan for 2020-21:

- Air leakage prevention in all machines.

2. Steam pipeline modification work with insulation in dyeing machines.

3. Replacement of Sodium lamps(4 nos. -250 watt) to 150 watt LED lamps.

(iii) Steps taken for utilizing alternate sources of energy:

Installed 1722 KW ground/ Roof Top Solar Power Plant in the financial year 2019-20.

(iv) Capital investment on energy conservation equipments - Rs.1134.08 lakhs.

B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Efforts made in R & D and Technology Absorption is given in Form 'B'.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO.

Total foreign exchange used and earned during the year:

Used : Nil

Earned : Nil

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

		Unit	2019-20	2018-19
A POWER AND FUEL CONSUMPTION				
1 Electricity				
-	Purchased unit	Unit in lakhs	450.70	447.82
-	Total amount	Rs. In lakhs	3597.57	3617.51
-	Rate	Rs./Unit	7.98	8.08
2 Own Generation				
A - Through Diesel Generator				
-	Unit per Liter of Diesel	Unit	3.42	3.47
-	Cost	Rs./Unit	19.23	19.77
B - Through Solar Power				
-	Unit in lakhs	Unit in lakhs	16.86	12.40
3 Coal (Grade B, C, D & E)/Petcock/Biomass				
-	Quantity	MT	-	3440.16
-	Total cost	Rs. in lakhs	-	292.44
-	Average rate	Rs./MT	-	8500.75
4 Diesel				
-	Quantity	Ltrs. In lakhs	0.77	1.96
-	Total cost	Rs. In lakhs	50.43	133.02
-	Average rate	Rs./Ltr.	65.78	67.96
5 Natural Gas				
-	Quantity	Scm In lakhs	14.98	0.65
-	Total cost	Rs. In lakhs	448.18	19.49
-	Average rate	Rs./Scm	29.92	29.88
B CONSUMPTION PER UNIT OF PRODUCTION*				
1	Electricity		274.21	275.91
2	Coal B, C, D & E Grade/Pet coke		-	20.34
3	Natural Gas		8.74	-

* 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 Yarn, fabrics, furnishings and Readymade garments, keeping in touch with latest trend of fabrics and readymade garment exports. The company has also developed Sewing Thread as a new variety of yarn for domestic markets.

- Benefits derived as a result of R & D:

Improvement in quality of products, enhancement in product range, Induction of new customers, 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 company has commissioned energy efficient heat recovery & heating Solutions for dye house, installed 1722 KW ground/ Roof Top Solar Power Plant and replaced 33 KV Power supply to 132 KV Power supply System in the Financial year 2019-20.

- Benefit derived:

Improvement in the overall performance of the Company.

- Particulars of imported technology:

N.A.

For and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman
DIN: 00141766

Place : New Delhi
Dated : August 24, 2020

Annexure-4**PARTICULARS OF EMPLOYEES**

Information relating to remuneration of Directors / Key Managerial Personnel as required Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The Ratio of remuneration of each Executive Director to the median remuneration of Employees of the Company for the financial year 2019-20, the percentage increase in remuneration of Chairman, Managing Director, CFO and Company Secretary during the financial year 2019-20 and Comparison on the Remuneration of KMP against performance of the Company:-

Sl. No.	Name of Director/ KMP	Designation	Ratio of Remuneration of each Director to median remuneration of employees	% increase in Remuneration	Comparison on the Remuneration of KMP against performance of the Company
1	Shri Rajendra Kumar Rajgarhia	Chairman	77.67:1	2.82	Performance of the Company affected due to Lockdown of Industry in March 2020, because of Covid – 19 Pandemic.
2	Shri Hari Ram Sharma	Managing Director	72:04:1	7.22	
3	Shri C S Vijay	CFO	13:43:1	2.81	
4	Mrs. Neha Jain	Company Secretary	3.33:1	-	

Note:- The Non-Executive Directors of the Company are entitled for sitting fees. The ratio of remuneration and percentage increase for Non-executive Directors remuneration is therefore not considered for the purpose above.

- (ii) The percentage increase in the median remuneration of employees in the Financial Year 2019-20 was 8%;
- (iii) Total number of employees of the Company as on March 31, 2020 was 2206.
- (iv) Average percentile increases in the salaries of employees excluding managerial personnel during financial year 2020 was 8%. Average increase in remuneration of executive directors was 5%. The increase in the remuneration of the executive directors were as per remuneration policy.
- (v) **Affirmation that the remuneration is as per the remuneration policy of the Company**

It is affirmed that the remuneration paid is as per the Remuneration Policy applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

For and on behalf of the Board

Place : New Delhi
Dated : August 24, 2020

Rajendra Kumar Rajgarhia
Chairman
DIN: 00141766

Annexure-5

EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L21015RJ1973PLC015819
Registration Date	21/09/1973
Name of the Company	APM INDUSTRIES LIMITED
Category/ Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company.
Address of the registered office and contact details	SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan) - 301019 Telephone : (01493) – 265400 Fax : (01493) – 265413 E-mail : bhiwadi@apmindustries.co.in
Whether listed company	Yes listed on BSE Limited
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Skyline Financial Services Pvt. Ltd. D-153A, 1 st Floor, Okhla Industrial Area, Phase -1, New Delhi – 110 020 Telephone 011-40450193-97, E-mail : info@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Name and Description of main Products / Services	NIC Code of the Product / service	% to total turnover of the company
Manmade fiber Spun Yarn	13114	99.40

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and address of the company	CIN/GLN	Holding / subsidiary / Associate	% of shares held	Applicable Section of the Companies Act, 2013
NOT APPLICABLE				

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)										
i) Category-wise Shareholding										
S. No.	Category of Shareholders	No. of Shares held at the beginning of the Year (April 01, 2019)				No. of Shares held at the end of the year (March 31, 2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoters									
	1) Indian									
	a) Individual / HUF	9593120	0	9593120	44.39	9593120	0	9593120	44.39	0.00
	b) Central Govt.	0	0	-	0.00	0	0	0	0.00	0.00
	c) State Government	0	0	-	0.00	0	0	0	0.00	0.00
	d) Bodies Corporate	4137500	0	4137500	19.14	4137500	0	4137500	19.14	0.00
	e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (1)	13730620	0	13730620	63.53	13730620	0	13730620	63.53	0.00
	2) Foreign									
	a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	e) Any Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoters (A)	13730620	-	13730620	63.53	13730620	0	13730620	63.53	0.00
B	Public Shareholding									
	1) Institutions									
	a) Mutual Funds	0	0	0	0.00	0	0	0	0	0.00
	b) Banks / FI	0	250	250	0.00	0	250	250	0	0.00
	c) Central Government	0	0	0	0.00	0	0	0	0	0.00
	d) State Government	0	0	0	0.00	0	0	0	0	0.00
	e) Venture Capital Fund	0	0	0	0.00	0	0	0	0	0.00
	f) Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
	g) FIs	0	0	0	0.00	0	0	0	0	0.00
	h) Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0	0.00
	i) Any Other Foreign	0	0	0	0.00	0	0	0	0	0.00
	j) Any Other	0	0	0	0.00	0	0	0	0	0.00
	Sub-total (B)(1)	0	250	250	0.00	0	250	250	0.00	0.00
	2) Non- Institutions									
	a) Bodies Corporate									
	i) Indian	371294	15220	386514	1.79	345476	10970	356446	1.65	(0.14)
	ii) Overseas	0	0	0	0.00	0	0	0	0.00	-
	b) Individuals									
	i) Individual share holders holding nominal share capital upto Rs. 1 lakh	3848387	1189243	5037630	23.31	3803354	1056492	4859846	22.49	(0.82)
	ii) Individual share holders holding nominal share capital in excess of Rs.1 lakh	1289058	0	1289058	5.96	1497654	0	1497654	6.93	0.97
	c) Others									
	i) HUF	492414	0	492414	2.28	380751	0	380751	1.76	(0.52)
	ii) Non Resident Indian	202474	0	202474	0.94	212985	125	213110	0.99	0.05
	iii) Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
	iv) Clearing Members	2022	0	2022	0.01	8348	0	8348	0.04	0.03
	v) Trust	0	0	0	0.00	0	0	0	0.00	0.00
	vi) Foreign Bodies-DR	0	0	0	0.00	0	0	0	0.00	0.00
	vii) NBFC Registered With RBI	98	0	98	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(2)	6205747	1204463	7410210	34.29	6239782	1076373	7316155	33.85	(0.44)
	Total Public Shareholding (B)=(B)(1)+(B)(2)	6205747	1204713	7410460	34.29	6239782	1076623	7316405	33.85	(0.44)
C	Shares Held By Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
D	IEPF	470280	0	470280	2.18	564335	0	564335	2.61	0.43
	Grand Total(A)+(B)+(C)+(D)	20406647	1204713	21611360	100.00	20534737	1076623	21611360	100.00	0.00

ii) SHAREHOLDING OF PROMOTERS								
Sl. No	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2019)			Shareholding at the end of the year (March 31, 2020)			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total share	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total share	% change in shareholding during the year
1	Rajendra Kumar Rajgarhia	3850000	17.81	-	3850000	17.81	-	0.00
2	Prabha Rajgarhia	1600000	7.40	-	1600000	7.40	-	0.00
3	Sanjay Rajgarhia	300000	1.39	-	300000	1.39	-	0.00
4	Pooja Rajgarhia	130000	0.60	-	130000	0.60	-	0.00
5	Aditi Rajgarhia	150000	0.69	-	150000	0.69	-	0.00
6	Ajay Rajgarhia	2275000	10.53	-	2275000	10.53	-	0.00
7	Shri Gopal Rajgarhia	573850	2.66	-	573850	2.66	-	0.00
8	Anisha Mittal	398770	1.85	-	398770	1.85	-	0.00
9	Bhavna Rajgarhia	315500	1.46	-	315500	1.46	-	0.00
10	Essvee Fiscal LLP	97500	0.45	-	97500	0.45	-	0.00
11	Faridabad Paper Mills Private Limited	2770000	12.82	-	2770000	12.82	-	0.00
12	Rajgarhia Leasing and Financial Services Pvt Ltd	1130000	5.23	-	1130000	5.23	-	0.00
13	Rajendra Kumar Rajgarhia - Kabir Rajgarhia Foundation Trust	70000	0.32	-	70000	0.32	-	0.00
14	Rajendra Kumar Rajgarhia - Anya Rajgarhia Foundation Trust	70000	0.32	-	70000	0.32	-	0.00
	Total	13730620	63.53	0.00	13730620	63.53	-	0.00

iii) CHANGE IN PROMOTERS' SHAREHOLDING									
Sl. No.	Name	Shareholding at the beginning of the year (April 01, 2019)		Date	Reason	Increase/Decrease in shareholding		Cumulative shareholding during the year	
		No. of Share	% of total shares of the Company			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Nil									

iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs)								
Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year (April 01, 2019)		Date	Reason	Increase / decrease in shareholding	Cumulative shareholding during the year	
		No of Share	% of total shares of the Company				No of Shares	% of total shares of the Company
1	Vishwanath Harlalka	80930	0.37	-	-	-	80930	0.37
2	Mahendra Girdharilal	89754	0.42	19-07-19	Purchase	3339	93093	0.43
				26-07-19	Purchase	2200	95293	0.44
				23-08-19	Purchase	2000	97293	0.45
				30-08-19	Purchase	1	97294	0.45
				06-09-19	Purchase	174	97468	0.45
				18-10-19	Purchase	275	97743	0.45
				25-10-19	Purchase	3356	101099	0.47

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the Year (April 01, 2019)		Date	Reason	Increase / decrease in shareholding	Cumulative shareholding during the year	
		No of Share	% of total shares of the Company				No of Shares	% of total shares of the Company
				01-11-19	Purchase	666	101765	0.47
				08-11-19	Purchase	2000	103765	0.48
				15-11-19	Purchase	707	104472	0.48
				22-11-19	Purchase	2137	106609	0.49
				06-12-19	Purchase	500	107109	0.50
				13-12-19	Purchase	487	107596	0.50
				27-12-19	Purchase	1613	109209	0.51
				03-01-20	Purchase	1632	110841	0.51
				10-01-20	Purchase	143	110984	0.51
				17-01-20	Purchase	2494	113478	0.53
				24-01-20	Purchase	4820	118298	0.55
				31-01-20	Purchase	841	119139	0.55
				07-02-20	Purchase	343	119482	0.55
				14-02-20	Purchase	2439	121921	0.56
				21-02-20	Purchase	1000	122921	0.57
				28-02-20	Purchase	2246	125167	0.58
				06-03-20	Purchase	2402	127569	0.59
3	Tanvi Jignesh Mehta	100000	0.46	10-01-20	Sale	(1863)	98137	0.45
				31-01-20	Sale	(1)	98136	0.45
				14-02-20	Sale	(2500)	95636	0.44
				21-02-20	Sale	(1140)	94496	0.44
				28-02-20	Sale	(500)	93996	0.43
4	Rangappa N	99900	0.46	10-05-19	Purchase	1400	101300	0.47
				17-05-19	Purchase	2025	103325	0.48
				24-05-19	Purchase	2475	105800	0.49
				31-05-19	Purchase	6400	112200	0.52
				07-06-19	Sale	(1700)	110500	0.51
				14-06-19	Sale	(2300)	108200	0.50
				02-08-19	Purchase	3200	111400	0.52
				09-08-19	Purchase	1400	112800	0.52
				16-08-19	Purchase	1000	113800	0.53
				23-08-19	Purchase	2700	116500	0.54
				30-08-19	Purchase	700	117200	0.54
				06-09-19	Purchase	300	117500	0.54
				13-09-19	Purchase	1000	118500	0.55
				20-09-19	Purchase	500	119000	0.55
				27-09-19	Purchase	700	119700	0.55
				04-10-19	Purchase	500	120200	0.56
				11-10-19	Purchase	1000	121200	0.56
				25-10-19	Purchase	100	121300	0.56
				01-11-19	Purchase	700	122000	0.56
				08-11-19	Purchase	1200	123200	0.57
				15-11-19	Purchase	1200	124400	0.58
				22-11-19	Purchase	500	124900	0.58
				29-11-19	Purchase	100	125000	0.58
				06-12-19	Purchase	300	125300	0.58
				13-12-19	Purchase	1900	127200	0.59
				20-12-19	Purchase	1500	128700	0.60
				27-12-19	Purchase	1100	129800	0.60
				31-12-19	Purchase	673	130473	0.60
				03-01-20	Purchase	4527	135000	0.62
				10-01-20	Purchase	3900	138900	0.64
				17-01-20	Purchase	4400	143300	0.66
				24-01-20	Purchase	1700	145000	0.67
				31-01-20	Purchase	1000	146000	0.68
				07-02-20	Purchase	5400	151400	0.70
				14-02-20	Purchase	8700	160100	0.74
				21-02-20	Purchase	400	160500	0.74
				28-02-20	Purchase	4500	165000	0.76
				06-03-20	Purchase	4100	169100	0.78
				13-03-20	Purchase	2900	172000	0.80
				20-03-20	Purchase	9800	181800	0.84
				31-03-20	Purchase	1800	183600	0.85
5	Mahendra Chandulal Dharu	90030	0.42	17-01-20	Sale	(90028)	2	0.00
				07-02-20	Purchase	271	273	0.00
6	Sasmal Marcom Pvt. Ltd.	250000	1.16	-	-	-	250000	1.16
7	Sharad Dalpatrai Trivedi	100001	0.46	19-07-19	Sale	(1)	100000	0.46
				10-01-20	Purchase	2090	102090	0.47
8	Darshan M Dharu	966	0.00	23-08-19	Purchase	90030	90996	0.42
9	Sangeetha S	0	0.00	08-11-19	Purchase	524590	524590	2.43
10	Subramanian P	524590	2.43	08-11-19	Sale	(524590)	0	0.00
11	Jiten Kanwar Singh	125125	0.58	-	-	-	125125	0.58
12	Investor Education and Protection Fund	470280	2.18	22-11-19	Purchase	79315	549595	2.54
				29-11-19	Purchase	500	550095	2.55
				21-02-20	Purchase	14240	564335	2.61

v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL								
Sl. No.	Name	Shareholding at the beginning of the Year (April 01, 2019)		Date	Reason	Increase / decrease in Shareholding	Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Shri Rajendra Kumar Rajgarhia	3850000	17.81		N.A.		3850000	17.81
2	Shri S G Rajgarhia	573850	2.66				573850	2.66
3	Shri Hari Ram Sharma	1045	0.00				1045	0.00
4	Shri Ram Ratan Bagri	20000	0.09				20000	0.09
5	Smt. Uma Hada	2002	0.01				2002	0.01
6	Shri Chandra Shekhar Vijay	250	0.00				250	0.00

V. INDEBTEDNESS (Amount in lakhs)					
Indebtedness of the Company including interest outstanding / accrued but not due for payment					
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	5330.37	367.05	-	5697.42
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	11.47	-	-	11.47
Total (i + ii + iii)		5341.84	367.05	-	5708.89
Change in Indebtedness during the financial year					
-	Addition	546.23	202.30	-	748.53
-	Reduction	1231.05	-	-	1231.05
Net Change		(684.82)	202.30	-	(482.52)
Indebtedness at the end of the financial year					
i)	Principal Amount	4645.55	569.35	-	5214.90
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	26.68	12.57	-	39.25
Total (i + ii + iii)		4672.23	581.92	-	5254.15

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Amount in lakhs)					
A Remuneration to Managing Director, Whole-time Directors and/or Manager:					
S. No.	Particulars of Remuneration	Shri Rajendra Kumar Rajgarhia Chairman		Shri Hari Ram Sharma Managing Director	
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	108.00		102.56	
	b) Value of perquisites U/S 17(3) Income-tax Act, 1961	3.83		0.95	
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-	
2	Stock Options	-		-	
3	Sweat Equity	-		-	
4	Commission				
	- as % of net profits				
	- others				
5	Others-PF	-		0.22	
	Total	111.83		103.73	
	Ceiling as per the Act	As per the provisions of the Companies Act, 2013			
B Remuneration to Other Directors:					
Sl. No.	Particulars of Remuneration	Independent Directors			Other Non-Executive Directors
		Shri K R Gupta	Shri R R Bagri	Smt. Uma Hada	Shri S G Rajgarhia
1	Independent Directors				
	- Fee for attending Board / Committee meetings	2.95	2.95	0.95	-
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (1)	2.95	2.95	0.95	-
2	Other Non-Executive Directors				
	- Fee for attending board / committee meetings	-	-	-	2.20
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (2)	-	-	-	2.20
	Total (1+2)	2.95	2.95	0.95	2.20
	Ceiling as per the Act	As per the provisions of the Companies Act, 2013			
C Remuneration to Key Managerial Personnel Other than MD / Manager / WTD					
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Shri C S Vijay (CFO)	Mrs. Neha Jain (Company Secretary)		
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.35		4.32	
	b) Value of perquisites U/S 17(3) Income-tax Act, 1961 (car)	0.22		Nil	
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-		-	
2	Stock Options	-		-	
3	Sweat Equity	-		-	
4	Commission				
	- as % of net profits				
	- others				
5	Others-Medical	0.55		0.26	
	-PF	0.22		0.21	
	Total	19.34		4.79	

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020

	Type	Section of the Companies Act 2013	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A	COMPANY					
	- Penalty			NIL		
	- Punishment					
- Compounding						
B	DIRECTORS					
	- Penalty			NIL		
	- Punishment					
- Compounding						
C	OTHER OFFICERS IN DEFAULT					
	- Penalty			NIL		
	- Punishment					
- Compounding						

For and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman
DIN : 00141766

Place : New Delhi.
Dated : August 24, 2020

Annexure – 6**CORPORATE GOVERNANCE REPORT**

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations" or "SEBI (LODR) Regulations, 2015") is given herein below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good Corporate Governance is a pre-requisite for achieving sustainable corporate growth and enhancing value for all stakeholders in the business. Good Corporate Governance emerges from transparency in business dealings and having in place robust systems and processes defining accountability, integrity, fairness and ethics in business practices, thereby fulfilling the responsibilities of corporate citizenship.

Securities and Exchange Board of India regulates Corporate Governance practices for listed companies through the Listing Regulations. APM Industries Limited is in full compliance with the amended Listing Regulations.

2. BOARD OF DIRECTORS**(a) Composition**

The Board of APM comprises of six Directors out of which three are Non-Executive Independent Directors including a Woman Director, one is Promoter Non-Executive Director, another is Promoter Executive Director & Chairman and one is Managing Director.

The maximum tenure of Independent Directors is upto five consecutive years from the date of their appointment. However, they have been re-appointed for another term of five consecutive years. The date of re-appointment and tenure of the existing Independent Directors are given below:

S. No.	Name of Independent Director	Date of re-appointment	Date of completion of tenure
1.	Shri Khushi Ram Gupta	April 01, 2019	March 31, 2024
2.	Shri Ram Ratan Bagri	April 01, 2019	March 31, 2024
3.	Smt. Uma Hada	September 25, 2020	September 24, 2025

Note:- Members shall be considering re-appointment of Smt. Uma Hada as an Independent Director for second term for a period of five consecutive years effective from September 25, 2020.

The letters of appointment have been issued to the Independent Directors and the terms and conditions thereof are posted on the Company's website.

The Board of Directors along with its Committees provides effective leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures.

(b) Key Functions of the Board

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of APM are:

- Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring implementation & corporate performance and overseeing major capital expenditures, acquisitions and divestments;
- Monitoring effectiveness of the Company's governance, policies & practices and making changes as needed;
- Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning;
- Aligning Key Managerial Personnel and Board remuneration with the long term interests of the Company and its shareholders;
- Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions;
- Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the laws & regulations and relevant standards in force;
- Overseeing the process of disclosure and communications;
- Monitoring and reviewing Board's Evaluation framework.

(c) Meetings of the Board

Meetings of the Board are generally held at the Corporate Office of the Company at 910, Chiranjiv Tower-43, Nehru Place, New Delhi-110019. During the financial year 2019-20, the Board met six times as per the details mentioned below:-

S. No.	Date of Board Meeting
1.	May 29, 2019
2.	June 20, 2019
3.	August 01, 2019
4.	November 14, 2019
5.	November 20, 2019
6.	February 05, 2020

The Company has held a minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the provisions of the Companies Act, 2013, Secretarial Standard-1 and Listing Regulations.

An annual calendar of meetings is prepared well in advance and shared with the Directors in the beginning of the year to enable them to plan their attendance at the meetings. Directors are expected to attend Board and Committee Meetings, spend the necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Concerned executives of the Company communicate the matters requiring approval of the Board to the Company Secretary, well in advance, so that these can be included in the Agenda for the scheduled Board/Committee Meeting.

Agenda papers are sent to the Directors, well in advance, before the meetings. Draft Minutes of the Board and Committee meetings are circulated to the Directors for their comments thereon and, thereafter, noted by the Board/respective Committee in its next Meeting.

Composition of the Board of Directors as on March 31, 2020 and attendance at the Board Meetings held during the Financial Year ended March 31, 2020 and at the last Annual General Meeting ('AGM') are given in table below:

Name and Designation	Category	Attendance at the Meeting	
		Board Meeting Attended	Last AGM Attended
Shri Rajendra Kumar Rajgarhia Chairman	Executive and Promoter	5	Yes
Shri S G Rajgarhia Director	Non-Executive and Promoter	6	Yes
Shri Hari Ram Sharma Managing Director	Executive	6	Yes
Shri Khushi Ram Gupta Director	Non-Executive and Independent	6	Yes
Shri Ram Ratan Bagri Director	Non-Executive and Independent	6	Yes
Smt. Uma Hada Director	Non-Executive and Independent	2	No

(d) Other Directorships

The number of directorships in other bodies corporate including the names of listed entities in which they are a Director and memberships/chairmanships of Board Committees as on March 31, 2020 are as given in table below:

Name of Director	No. of directorship in other Bodies Corporate*			No. of Chairmanship / Membership of Committees**		Directorship in other listed entities (category of Directorship)
	Public (Listed)	Public (Unlisted)	Private	Chairmanships	Memberships	
Shri Rajendra Kumar Rajgarhia	1	-	1	-	-	Perfectpac Limited (Non Executive, Non Independent)
Shri S G Rajgarhia	-	1	4	-	1	-
Shri Hari Ram Sharma	-	-	2	-	1	-
Shri Khushi Ram Gupta	-	-	-	2	-	-
Shri Ram Ratan Bagri	-	1	1	-	2	-
Smt. Uma Hada	1	-	-	-	1	Uma Properties & Traders Limited (Non-Executive)

*Excluding APM Industries Limited, Section 8 companies and Limited Liability Partnerships.

**Pursuant to Regulation 26 of Listing Regulations, membership of Audit Committees and Stakeholders Relationship Committees of Indian Public Limited Companies, whether listed or not have been considered. Committees of APM Industries Limited are also included.

(e) Relationship between directors

None of the Directors are related to each other except Shri S G Rajgarhia being brother of Shri Rajendra Kumar Rajgarhia, Chairman of the Company.

(f) Information given to the Board

The Board and Committees thereof have complete access to all relevant information. Such information is submitted either as part of the agenda papers of the meetings in advance or by way of presentations and discussion material during the meetings. Such information, inter-alia, includes the following:

- Annual operating plans, budgets and any updates;
- Capital budgets and any updates;
- Annual and Quarterly results of the Company and its operating divisions or business segments;
- Minutes of the meetings of the Audit Committee and other Committees of the Board of Directors;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Material default in financial obligations to and by the Company, or substantial nonpayment for goods sold by the Company;
- Issue which involves possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Minutes of Board Meetings of unlisted subsidiary company(s);
- Statement of significant transactions or arrangements made by unlisted subsidiary companies;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc;
- Quarterly statement showing status of investors complaints;
- Compliance Report pertaining to applicable laws and steps taken to rectify instance of non-compliance, if any; and
- Quarterly Compliance Report on Corporate Governance.

(g) Board Process

The Company sends documents relating to Board and Committee meetings, including agenda papers and supplementary documents, to the Directors at least 7 days before the meetings.

Important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments/divisions. Action Taken Report (ATR) on the decisions of the previous meeting(s) is placed at the next meeting of the Board/ Committee.

The Company has complied with the Secretarial Standard-1 on Meetings of the Board of Directors and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India.

(h) Independent Directors Meeting

Independent Directors met on February 05, 2020, without the attendance of Non-Independent Directors and members of the management of the Company. The Independent Directors, inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, also reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; for the Financial Year ended March 31, 2020. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(i) Familiarisation Programme for Independent Directors

In Compliance with the Regulation 25 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company familiarises its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, Legal updates, etc. In this regard, the Company follows a structured familiarisation programme for the Independent Directors. The details related thereto are displayed on the Company's website www.apmindustries.co.in. The web link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2020/02/Famprog05.pdf>

(j) Chart setting out the skills/expertise/competence of the board of directors

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensure that the Company's Board is in compliance with the highest standards of corporate governance.

In the table below, the specific areas of focus or expertise of Individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Directors	Area of Expertise					
	General Management and Business Operations	Leadership	Financials	Risk Management	Board service and Governance	Sales and Marketing
Shri Rajendra Kumar Rajgarhia Chairman	✓	✓	✓	✓	✓	✓
Shri S G Rajgarhia Director	✓	✓	✓	✓	✓	-
Shri Hari Ram Sharma Managing Director	✓	✓	✓	✓	✓	✓
Shri Khushi Ram Gupta Independent Director	✓	✓	✓	✓	✓	-
Shri Ram Ratan Bagri Independent Director	✓	✓	✓	✓	✓	-
Smt Uma Hada Independent Director	✓	✓	✓	-	✓	-

(k) Confirmation of Independence

The Independent Directors of your Company have confirmed that (a) they meet the criteria of Independence as prescribed under Section 149 of the Act and Regulation 16 of the Listing Regulations, (b) they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence (c) their name were included in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs under Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, in the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Listing Regulations and are independent of the management of the Company.

The Company has complied with the provisions with respect to appointment and term of Independent Directors which are consistent with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors on the Board of the Company are given a formal appointment letter inter alia containing the terms of appointment, role, duties and responsibilities, code of conduct etc. The terms and conditions of appointment are available on the website of the Company at www.apmindustries.co.in. The web link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2019/08/TC-IDs.pdf>

(l) Number of shares held by Board of Directors as on March 31, 2020

Details of the shareholding held by Board of Directors as on March 31, 2020 are given in the table below:

Name of directors	Number of Shares	% of shareholding
Shri Rajendra Kumar Rajgarhia	3850000	17.81
Shri Hari Ram Sharma	1045	0.00
Shri S G Rajgarhia	573850	2.66
Shri Khushi Ram Gupta	Nil	Nil
Shri Ram Ratan Bagri	20000	0.09
Smt. Uma Hada	2002	0.01

3. Committees of the Board

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth the purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. The Committees meet as often as required or as statutorily required. Committees that are constituted voluntarily for effective governance of the affairs of the Company may also include Company executives.

The minutes of the meetings of all Committees of the Board are placed quarterly at Board meetings for noting.

Major Committees are:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

Recommendations made by these Committees have been accepted by the Board. The Company Secretary officiates as the Secretary of the Committees. Detailed terms of reference, composition, quorum, meetings, attendance and other relevant details of these committees are as under:

AUDIT COMMITTEE

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Committee through regular interaction with external and internal auditors and review of financial statements ensures that the interests of stakeholders are properly protected.

All members of the Audit Committee are financially literate and a majority has accounting or financial management expertise.

(i) Terms of reference:

The Audit Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of Companies Act, 2013 (hereinafter referred as 'the Act') and Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations, 2015 which, inter alia, includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration, terms of appointment of auditors of the Company including their replacement or removal;
3. Approval of payment to statutory auditors for any other permitted services rendered by the statutory auditors;
4. Reviewing and examining, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Draft Auditors' report including qualifications, if any;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing and monitoring, with the management, the statement of uses/ application of funds raised through an issue/ public offers (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter;
7. Reviewing and monitoring with the management, independence and performance of statutory and internal auditors, adequacy of the internal control systems, and effectiveness of the audit processes;
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
9. Discussion with internal auditors on any significant findings and follow up thereon;
10. Reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
13. To review the functioning of the Whistle Blower Policy (Vigil Mechanism);
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
15. Approval or any subsequent modification of transactions of the Company with related parties;
16. Scrutiny of inter-corporate loans and investments;
17. Valuation of undertakings or assets of the Company, wherever it is necessary;
18. Evaluation of internal financial controls and risk management system;
19. Review of Management discussion and analysis of financial condition and results of operations;
20. Review of Management letters / letters of internal control weaknesses issued by the statutory auditors;
21. Review of Internal audit reports relating to internal control weaknesses;
22. Review of Financial statement, in particular, investments made by the subsidiary company(s);
23. Recommend appointment and remuneration of Cost Auditors;
24. Any other role as prescribed by the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

(ii) Composition

As on date, the Committee comprises of Shri Khushi Ram Gupta, Chairman, Shri S G Rajgarhia, Shri Ram Ratan Bagri, Smt. Uma Hada, Members.

Invitees:

Shri Hari Ram Sharma, Managing Director is permanent invitee to the Audit Committee Meetings.

The representatives of Statutory Auditors and Internal Auditors, Chief Financial Officer and other executives, as desired by the Committee, attend the meetings as invitees.

(iii) Meetings, Quorum and Attendance

Audit Committee meets at least four times in a year with a gap of not more than 120 days between two consecutive meetings. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least two Independent Directors.

During the FY 2019-20, the Committee met five times i.e. on May 29, 2019; June 20, 2019; August 01, 2019; November 14, 2019 and February 05, 2020.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Shri Khushi Ram Gupta, Chairman	5	5
Shri S G Rajgarhia, Member	5	5
Shri Ram Ratan Bagri, Member	5	5
Smt. Uma Hada, Member	5	2

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee, constituted under Section 178 of the Act and Regulation 19 with Part D of Schedule II to the SEBI Listing Regulations, 2015, functions according to its terms of reference that define its authority, responsibility and reporting functions which, inter alia, include the following:

(i) Terms of reference:

The role of Committee is:

1. To identify persons who are qualified to become director in accordance with the criteria laid down and recommend to the Board, their appointment/ removal;
2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment / removal;
3. Specify manner for effective evaluation of performance of Board, Directors and its committees and review its implementation and compliance.
4. Extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.
5. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
6. To devise a policy on Board diversity;
7. To formulate and recommend to the Board policies relating to the remuneration for:
 - a. Directors;
 - b. Key Managerial Personnel; and
 - c. Other Employees of the Company;
8. To recommend remuneration payable to Managing Directors and Whole-time Directors;
9. To review and recommend nature of services rendered by any Director in other capacity and requisite qualification thereof;
10. To recommend the board, all remuneration, in whatever form, payable to senior management."
11. Any other role as may be prescribed by law, from time to time.

(ii) Composition

As on date, the Committee comprises of Shri Khushi Ram Gupta, Chairman, Shri Rajendra Kumar Rajgarhia, Shri Ram Ratan Bagri, Smt. Uma Hada, Members.

(iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a year. During the FY 2019-20 the Committee met twice i.e. on May 29, 2019 and August 01, 2019. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher, including at least one Independent Director.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Shri Khushi Ram Gupta, Chairman	2	2
Shri Rajendra Kumar Rajgarhia, Member	2	2
Shri Ram Ratan Bagri, Member	2	2
Smt. Uma Hada, Member	2	1

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee oversees various activities that lead to improve and effective shareholder services like review of adherence to the service standards adopted for shareholder services, measures taken for reducing the timelines for inter alia, redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate share certificates, dematerialisation/ rematerialisation of shares and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the SEBI Listing Regulations, 2015. Additionally, the Board has authorised the Company Secretary to exercise the powers of approving transfer/ transmission of shares. Normally, transfers/ transmissions are approved once in a fortnight.

(i) Terms of reference:

The role of Committee is:

1. To resolve the grievances of the security holders' complaints like non-transfer of securities, non-receipt of annual report, non-receipt of dividends/interest, issue of new /duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/warrants/ annual reports/statutory notices by the shareholders of the Company; and
6. The Committee shall perform all such other functions as may be prescribed under The Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and/or any other law for the time being in force, including any statutory amendments, modifications made there under.

(ii) Composition

As on date, the Committee comprises of Shri Khushi Ram Gupta, Chairman, Shri Ram Ratan Bagri, Shri Hari Ram Sharma, Members.

Compliance Officer

Ms. Neha Jain*, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of SEBI Listing Regulations, 2015.

**Ms. Neha Jain was appointed on May 29, 2019 as Company Secretary and Compliance Officer of the Company in place of Ms. Jyoti Upadhyay who has resigned w.e.f March 16, 2019.*

(iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a year. During the FY 2019-20 the Committee met twice i.e. on May 29, 2019 and November 14, 2019. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Shri Khushi Ram Gupta, Chairman	2	2
Shri Ram Ratan Bagri, Member	2	2
Shri Hari Ram Sharma, Member	2	2

(iv) Investors' Grievances/Complaints

During the FY 2019-20, No complaint was pending as on March 31, 2020.

(v) Transfers, Transmissions etc. approved

During the FY 2019-20, the Company has resolved 2 cases (involving 370 equity shares) of transfer and 21 cases (involving 8625 equity shares) of transmission. There were no complaints pending as on March 31, 2020.

The Company had 8622 shareholders as on March 31, 2020.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corporate Social Responsibility Committee has been constituted to review and oversee the Corporate Social Responsibility ('CSR') initiatives of the Company.

(i) Terms of reference

The role of the Committee is:

1. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

2. To recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy and review the same;
3. To monitor the CSR Policy including CSR projects/programmes;
4. Any other role as may be prescribed by law or as may be delegated to the Committee by the Board, from time to time.

(ii) Composition

As on date, the Committee comprises of Shri Rajendra Kumar Rajgarhia, Chairman, Shri Ram Ratan Bagri, Shri Hari Ram Sharma, Members.

(iii) Meetings, Quorum and Attendance

During the FY 2019-20, the Committee met four times i.e., on June 20, 2019, August 01, 2019, November 20, 2019 and February 05, 2020.

The quorum for the meeting is two members or one third of the members of the Committee, whichever is higher.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Shri Rajendra Kumar Rajgarhia, Chairman	4	3
Shri Ram Ratan Bagri, Member	4	4
Shri Hari Ram Sharma, Member	4	4

4. PERFORMANCE EVALUATION AND ITS CRITERIA

Pursuant to the provisions of the Companies Act and the SEBI Listing Regulations, 2015, the Board has carried out annual evaluation of its performance, its Committees, Chairperson and Directors through structured questionnaire.

Performance of the Board was evaluated by each Director on the parameters such as its role and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner, regular evaluation of progress towards strategic goals and operational performance, adoption of good governance practices and adequacy and length of meetings, etc. Independent Directors also carried out evaluation of the Board performance.

Board Committees were evaluated by the respective Committee members on the parameters such as its role and responsibilities, effectiveness of the Committee vis-a-vis assigned role, appropriateness of Committee composition, timely receipt of information by the Committee, effectiveness of communication by the Committee with the Board, Senior Management and Key Managerial Personnel.

Performance of the Chairperson was evaluated by the Independent Directors after taking into account the views of Executive and Non-executive Directors, on the parameters such as demonstration of effective leadership, contribution to the Board's work, relationship and communications with the Board and shareholders, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/ her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board members, Senior Management and Key Managerial Personnel, etc. Nomination, Remuneration and Compensation Committee also carried out the performance evaluation of the individual Directors. The performance evaluation of the Non – Independent Directors was also carried out by the Independent Directors.

Outcome of the evaluation was submitted to the Chairman of the Company. The Chairman briefed the outcome of the performance evaluation to the Board.

5. REMUNERATION OF DIRECTORS**(a) Remuneration to Executive Directors**

Details of the remuneration paid to Chairman and Managing Director during financial year 2019-20 are as under:-

(Amount in Lakhs)

Name of Director	Basic Salary	Benefits/Allowances/Perquisites	Pension/PF	Total
Shri R K Rajgarhia	65.00	46.83	-	111.83
Shri Hari Ram Sharma	59.00	44.51	0.22	103.73

(b) Remuneration to Non-Executive Directors

Shri S G Rajgarhia, Shri Khushi Ram Gupta, Shri Ram Ratan Bagri and Smt. Uma Hada, Non-Executive Director, have opted not to receive any remuneration.

As on March 31, 2020, Shri S G Rajgarhia, Shri Ram Ratan Bagri and Smt. Uma Hada holds 573850, 20000 and 2002 equity shares of the Company respectively and Shri Khushi Ram Gupta does not hold any equity shares.

Other than holding equity shares and payment of sitting fees as indicated below, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the year.

The details of sitting fees to the Non- Executive Directors for year ended March 31, 2020 are as follows:

Name of Director	Board Meetings	Committee Meetings	Total
Shri Khushi Ram Gupta	1.20	1.75	2.95
Shri S G Rajgarhia	1.20	1.00	2.20
Shri Ram Ratan Bagri	1.20	1.75	2.95
Smt. Uma Hada	0.40	0.55	0.95

(c) Criteria for making payment to Non-Executive Directors

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at Board/Committee meetings. They are remunerated by way of sitting fees for attending the meetings and through commission as approved by the Board and members. The criteria have been defined in the Nomination and Remuneration Policy of the Company. The criteria are also displayed on Company's website. The web link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2019/05/Remuneration-Criteria-NEDs.pdf>

(d) Details of Service Contracts, Notice Period, etc. of all the Directors for the financial year

Name of Director	Contract Period (Tenure)	Service Contract	Notice Period	Severance fees, if any
Shri Rajendra Kumar Rajgarhia	01.06.2016 to 31.05.2021 (Chairman)	Yes	No	No
Shri Hari Ram Sharma	01.06.2016 to 31.05.2021 (Managing Director)	Yes	No	No
Non Executive Directors other than Independent Directors	None The Non Executive Directors other than Independent Directors, liable to retire by rotation, get re-appointed as per the provisions of Articles of Association of the Company and the applicable provisions of Companies Act, 2013	No	No	No

6. GENERAL BODY MEETINGS

(a) The details of the last three Annual General Meetings (AGM) of the Company are as follows:

Financial Year	Date	Time	Location
2018-2019 (45 th AGM)	September 28, 2019	11:30 AM	SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan) – 301019
2017-2018 (44 th AGM)	September 22, 2018	11:30 AM	SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan) – 301019
2016-2017 (43 rd AGM)	September 25, 2017	11:30 AM	SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Rajasthan) – 301019

(b) Special resolution passed during last three AGMs:

The details of the Special Resolution passed during last three AGM are mentioned below:-

AGM	Special Resolution Passed
45 th AGM	1) To Re-appoint Shri Khushi Ram Gupta (DIN: 00027295) as Non-Executive Independent Director on the Board of the Company. 2) To Re-appoint Shri Ram Ratan Bagri (DIN: 00275313) as Non-Executive Independent Director on the Board of the Company.
44 th AGM	1) Revision in terms of remuneration of Shri Rajendra Kumar Rajgarhia (DIN: 00141766), Chairman of the Company. 2) Revision in terms of remuneration of Shri Hari Ram Sharma (DIN: 00178632), Managing Director of the Company.
43 rd AGM	No Special Resolution was passed.

(c) Whether any Special Resolution(s) passed through Postal Ballot during Financial Year 2019-20

No special resolution was through Postal Ballot during the Financial Year 2019-20.

(d) Whether any Special Resolution(s) are proposed to be passed through Postal Ballot

Special Resolutions as may be necessary under the Companies Act/SEBI Listing Regulations, 2015 would be passed through Postal Ballot.

(e) Procedure for Postal Ballot

- The notices containing the proposed resolutions and explanatory statements thereto are sent to the registered postal/ email addresses of all shareholders of the Company alongwith a Postal Ballot Form and a postage pre-paid business reply envelope containing the address of the Scrutinizer appointed by the Board for carrying out postal ballot process.
- The Postal Ballot Forms/e-voting received within 30 days of dispatch are considered by the Scrutinizer.
- The Scrutinizer submits his report to the Chairman of the Company or a person authorized, who on the basis of the report announces the results.
- The Company has entered into an agreement with National Securities Depository Limited (NSDL) for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the proposals of the Company.

7. MEANS OF COMMUNICATION

- (a) Financial Results:** The quarterly, half yearly and annual financial results are regularly submitted to the Stock Exchange where the securities of the Company are listed i.e. BSE Limited and also posted on the website of the Company i.e. www.apmindustries.co.in.
- (b) Newspaper Advertisement:** The quarterly, half yearly and annual financial results published in the leading newspapers i.e. 'Business Standard' and regional newspapers like 'Seema Sandesh'.
- (c) Website:** Various sections of the Company's website keep the investors updated on material developments of the Company by providing key and timely information like details of directors, financial results, annual reports, shareholding pattern etc. The website of the company is www.apmindustries.co.in.
- (d)** The Investor Relations department of the Company regularly interacts with current and prospective investors and capital market intermediaries (brokers) who either invest in Company stocks and/or encourage investors to do the same. Investor Relations Department responds to all requests from investors and analysts, through calls/emails, with respect to the business profile and financial performance of the Company. The published results are shared after the Board meeting by uploading on the company's website for all interested stakeholders.
- (e)** Annual Report is emailed to such shareholders whose email ids are registered with the Company/ Depositories.

8. CODES AND POLICIES

The Company has established the following salient codes and policies:

(a) Code of Conduct for Directors and Senior Management

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration signed to this effect by Shri Hari Ram Sharma, Managing Director is enclosed as **Annexure-A**. The Code of Conduct is posted on the Company's website. The web link of the same is <https://www.apmindustries.co.in/wp-content/uploads/2020/02/COC-for-Board.pdf>.

(b) Code of Conduct for Insider Trading

The Company has formulated and implemented a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by its Designated Persons. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code.

The Company has also implemented Policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code. Report on dealing in the shares of the Company by the Designated Persons is placed before the Chairman of the Audit Committee and the Board.

(c) Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information (UPSI)

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of UPSI with a view to facilitate prompt, uniform and universal dissemination of UPSI. The web link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2019/05/COP-of-UPSI.pdf>.

(d) Policy for Determination of Events and Information

The Company has adopted a Policy for Determining Materiality of Events and Information for the purpose of making disclosure to the Stock Exchange. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchange. The Policy is displayed on the Company's website. This policy displayed on Company's website www.apmindustries.co.in.

(e) Policy for Preservation of Documents

The Company has a Policy for Preservation of Documents. The Policy facilitates preservation of documents in compliance with the laws applicable to various functions and departments of the Company.

(f) Archival Policy

The Company has adopted an Archival Policy, that lays down the process and manner of archiving the disclosures made to the Stock Exchange under the SEBI Listing Regulations, 2015. The Policy provides that such disclosures, shall be hosted on the website of the Company for a period of five years from the date of disclosure to the Stock Exchange. The Policy also lays down the manner of archiving these disclosures after the period of 5 years. The Policy has been posted on the Company's website www.apmindustries.co.in.

(g) Policy for Determining Material Subsidiaries

This policy is displayed on the Company's website. The web link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2020/03/Policy-for-Determining-Material-Subsidiaries.pdf>.

(h) Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions

This policy is displayed on the Company's website. The web-link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2019/08/Policy-RPT.pdf>.

No material Related Party Transaction was entered into during FY 2019-20.

(i) Whistle Blower Policy

APM has a robust Whistle Blower Policy to make the workplace at APM conducive to open communication regarding business practices. It enables the Directors and full time employees to voice their concerns or disclose or report fraud, unethical behaviour, violation of the Code of Conduct, questionable accounting practices, grave misconduct, etc. without fear of retaliation/ unlawful victimization/ discrimination which is a sine qua non for an ethical organization.

The Whistle Blower Policy has been posted on the Company's website. The web-link for the same is <https://www.apmindustries.co.in/wp-content/uploads/2017/08/Policy-WBM.pdf>.

(j) Corporate Social Responsibility (CSR) Policy

The Company's CSR policy is displayed on Company's website www.apmindustries.co.in.

(k) Nomination and Remuneration Policy

The Company has a Policy on appointment and remuneration of Directors, Key Managerial Personnel ('KMP') and Senior Management / other employees ('Employees') of the Company.

The Policy aims to ensure that the persons appointed as Directors, KMP and Employees possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully. The Policy contains, inter alia, provisions pertaining to qualification, attributes and process of their appointment and removal as well as components of remuneration. The Policy is displayed on the Company's website and the web-link for the same is: <https://www.apmindustries.co.in/wp-content/uploads/2019/08/Policy-NRC.pdf>

9. DISCLOSURES

- (a)** There are no materially significant transaction with the related parties viz. Promoters, Director or the Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large. Related party transactions are given at Note No. 50 of Notes to the Financial Statements in the Annual Report.
- (b)** The Company has complied with various rules and regulations prescribed by the Stock Exchange, SEBI or any other statutory authority relating to the capital markets and no penalties or strictures have been imposed by them on the Company during last three years except late filing of Corporate Governance Report for the quarter ended on March 31, 2019 and Audited Financial Results for the financial year ended on March 31, 2019 due to pending order of Scheme of Arrangement. Fine was imposed by Stock Exchange i.e. BSE and said penalty paid by the Company.
- (c)** Detailed notes on risk management are included in the Management Discussion Analysis section.
- (d)** The Company has complied with the requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation 2 of Regulation 46 of SEBI Listing Regulations, 2015, as amended from time to time.
- (e)** Pursuant to Schedule VI, Regulation 39 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Clause 5A of SEBI Listing Agreements, the Company had already sent reminder letters to those shareholders whose shares are remaining unclaimed and lying with the Company/ Registrars and Share Transfer Agents.
- (f)** Details of total fees paid to Statutory Auditors are provided in Note No. 35 to the financial Statements forming part of Annual Report.
- (g)** During the year under review, the Company did not raise any proceeds through a public issue, rights issue and/or preferential issue.
- (h)** During the year, no complaint was filed, disposed and pending in relation to Sexual Harassment of Woman at Work place (Prevention, Prohibition and Redressal) Act, 2013.

10. GENERAL SHAREHOLDERS' INFORMATION**(a) Date, Time and venue for 46th Annual General Meeting**

As per notice of 46th Annual General Meeting.

(b) Financial Year and Financial Calendar

The Company observes April 1 to March 31 of the following year as its Financial Year. The Financial Calendar for year 2020-21 is as follows:

Item	Tentative Dates*
First Quarter Results	August 14, 2020
Second Quarter Results	November 13, 2020
Third Quarter Results	February 12, 2021
Audited Annual Results for the year	May 28, 2021

* As approved by the Board. However these dates are subject to change.

(c) Book Closure & Dividend Payment Dates

Book Closure date is as per Notice of 46th Annual General Meeting. Further, no dividend has been recommended for the year ended March 31, 2020.

(d) Listing

The name of the Stock Exchange at which the securities of the Company are listed and the respective scrip code are as under:

Name of the Stock Exchange	Security Listed	Scrip Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	Equity Shares	523537

(e) Market Price Data

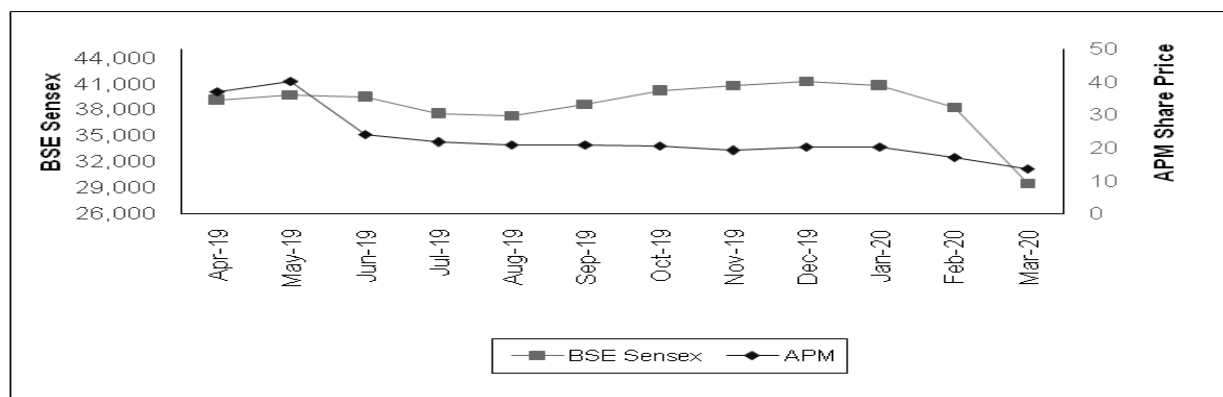
Monthly high/low of market price of the Company's equity shares (of Rs. 2 each) traded on the Stock Exchange (BSE) during 2019-20 is given hereinafter:

(Amount in Rs.)

Month	High Price	Low Price
April, 19	43.35	36.85
May, 19	43.70	34.00
June, 19	47.00	21.85
July, 19	27.50	17.50
August, 19	23.55	17.50
September, 19	23.80	18.20
October, 19	21.85	16.05
November, 19	22.00	17.10
December, 19	21.75	16.30
January, 20	23.35	19.10
February, 20	21.80	17.00
March, 20	20.55	10.65

(f) Performance of the Company's equity shares in comparison to BSE Sensex

The below chart is based on the monthly closing price of the equity shares of the Company on BSE and monthly closing BSE Sensex.



(g) Compliance Officer

Ms. Neha Jain, Company Secretary, is the Compliance Officer appointed by the Board. She can be contacted for any investor related matter relating to the Company. The contact no. is 011-26441018 and e-mail id is "csapmindustriesltd@gmail.com".

(h) Registrar and Share Transfer Agent

For share related matters, members are requested to correspond with the Company's Registrar and Share Transfer Agent – Skyline Financial Services Private Limited quoting their Folio No. / DP ID & Client ID at the following address:

Skyline Financial Services Private Limited,
D-153A, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi - 110 020
Tel: +011-40450193-97, E-mail: admin@skylinerta.com, info@skylinerta.com

(i) Share Transfer System

In order to expedite the process of share transfers, the Board has delegated the power to the Company Secretary of the Company. Share transfers which are received in physical form, are processed and the share certificates are returned within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects. The dematerialised shares are transferred directly to the beneficiaries by the depositories. The Securities Exchange Board of India (SEBI) vide SEBI (Listing Regulations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated June 8, 2018 and press release, PR No.: 51/2018 dated December 3, 2018, has amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, whereby transfer of securities of a listed company would not be processed unless the securities are held in dematerialized form. The said regulations shall be effective from April 1, 2019 and all the shares lodged for transfer thereafter shall be in dematerialized form only.

The Company has complied with the requirements of Regulation 40 read with Schedule VII of the SEBI Listing Regulations, 2015 with respect to all formalities of transfers or transmissions of share.

The Company obtains a half- yearly compliance certificate from a Company Secretary in Practice as required under Regulation 40(9) of the SEBI Listing Regulations, 2015 and file a copy of the said Certificate with the Stock Exchange.

Pursuant to Regulation 7(3) of the SEBI Listing Regulations, 2015, Compliance Certificate duly signed by the Compliance Officer and the authorized representative of the Company's RTA viz. Skyline Financial Services Private Limited confirming that all activities in relation to both physical and electronic share transfer facility are being maintained by the RTA for the half year ended September 30, 2019 and March 31, 2020 have been duly submitted to the Stock Exchange.

(j) Credit Ratings

The Company has received the credit rating from CARE Ratings Limited ("CARE"). At present the Company's long term credit rating is CARE BBB (pronounced by CARE Triple BBB) on the long term bank facilities.

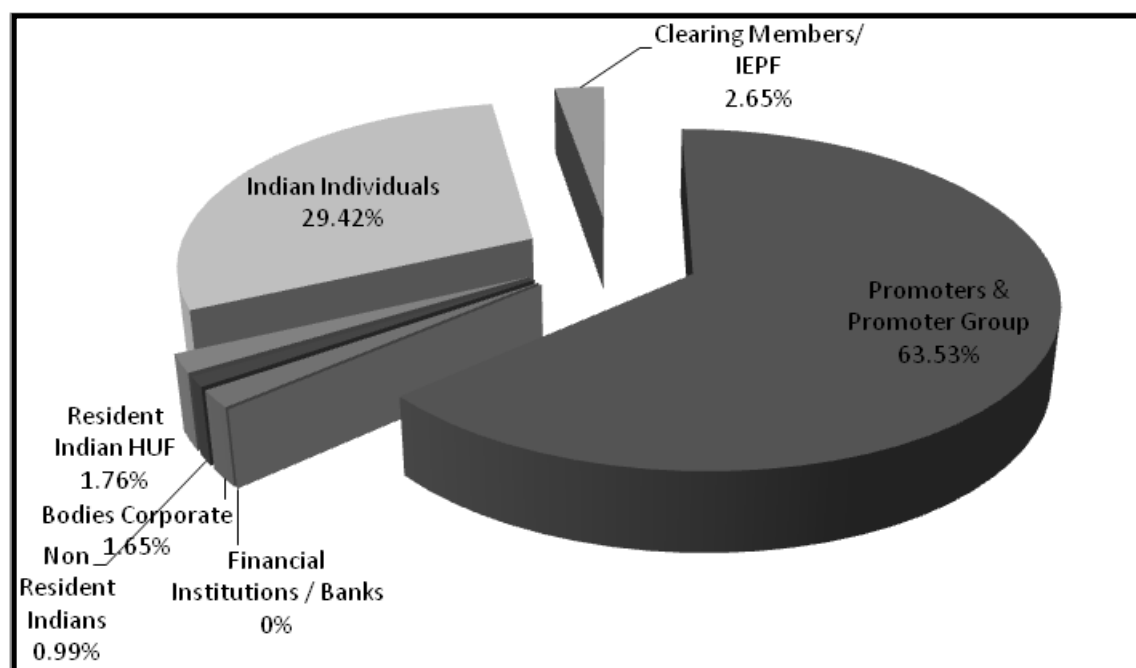
(k) Distribution of shareholding as on March 31, 2020**(i) Value wise**

Shareholding of Nominal Value	Shareholders		Shareholding	
	Number	Percentage	Amount (Rs.)	Percentage
Upto 5000	8262	95.82	5790960	13.40
5001 to 10000	188	2.18	1385232	3.20
10001 to 20000	85	0.99	1215452	2.81
20001 to 30000	25	0.29	615136	1.42
30001 to 40000	7	0.08	240112	0.56
40001 to 50000	11	0.13	489016	1.13
50001 to 100000	14	0.16	1018134	2.36
Above 100000	30	0.35	32468678	75.12
Total	8622	100	43222720	100

(ii) Category wise

S. No.	Category	No. of Shares	Shareholding as a % of total number of shares
A	Promoter & Promoter Group	13730620	63.53
B	Public Shareholding		
1	Financial Institutions/ Banks	250	0.00
2	Bodies Corporate	356446	1.65
3	Non-Resident Indians	213110	0.99
4	Resident Indian HUF	380751	1.76
5	Indian Individuals	6357500	29.42
6	Clearing Members/IEPF	572683	2.65
	Total	21611360	100

Graphical Presentation of Shareholding



(l) Unclaimed Dividends

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website i.e. www.apmindustries.co.in.

During the year following dividends alongwith equity shares on which dividend has not been claimed for seven consecutive years has been transferred to IEP Fund:

Financial Year	Particulars	No. of Shares transferred
2011-12	Final Dividend	79815
2012-13	Interim Dividend	14240

The below mentioned tables give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Share Transfer Agent:

Financial Year	Particulars	Date of Declaration	Due date to transfer to IEPF
2013-14	Interim Dividend	November 08, 2013	December 16, 2020
2013-14	Final Dividend	September 25, 2014	November 02, 2021
2014-15	Interim Dividend	November 07, 2014	December 15, 2021
2014-15	Second Interim Dividend	April 08, 2015	May 16, 2022
2015-16	Interim Dividend	November 06, 2015	December 14, 2022
2015-16	Second Interim Dividend	March 11, 2016	April 18, 2023
2016-17	Interim Dividend	November 11, 2016	December 19, 2023
2016-17	Final Dividend	September 25, 2017	November 03, 2024
2017-18	Final Dividend	September 22, 2018	October 30, 2026
2018-19	Final Dividend	September 28, 2019	November 03, 2026

(m) Information pursuant to Regulation 36(3) of the SEBI Listing Regulations, 2015

Information pertaining to particulars of Director to be appointed / re-appointed at the forthcoming Annual General Meeting has been included in the Notice convening the Annual General Meeting.

(n) Certification of Non-Disqualification of Directors from Company Secretary in Practice

Ms. Suman Pandey, Partner of RSM & Co., Company Secretary in Practice, has issued a certificate as required under the Listing regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure-B**

(o) Compliance Certificate from the Practicing Company Secretary

The Company has obtained a Certificate from Ms. Suman Pandey, Partner of M/s RSM & Co., Company Secretary in Practice confirming compliance of conditions of Corporate Governance as stipulated in Schedule V(E) of the SEBI Listing Regulations, 2015. The Certificate is attached as **Annexure-C**.

(p) (i) Dematerialization of Shares

The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 20534737 equity shares of the Company were in dematerialized form as on March 31, 2020. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE170D01025.

(ii) Liquidity

The Equity Shares of the Company are frequently traded on the BSE Limited.

(q) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

(r) Registered Office and Location of Plant

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

(s) Address for Correspondence

APM Industries Limited
910, Chiranjiv Tower-43, Nehru Place,
New Delhi-110019
Tel: 011-26441018
Email:- csapmindustriesltd@gmail.com
Website:- www.apmindustries.co.in

(t) Corporate Identification Number (CIN)

L21015RJ1973PLC015819

11. COMPLIANCE WITH THE REGULATIONS RELATED TO CORPORATE GOVERNANCE IN THE SEBI LISTING REGULATIONS, 2015**(a) Mandatory Requirements**

The Company has complied with mandatory requirements relating to corporate governance as prescribed in SEBI Listing Regulations, 2015.

(b) Extent to which Discretionary Requirements have been adopted:

The status of adoption of non-mandatory requirements as specified in Regulation 27(1) read with Part E of Schedule II of the SEBI Listing Regulations, 2015 is given below:

(i) The Board

The Chairman is an Executive Promoter Director.

(ii) Shareholders' Rights

As the quarterly and half-yearly performance are published in the newspapers and are posted on the Company's website, the same are not being sent separately to each household of the shareholders.

(iii) Modified Opinion(s) in Audit Report

The Company's financial statement for the financial year ended March 2020 does not contain any modified opinion.

(iv) Reporting of Internal Auditor

Internal Auditor reports to the Audit Committee.

CEO/CFO Certification

In compliance with Regulation 17(8) read with Schedule II(B) of the SEBI Listing Regulations 2015, a declaration by Managing Director and CFO is enclosed as **Annexure-D** which, inter-alia, certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose.

Investor Services

In an endeavour to give best possible service to investors, the Company has taken the following initiatives:

- Emailing Annual Report and Notice of Annual General Meeting to shareholders, whose e-mail IDs are available.
- User friendly Investor Section on the website of the Company www.apmindustries.co.in.
- A dedicated e-mail ID viz. csapmindustriesltd@gmail.com for sending communications to the Company Secretary & Compliance Officer. Members may lodge their complaints or suggestions on this e-mail ID as well.
- Further, quarterly and annual financial results of the Company are also uploaded on the website of the Company for the benefit of the shareholders and public at large.

For and on behalf of the Board

Place : New Delhi
Dated : August 24, 2020

Rajendra Kumar Rajgarhia
Chairman
DIN: 00141766

Annexure-A

TO WHOMSOEVER IT MAY CONCERN

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2020.

For and on behalf of the Board

Place : New Delhi
Date : August 24, 2020

Hari Ram Sharma
Managing Director

Annexure-B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,

The Members
APM INDUSTRIES LIMITED
CIN: L21015RJ1973PLC015819
SP-147, RIICO INDUSTRIAL AREA BHIWADI RJ 301019

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of APM INDUSTRIES LIMITED having CIN: L21015RJ1973PLC015819 and having Registered Office: SP-147, RIICO INDUSTRIAL AREA BHIWADI RJ 301019 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company, our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RSM & CO.
Company Secretaries

CS SUMAN PANDEY
PARTNER
FCS NO. 7606, C.P. NO. 8404
UDIN: F007606B000608228

Dated : 24.08.2020
Place : New Delhi

COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of
APM Industries Limited

1. We have examined the compliance of conditions of Corporate Governance by APM INDUSTRIES LIMITED for the year ended 31st March 2020, as stipulated in SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 ("Listing Regulations").
2. The Compliance of condition 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. 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 Listing Regulations, as applicable.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RSM & CO.
Company Secretaries
FRN.P1997DE017000

SUMAN PANDEY
Partner
M. No F 7606 CP 8404
UDIN:F007606B000608250

Place : New Delhi
Dated : August 24, 2020

CERTIFICATE OF CEO/CFO

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

This is to certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year 2019-20 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, wherever applicable, to the auditors and the Audit committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board

Place : New Delhi
Date : June 29, 2020

C S Vijay
Chief Financial Officer

Hari Ram Sharma
Managing Director

Annexure-7**MANAGEMENT DISCUSSION AND ANALYSIS**

[Schedule V – Regulation 34(3) of SEBI (LODR) Regulations, 2015]

Introduction

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

a) INDUSTRY STRUCTURE AND DEVELOPMENTS

India is among the world's largest producers of textile and apparels. The domestic textile & apparel industry contributes, 2.30% to India's GDP and account for 13% of Industrial production and 12% of the country's export earnings.

The textile industries have been adversely effected because of lockdown due to Covid – 19 pandemic. The sector is reeling under liquidity and cost pressure as well due to the unprecedented damage caused by Covid – 19 pandemic.

However with positive sentiments for India, we expect to do well in coming years.

b) OPPORTUNITIES & THREATS

We expect that there will be good growth potential in the apparel sector. With the growth of automobiles, demand for technical textiles will also increase. The awareness of fashion amongst the young generation is pushing up the per capita consumption of textiles in India. The Government of India has given special incentives to the garment sector under TUF Scheme. Government of India also announced 20 Lakh Crore special economic package in relation to the Covid- 19. Crisis. This package will be helpful to improve the liquidity of MSME sector & to achieve make in India initiative of Govt. of India.

The uncertainty in the market due to Spread of Covid- 19 pandemic is a threat to the industry. Also there is a shortage of skilled/unskilled labour, which may affect the working of the Company.

c) SEGMENT-WISE PERFORMANCE

The Company has only one line of business, i.e., manufacturing of yarn during the year under review, hence no segment wise information is required. The Company has no activity outside India. Therefore, there is no geographical segment.

d) OUTLOOK

India is second largest producer and exporter of textiles after China and fourth largest producer and exporter of apparel after China, Bangladesh and Vietnam. The textiles and apparel industry constitute 12% of the total exports of India.

Exports have been a core feature of India's textile Sector. Indian textile and apparel approval exports were estimated at USD 35.5 billion in 2019 and is expected to grow at CAGR of 11% over the next decade to reach USD 100 billion by 2029. Export of both man made textile and readymade garment have seen a major boost. A major factor behind the robustness of India's textile industry is its strong production base with a wide range of fibers and yarns.

To take advantage of the opportunities, the Company continues to modernize its plant and machinery and add balancing equipment to improve quality of products.

e) RISKS & CONCERNS

Volatile oil prices directly influence pressure on polyester fiber prices almost on daily basis. This cannot be passed on to the customers on a day to day basis. Hence new element of risk has been introduced in the yarn industry. Also the non-availability of trained/skilled man power is a matter of concern. The pandemic has also affected India, but with the right economic stimulus and the gradual opening up of the lockdown the situation can be expected to improve.

f) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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, 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.

g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATING PERFORMANCE

The operating performance of the Company has been discussed in the Directors Report under the head financial summary and state of Company affairs/operations. The Profit before Tax for the year 2019-20 was Rs. 714 lakhs as against Rs. 811 lakhs in the year 2018-19. The profitability of the Company was affected due to heavy fluctuations in raw material prices, particularly synthetic staple fiber, because of the heavy fluctuations in crude oil prices. The profitability is also marginally impacted due to the shutdown of the company's plant from 22.03.2020 under the lockdown announced by the state/ central government after the outbreak of Covid- 19 pandemic.

h) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company treats 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 their efficiency. The industrial relations remained cordial throughout the year.

i) OVERVIEW OF THE COMPANY'S PERFORMANCE

During the year 2019-20, the production of synthetic blended yarn was 171 lakh Kgs as compared to 169 lakh kgs in 2018-19, which is slightly higher than last year, it could have been more better if lockdown due to covid-19 pandemic had not happens. The gross revenue slightly decreased from Rs. 27365 lakhs to Rs. 26992 lakhs. This was due to shutdown of the company's plant from 22.03.2020 due to Lockdown announced by central/ State Government. Net profits slightly reduced from Rs. 734 lakhs in 2018-19 to Rs. 717 lakhs in 2019-20, which was mainly due to heavy fluctuations in raw material prices, particularly synthetic staple fibers, because of the heavy fluctuations in crude oil price and also due to effect of Covid – 19 pandemic.

The earnings per share for the year 2019-20 was Rs. 3.32 as compared to the previous year's Rs. 3.40.

j) LONG TERM AND SHORT TERM STRATEGY OF COMPANY**Water Conservation**

The Company has undertaken rain water harvesting for preservation of water and also increasing the water level in and around the Company's manufacturing facilities. The Company constructed 6 mini ponds outside the mill area for the purpose of water harvesting in line with ' JAL Swavlamban Abhiyan' of the Government of Rajasthan.

The company is planning to construct more water ponds in the year 2020-21 for the purpose of Recharge ground water in two villages of tehsil Tijara (District- Alwar) Rajasthan.

Waste Water Utilization

The Company focused on the prudent utilization of waste water with the objective to put every drop to productive use.

All effluents discharged from the dye house are reused after treatment in the effluent treatment plant (Including condensate from the MEE operation). 100% STP treated water is used for various activities including gardening.

We have installed Innovative Plate Heat Exchanger to recover heat from waste water effluent, wherein we have achieved significant saving in steam consumption and thus in fuel and boiler feed water requirement.

Renewable Energy

We believe that investment in renewal energy moderates carbon footprint, reduces energy costs, enhances power security and provides a long term insurance against an increase in power cost. The Company has invested Rs. 415 lakhs to commission roof top solar energy panels of 1.0 MW in 2017-18 with a payback period of around 5 years. The Company has also invested Rs. 616 Lakhs to commission ground mounted/ rooftop solar energy panels of 1.722 MW in 2019-20 with a payback period of around 4 years.

The proactive investments moderated the Company's carbon foot print and power cost.

These activities towards energy conservation reduced 16.86 Lakhs units energy consumption in the year 2019-20.

k) SIGNIFICANT CHANGES IN FINANCIAL RATIOS

During the year, the significant changes in the financial ratios of the Company, which are 25% or more as compared to the previous year are summarized below:

Financial Ratios	FY 2019-20	FY 2018-19	Change in %	Reason for Change
Debtors Turnover Ratio	10.17	9.60	5.94	-
Inventory Turnover (RM)	21.81	24.41	(10.65)	-
Interest Coverage Ratio	2.52	2.97	(9.42)	-
Current Ratio	1.37	1.23	11.38	-
Debt equity Ratio	0.40	0.47	(14.89)	-
Operation Profit Margin (%)	3.86	3.09	25.42	Due to raw material cost reduction
Net Profit margin (%)	2.67	2.72	(2.20)	-
Return on Net Worth (%)	5.37	6.18	(13.27)	-

l) 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
Dated : August 24, 2020

Rajendra Kumar Rajgarhia
Chairman
DIN: 00141766

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF APM INDUSTRIES LIMITED
Report on the Audit of the Financial Statements**

1. Opinion

We have audited the accompanying financial statements of APM Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, along with a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report:-

Key audit matter	Auditor's response
In line with the directions issued by the State Government of Rajasthan, Central Government of India regarding lockdown to restrict the movement of the people to check spread of infectious disease COVID -19, the Company temporarily suspended the operations of its manufacturing unit from March 22, 2020 till May 04, 2020. This has also resulted in restriction in movement of goods impacting normal business operations of the Company including revenues, receivables, purchases and inventories at the year end. Further, Management was unable to perform year end procedure for physical verification of inventories. Management had carried out other procedures to validate the existence of its inventory as at the year end, such as carrying out consumption analysis and stock movement analysis, performing roll-back procedures from the subsequent year end physical verification date to determine the quantities of the inventory at the balance sheet date.	<p>We have performed the following procedure to assess and evaluate the impact on the financial statements:</p> <ul style="list-style-type: none"> Performed cut-off procedures to ensure sale (if any) made during the lockdown period. Enquired with the Company on any negative information on the liquidity position of customers; and ascertained the need for any additional provisioning for impairment/ credit loss in the financial statements. Our ability to perform regular audit procedures has been impacted which has required us in certain cases to perform alternative audit procedures and exercise significant judgement. Performed the following alternate audit procedures to audit the existence of inventories as at the year end, since we were not able to observe the physical stock verification:-

- Understood the process and tested the management's internal controls to establish the existence of inventory in relation to the process of periodic physical verification carried out by the management, the scope and coverage of the periodic verification programme, the results of such verification including analysis of discrepancies, if any;
- Tested the analytical reviews performed by the Company such as consumption analysis and stock movement analysis for the year in respect of key items of raw material and finished goods.
- Obtained the roll back procedures performed by the management from the subsequent year end physical verification date to arrive at the quantities as at the balance sheet date.
 - Assessed the disclosures on impact of COVID-19 made in the financial statements.

4. Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including its Annexures, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. Other Information as described above is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Management Discussion and Analysis, Board's Report including its Annexures, Corporate Governance and Shareholder's information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance to correct the same. If material misstatement of the other information remains uncorrected, we may take appropriate action considering our legal rights and obligations, to seek and have the uncorrected misstatement appropriately brought to the attention of the user for whom the Auditor's Report is prepared.

5. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with Governance, we determine those matters that were of most significance in the Audit of Financial Statements of the current period and are therefore the key audit matters. We Describe these matters in our Auditor's Report unless Law or Regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and 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 it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none

of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B". Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the company has paid/provided the managerial remuneration to its directors during the year as per section 197 read with schedule V of the Companies Act, 2013.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements- Refer Note 37 of the Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There was no amount outstanding as at March 31, 2020 which was required to be transferred to the Investor Education and Protection Fund by the Company.

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

ANUJ MAHANSARIA
Partner

New Delhi
June 29, 2020

Membership No. 500819
UDIN 20500819AAAAAH1620

ANNEXURE 'A' REFERRED IN INDEPENDENT AUDITOR'S REPORT OF EVEN DATE

The Annexure referred to in Independent Auditor's Report to the members of APM Industries Limited on the Financial Statements for the year ended March 31, 2020, we report that:

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. These Fixed assets have been physically verified by the management during the year pursuant to a regular programme designed for physical verification 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. According to the information and explanation given to us, title deeds and lease agreements of the immovable properties have been mortgaged as security with lenders i.e. banks for security of the borrowings raised by the Company. On the basis of our examination of the records of the Company and the copies of the title deeds and lease agreements available with the Company, the title deeds and lease agreements of immovable properties are held in the name of the Company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. Further, physical verification of inventory at the year end has been carried out by the management subsequent to year end due to lockdown restriction imposed by the State Government of Rajasthan/Central Government of India consequent to the outbreak of COVID-19 for which roll back procedures have been performed to determine the existence as at year end. The discrepancies noticed on verification between physical stocks and book records were not material and have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, LLP firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the clause (iii) (a), (b) and (c) of paragraph 3 of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the company has not, directly or indirectly, advance any loan, including any loan represented by a book debt, to any of its directors or to any other person in whom the directors are interested or give any guarantee or provide any security in connection with any loan taken by him or such other person. The Company had complied with the provision of Section 186 of the Companies Act, 2013 regarding investments.

- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. Accordingly, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company specified by the Central Government under Sub Section (1) of Section 148 of the Companies Act, 2013 and rules thereunder and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. a. The Company is regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Good and Service Tax, Customs Duty, Cess and other statutory dues, as applicable with the appropriate authorities and there are no undisputed statutory dues outstanding at year end for a period of more than six months from the date they became payable.
- b. According to the information and explanation given to us, there were no disputed amounts payable in respect of Income Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax or Cess as at March 31, 2020 except:

Name of the Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	127*	FY 2016-17	CESTAT, New Delhi
The Central Excise Act, 1944	Excise Duty	3	April 2017 to June 2017	Assistant Commissioner

* Net of payment of Rs. 14 lakhs.

- viii. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any bank and Financial Institution. The Company has not taken any loans or borrowings from Government and has not issued any Debentures.
- ix. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer during the year. The term loans availed during the year were applied for the purpose for which term loans were taken.
- x. According to the information and explanation given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the Company has paid or provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
- xii. The company is not a Nidhi Company. Accordingly, the clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, transactions with the related parties are in compliance with the section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standard.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Accordingly, the clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected to its directors as per section 192 of the Companies Act, 2013.
- xvi. The company is not required to be registered under section 45 –IA of Reserve Bank of India Act, 1934. Accordingly, the clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

ANUJ MAHANSARIA
Partner

New Delhi
June 29, 2020

Membership No. 500819
UDIN 20500819AAAAAH1620

ANNEXURE-B REFERRED IN INDEPENDENT AUDITOR'S REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of "APM INDUSTRIES LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E

ANUJ MAHANSARIA
Partner

New Delhi
June 29, 2020

Membership No. 500819
UDIN 20500819AAAAAH1620

BALANCE SHEET		(Rs. in Lakhs)	
AS AT MARCH 31, 2020			
PARTICULARS	Note No.	As At March 31, 2020	As At March 31, 2019
I. Assets			
1.0 Non-Current Assets			
(A) Property, Plant and Equipment	4	15,638	14,829
(B) Capital Work in Progress	4	45	620
(C) Intangible Assets	4	3	4
(D) Right of Use Assets	4	69	-
(E) Financial Assets			
(i) Investments	5	0	0
(ii) Loans	6	10	-
(iii) Other Financial Assets	7	351	311
(F) Non Current Tax Assets (net)	8	38	23
(G) Other Non Current Assets	9	80	156
Total Non-Current Assets		16,234	15,943
2.0 Current Assets			
(A) Inventories	10	4,957	4,732
(B) Financial Assets			
(i) Trade Receivables	11	2,307	2,919
(ii) Cash and Cash Equivalents	12	28	10
(iii) Bank Balance other than (ii) above	13	118	126
(iv) Loans	14	10	-
(v) Other Financial Assets	15	39	19
(C) Other Current Assets	16	416	615
Total Current Assets		7,875	8,421
TOTAL ASSETS		24,109	24,364
II. EQUITY AND LIABILITIES			
1.0 EQUITY			
(A) Equity Share Capital	17	432	432
(B) Other Equity	18	12,692	11,780
Total Equity		13,124	12,212
2.0 LIABILITIES			
Non-Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	19	2,248	1,727
(ii) Other Financial Liabilities	20	98	180
(B) Deferred Tax Liabilities (net)	21	2,894	3,379
Total Non-Current Liabilities		5,240	5,286
Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	22	2,639	3,371
(ii) Trade Payables	23		
(a) Total outstanding dues of micro enterprises and small enterprises		66	3
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,593	1,757
(iii) Other Financial Liabilities	24	1,143	1,522
(B) Other Current Liabilities	25	112	88
(C) Provisions	26	192	125
Total Current Liabilities		5,745	6,866
Total Liabilities		10,985	12,152
TOTAL EQUITY AND LIABILITIES		24,109	24,364
Significant Accounting Policies and Notes forming part of the Financial Statements	1-55		
As per our report of even date attached		For and on behalf of the Board	
For CHATURVEDI & PARTNERS Chartered Accountants Firm Registration No. 307068E	R K RAJGARHIA Chairman DIN 00141766	K R GUPTA Director DIN 00027295	HARI RAM SHARMA Managing Director DIN 00178632
ANUJ MAHANSARIA Partner Membership No. 500819	C S VIJAY Chief Financial Officer	NEHA JAIN Company Secretary Membership No. 48053	
Place : New Delhi Date : June 29, 2020			

STATEMENT OF PROFIT AND LOSS		(Rs. in Lakhs)	
FOR THE YEAR ENDED MARCH 31, 2020			
PARTICULARS	Note No.	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
INCOME			
I Revenue from Operations	27	26,829	26,950
II Other Income	28	163	415
III Total Income		26,992	27,365
IV Expenses:			
Cost of Materials Consumed	29	14,978	15,802
Changes in Inventories of Finished Goods and Work-in-Progress	30	(269)	(356)
Employee Benefits Expense	31	4,429	4,026
Finance Costs	32	486	436
Depreciation and Amortization Expense	33	614	542
Other Expenses	34	6,040	6,104
Total Expenses		26,278	26,554
V Profit before exceptional Items and Tax (III-IV)		714	811
VI Exceptional Items		-	-
VII Profit before Tax (V-VI)		714	811
VIII Tax Expense	45(a)		
Current Tax		138	198
Less : MAT Credit Entitlement		(21)	(20)
Deferred Tax	45(d) & 45(e)	(165)	(83)
Tax related to earlier year		45	(18)
IX Profit for the year (VII-VIII)		717	734
X Other Comprehensive Income			
(A) i Items that will not be reclassified to profit or loss			
-Remeasurement of defined benefit plans	42(b)(3)	(18)	31
ii Income tax relating to items that will not be reclassified to profit or loss			
-Remeasurement of defined benefit plans	45(d)	5	(10)
(B) i Items that will be reclassified to profit or loss		-	-
ii Income tax relating to items that will be reclassified to profit or loss		-	-
XI Total Comprehensive Income for the year (IX+X)		704	755
(Comprising Profit and other comprehensive income for the year)			
XII Earning per equity share			
(Face value of Rs. 2/- each)			
Basic (Rs.)	52	3.32	3.40
Diluted (Rs.)	52	3.32	3.40
Significant Accounting Policies and Notes forming part of the Financial Statements	1-55		
As per our report of even date attached		For and on behalf of the Board	
For CHATURVEDI & PARTNERS Chartered Accountants Firm Registration No. 307068E	R K RAJGARHIA Chairman DIN 00141766	K R GUPTA Director DIN 00027295	HARI RAM SHARMA Managing Director DIN 00178632
ANUJ MAHANSARIA Partner Membership No. 500819	C S VIJAY Chief Financial Officer	NEHA JAIN Company Secretary Membership No. 48053	
Place : New Delhi			
Date : June 29, 2020			

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020	(Rs. in Lakhs)		
	Year Ended March 31, 2020	Year Ended March 31, 2019	
I. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before Tax	714	811	
Adjustments for			
Depreciation and amortisation expense	614	542	
Excess Provision Written Back/Liabilities no longer required	(3)	(255)	
(Gain)/ Loss on sale of Property, Plant and Equipment	-	9	
Allowances for doubtful trade receivables	36	23	
Fair valuation of Financial Assets	3	0*	
Finance Cost	486	436	
Interest Income	-	(2)	
Operating profit before working capital changes	1,850	1,564	
Changes in assets and liabilities			
(Increase)/Decrease in Inventories	(225)	(645)	
(Increase)/Decrease in Trade Receivables	576	(288)	
(Increase)/Decrease in Other Bank Balances	-	28	
(Increase)/Decrease in current and non-current assets	193	(218)	
(Increase)/Decrease in current and non-current financial assets	(68)	(170)	
(Increase)/Decrease in current and non-current loans	(22)	-	
Increase/(Decrease) in current and non-current liabilities and provisions	72	(10)	
Increase/(Decrease) in current and non-current financial liabilities	(144)	684	
Cash generated from operations activities	2,232	945	
Taxes Paid	153	211	
Net cash generated from operating activities	2,079	734	
II. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and equipment	(954)	(1,092)	
Proceeds from Property, Plant and equipment	10	25	
Interest Received	-	2	
Net cash (used in) investing activities	(944)	(1,065)	
III. CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in Long Term borrowings (net)	(61)	115	
Increase/(decrease) in Working Capital and other borrowings (net)	(421)	896	
Dividend and Corporate Dividend Tax Paid	(130)	(264)	
Payment of lease liabilities	(40)	-	
Interest and finance charges paid	(465)	(443)	
Net cash flows generated from/(used in) financing activities	(1,117)	304	
IV. NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	18	(27)	
Cash and cash equivalents at the beginning of the year	10	37	
Cash and cash equivalents at the end of the year	28	10	
Notes			
1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 - Statement of Cash Flow.			
2. Adjustment on account of Scheme of Arrangement is given below:			
Investments	-	7,128	
Loans	-	350	
Cash and Cash Equivalents	-	1	
Other Financial Assets	-	13	
Deferred Tax Liabilities	-	(209)	
	-	7,283	
3. Figures in brackets indicate cash outflow.			
4. Cash & Cash Equivalents include:			
Cash on Hand	3	2	
Balances with Banks			
- In Current Accounts	25	8	
	28	10	
* Amount less than Rs. 1 lakh			
As per our report of even date attached	For and on behalf of the Board		
For CHATURVEDI & PARTNERS Chartered Accountants Firm Registration No. 307068E	R K RAJGARHIA Chairman DIN 00141766	K R GUPTA Director DIN 00027295	HARI RAM SHARMA Managing Director DIN 00178632
ANUJ MAHANSARIA Partner Membership No. 500819	C S VIJAY Chief Financial Officer	NEHA JAIN Company Secretary Membership No. 48053	
Place : New Delhi Date : June 29, 2020			

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020					
A. EQUITY SHARE CAPITAL					
Equity shares of Rs. 2 each issued, subscribed and fully paid up (Rs. in Lakhs)					
Particulars	Numbers of Shares	Amount			
As at April 1 2018	21,611,360	432			
Changes in equity share capital	-	-			
As at March 31, 2019	21,611,360	432			
Changes in equity share capital	-	-			
As at March 31, 2020	21,611,360	432			
B. OTHER EQUITY					
Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Retained Earnings	Capital Reserve	General Reserve		
Balance as at April 1, 2018	11,997	-	6,987	243	18,568
Profit for the year	734	-	-	-	734
Remeasurement of the defined benefits plan (net)	-	-	-	-	21
Adjustment on account of Scheme of Arrangement **-(Refer Note-39)	(96)	*	(6,987)	-	(7,083)
Adjustment on account of Scheme of Arrangement **-(Refer Note-39)	(200)	-	-	-	(200)
Amount transferred to General Reserve	(5,000)	-	-	-	(5,000)
Amount transferred from Retained Earnings	-	-	5,000	-	5,000
Dividends	(216)	-	-	-	(216)
Corporate Dividend Tax	(44)	-	-	-	(44)
Balance as at March 31, 2019	6,575	-	5,000	243	11,780
Profit for the year	717	-	-	-	717
Remeasurement of the defined benefits plan (net)	-	-	-	-	(13)
Effects of Deferred Tax on Items earlier recognised directly in equity [refer note - 45(e)]	339	-	-	-	339
Dividends	(108)	-	-	-	(108)
Corporate Dividend Tax	(23)	-	-	-	(23)
Balances as at March 31, 2020	7,500	-	5,000	243	12,692

* Rs. 0.31 lakhs adjusted as per scheme of arrangement. (Refer Note 39)

** Pursuant to the Scheme of Arrangement, the difference between the values of assets and liabilities transferred amounting to Rs.7,283 lakhs (including 200 lakhs investment in APM Finvest Limited) pursuant to scheme in appropriated and adjusted against Capital Reserve and remaining from General Reserve and Retained Earnings as decided by the Board of Directors of the Company. (Refer Note 39)

Significant Accounting Policies and notes forming part of the Financial Statements 1-55

As per our report of even date attached

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No. 307068E
ANUJ MAHANSARIA
Partner
Membership No. 500819

Place : New Delhi

For and on behalf of the Board

R K RAJGARHIA
Chairman
DIN 00141766

K R GUPTA
Director
DIN 00027295

HARI RAM SHARMA
Managing Director
DIN 00178632

C S VIJAY
Chief Financial Officer

NEHA JAIN
Company Secretary
Membership No. 48053

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. Company Overview

APM INDUSTRIES LIMITED (the Company) having its registered office at SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar-301019, Rajasthan India, is a Public Limited Company domiciled in India and is incorporated in India under the provisions of Companies Act, 1956. The company is engaged in the manufacturing and selling of Man Made Fibre's Spun Yarn and Sewing Thread Business. The corporate office of the Company is located at 910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019, India.

2. Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and presentation requirements of Division II to Schedule III to the Act under the historical cost convention on the accrual basis except for the following

- a. Certain financial assets and liabilities that are measured at fair value
- b. Assets held for sale – measured at the lower of carrying amount and fair value less costs to sell
- c. Defined benefit plans – plan assets measured at fair value

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3. Significant Accounting policies**3.1 Statement of Compliance**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, the relevant provisions of Companies Act, 2013 and guidelines issued by the Security and Exchange Board of India (SEBI), as applicable.

3.2 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based upon the management's best knowledge of current events, actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgments In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Discount rate used to determine the carrying amount of the Company's defined benefit obligation: The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Contingences and commitments: In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, company treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the company do not expect them to have a materially adverse impact on the financial position or profitability.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income taxes: The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

Useful lives of property, plant and equipment: As described in Note 3.7, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

Allowances for doubtful debts: The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgment and estimates.

Inventory Write down: The company evaluate nature of inventory, aging, liquidation and plan of disposal to ascertain write down value of inventory.

Rebates, Incentives and Discount to Customers: The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as schemes, incentives, cash discounts, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

3.3 Operating Cycle and Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when it (a) Expected to be realized or intended to be sold or consumed in normal operating cycle; (b) Held primarily for the purpose of trading; or (c) Expected to be realized within twelve months after the reporting period, or (d) The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when (a) It is expected to be settled in normal operating cycle; or (b) It is held primarily for the purpose of trading; or (c) It is due to be settled within twelve months after the reporting period, or (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

3.4 Revenue recognition

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Cost to obtain a contract

The Company pays sales commission to its selling agents for contracts that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in selling and distribution expense under other expenses).

Costs to fulfill a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Interest income Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends Dividend income from investments is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.5 Segment Reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation. Operating Segment are reported in a manner consistent with the internal reporting provided to accounting policies are in line with the internal reporting provided to the Chief Operating Decision maker.

3.6 Foreign Currencies

Functional and presentation Currencies: The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and translations: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit/(loss) in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit or loss for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

3.7 Property, plant and equipment

The Company had applied for one time transition exemption of considering their carrying cost on the transition date i.e. April 01, 2016 as the deemed cost under Ind AS, regarded thereafter as historical cost.

Property, plant and equipment (PPE) are initially recognized at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight- line method ("SLM") in the manner prescribed in schedule II to the Act. Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the useful lives of the assets as considered by the company reflect the periods over which these assets are expected to be used. Such classes of assets and their estimated useful lives are as under;

S. No.	Nature of Asset/Component of an Assets	Useful life of assets/components of assets
1	Building	30-60 years
2	Plant and Equipment	25 years
3	Electrical Equipment	10 years
4	Power Generation Unit	40 years
5	Furniture and Fixtures	10 years
6	Office Equipment	5 years
7	Vehicles	8-10 years
8	Computer Software	6 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss. Fully depreciated assets still in use are retained in financial statements.

PPE and intangibles assets: Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

3.8 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

3.9 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortization and accumulated impairment losses, if any.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

The Company amortizes intangible assets with a finite useful life using the straight-line method over the useful lives determined by the terms of the agreement /contract. The estimated useful life is reviewed annually by the management.

3.10 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax: Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax: Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognized only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax (MAT) credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.11 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Company's lease assets primarily consist of leases for land and buildings.

The Company as a Lessee:

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

3.12 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.13 Provisions and Contingent Liabilities:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is disclosed, where an inflow of economic benefit is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

3.14 Inventories

Inventories of raw materials and stores and parts are valued at lower of cost on Weighted Average Cost and net realizable value. Cost of raw materials and stores and spares is determined on weighted average cost method. Cost comprises all cost of purchase, taxes and other cost incurred in bringing the inventories to their present location and condition. Devaluation allowance is estimated and made for defective and obsolete items, wherever necessary.

Work in progress and finished goods are valued at lower of cost on Weighted Average Cost and net realizable value. Cost includes direct material, labour, cost of conversion and other overheads incurred in bringing the inventory to their present location and condition.

Saleable scrap, whose cost is not identifiable, is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion/costs necessary to make the sale.

3.15 Non-derivative financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

a. Investments and Other Financial assets

Cash and cash equivalents: The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, which are unrestricted for withdrawal and usage.

Trade Receivables Trade receivables are initially recognized at fair value. Subsequently, these assets are held at amortized cost, net of any expected credit losses.

Debt Instruments: Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Equity Instruments: All investments in equity instruments other than in subsidiary classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

b. Investments and Other Financial assets – Subsequent measurement

Financial assets at amortized cost: Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at fair value through profit or loss (FVTPL): Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

c. Financial liabilities

All financial liabilities are initially recognised at fair value. The financial liabilities include trade and other payables, other financial liabilities, loans and borrowings.

d. Financial liabilities - Subsequent measurement

Financial liabilities are measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, carrying amounts approximate the fair value due to the short maturity of these instruments.

e. Derecognition of financial instrument

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of financial liabilities) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

f. Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

g. Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the equity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

3.16 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of such reporting period.

3.17 Exceptional items

Items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company are disclosed as Exceptional items in the Statement of Profit and Loss.

3.18 Borrowing costs

General and specific borrowing costs (including exchange differences arising from foreign currency borrowing to the extent that they are regarded as an adjustment to interest cost) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

3.19 Employee Benefits

Employee benefits consist of short-term obligations, contribution to employee's state insurance, provident fund, gratuity fund and compensated absences.

A. Short Term Obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

B. Compensated Absences

The employees are entitled to accumulate leave upto 30 days for future encashment and availment, as per the policy of the Company. The liability towards such unutilized leave as at the year end is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

The classification of the Company net obligation into current and non-current is as per the actuarial valuation report.

The Company fully contributes all ascertained liabilities demanded by Life Insurance Corporation of India for Employee Company Leave Encashment cum Life Assurance (Cash Accumulation) administered by it.

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where the Company has unconditional legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non-current liability.

C. Defined Contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

D. Defined benefit plans:

The Company operates defined benefit plan in the form of gratuity. The liability or asset recognized in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash out flows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest expenses are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest expense on the net defined benefit liability or asset is recognized in the Statement of Profit and loss.

The Company fully contributes all ascertained liabilities to the APM Industries Limited (Unit Orient Syntex) Employee Gratuity Fund Trust ('the Trust'). Trustees took the policy from Life Insurance Corporation of India to administer contributions made to the Trust.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

3.20 Borrowings

Borrowings are initially recognized at net of transaction costs incurred and measured at amortized cost. Any difference between the prospects (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowing using the effective interest method.

3.21 Manufacturing and operating expenses

The Company classifies separately manufacturing and operating expenses which are directly linked to manufacturing and service activities of the company.

3.22 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential Ordinary shares.

3.23 Indian Accounting Standards Issued but not effective as on March 31, 2020

There are no Indian Accounting Standards that are issued but not yet effective on March 31, 2020.

PARTICULARS	Tangible Assets										Intangible Assets	Right of Use Assets		Capital Work in Progress							
	Tangible Assets											Computer Software	Buildings								
	Land- Lease Hold	Leasehold Hold Land -Right of Use Assets	Building	Plant and Equipments	Power Generation Unit	Furniture and Fixtures	Office Equipments	Vehicles	Total												
Gross carrying value																					
(Cost or Deemed cost)																					
As at April 01, 2018	6,400	-	1,177	7,061	477	88	34	174	15,411		13	-	-	-	-	-	-	-	-	-	
Additions	-	-	51	792	-	12	7	10	872		-	-	-	-	-	-	-	-	-	-	
Deletions	-	-	-	36	-	-	-	4	40		-	-	-	-	-	-	-	-	-	-	
As at March 31, 2019	6,400	-	1,228	7,817	477	100	41	180	16,243		13	-	-	-	-	-	-	-	-	-	
As at April 01, 2019	6,400	-	1,228	7,817	477	100	41	180	16,243		13	-	-	-	-	-	-	-	-	-	
Reclassified to Right to Use Assets	(6,400)																				
Additions	-	-	111	1,207	-	70	7	1	1,396		-	-	-	-	-	-	-	-	-	-	105
Deletions	-	-	-	170	-	-	-	11	181		-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2020	-	6,400	1,339	8,854	477	170	48	170	17,458		13	105	-	-	-	-	-	-	-	-	-
Accumulated Depreciation and Amortisation																					
As at April 01, 2018	200	-	78	485	24	21	19	56	883		5	-	-	-	-	-	-	-	-	-	-
Depreciation during the year	100	-	45	335	16	11	5	26	538		4	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation on deletions	-	-	-	4	-	-	-	3	7		-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2019	300	-	123	816	40	32	24	79	1,414		9	-	-	-	-	-	-	-	-	-	-
As at April 01, 2019	300	-	123	816	40	32	24	79	1,414		9	-	-	-	-	-	-	-	-	-	-
Reclassified to Right to Use Assets	(300)																				
Depreciation during the year	100	-	47	369	16	14	5	26	577		1	-	-	-	-	-	-	-	-	-	36
Accumulated depreciation on deletions	-	-	-	161	-	-	-	10	171		-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2020	-	400	170	1,024	56	46	29	95	1,820		10	36	-	-	-	-	-	-	-	-	-
Net carrying value																					
As at March 31, 2020	-	6,000	1,169	7,830	421	124	19	75	15,638		3	69	-	-	-	-	-	-	-	-	45
As at March 31, 2019	6,100	-	1,105	7,001	437	68	17	101	14,829		4	-	-	-	-	-	-	-	-	-	620

Notes:

- Capital work in progress includes addition on account of borrowing cost Rs 2 Lakhs (2019: Rs. 6 Lakhs)
- Capitalization during the year includes borrowing cost of Rs 14 Lakhs (2019: Rs. 7 Lakhs)
- Right of Use Assets include the reclassified assets and transitional impact on account of adoption of Ind AS 116 "Leases". (Refer note-41)

Note Particulars	(Rs. in Lakhs)			
5 NON-CURRENT INVESTMENTS	As At		As At	
	March 31, 2020		March 31, 2019	
I In Government securities (Valued at cost)				
a) In Post Office Saving Bank* (pledged with Excise Department)		0		0
Total		0		0
* Amount less than 1 Lakh				
	Face Value	As At		As At
	in (Rs.)	March 31, 2020		March 31, 2019
		Nos.	(Rs.)	Nos. (Rs.)
II Trade investments (Valued at Cost)				
a. Un-quoted Equity Instruments (Refer note 5.1)				
Fully Paid Class A Equity Shares, held in V.S.Lignite Power Private Limited	10	1,256,039	126	1,256,039 126
b. Un-quoted Preference Shares (Refer note 5.2)				
Fully Paid Class A 0.01% Redeemable Preference Shares held in V.S.Lignite Power Pvt. Ltd.	10	1,114,222	111	1,114,222 111
			237	237
Less:-Provision for diminution in value of Investment			237	237
Total Un-quoted			-	-
Grand Total (I+II)			0	0
5.1 Dividend on Class A equity share is restricted to 0.01% of the face value of the shares.				
5.2 Preference shares are redeemable at par over the period of 10-20 year from date of allotment.				
6 LOANS	As At		As At	
	March 31, 2020		March 31, 2019	
Non-current Financial Assets (Unsecured, considered good)				
Loans to employees		10		-
		10		-
7 OTHER FINANCIAL ASSETS	As At		As At	
	March 31, 2020		March 31, 2019	
Non-current Financial Assets (Unsecured, considered good)				
Security Deposits		351		311
		351		311
8 NON-CURRENT TAX ASSETS (Net)	As At		As At	
	March 31, 2020		March 31, 2019	
Income tax refund receivable		38		23
		38		23
9 OTHER NON CURRENT ASSETS	As At		As At	
	March 31, 2020		March 31, 2019	
(Unsecured, considered good)				
Capital advances (Refer Note 38)		50		134
Amount paid to Excise Department under protest (Refer Note 37)		14		-
Prepaid expenses		8		15
Deferred interest payment		8		7
		80		156
10 INVENTORIES	As At		As At	
	March 31, 2020		March 31, 2019	
(As taken, valued and certified by the Management)				
Raw Materials		1,116		1,175
Work-in-Progress		582		569
Finished Goods		3,159		2,903
Stores and Spares		100		85
		4,957		4,732
Devaluation Allowance				
Raw material		1		1
Finished goods		5		3
Stores and spares		1		1

Note Particulars	(Rs. in Lakhs)	
11 TRADE RECEIVABLES	As At	As At
	March 31, 2020	March 31, 2019
Current Financial Assets		
Trade Receivables - Secured	-	-
Trade Receivables - Unsecured	2,397	2,973
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables-Credit Impaired	-	-
Less: Allowance for doubtful trade receivables	(90)	(54)
	<u>2,307</u>	<u>2,919</u>
The Movement in allowance for doubtful Trade Receivables:		
Balance as at beginning of the year	54	33
Allowance for bad and doubtful trade receivable during the year*	36	23
Trade receivables written off during the year	-	(2)
Balance as at end of the year	<u>90</u>	<u>54</u>
*net of recovery of bad and doubtful debts		
12 CASH AND CASH EQUIVALENTS	As At	As At
	March 31, 2020	March 31, 2019
Current Financial Assets		
Balances With Banks		
- In Current Accounts	25	8
Cash on hand	3	2
	<u>28</u>	<u>10</u>
13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS	As At	As At
	March 31, 2020	March 31, 2019
Current Financial Assets		
Earmarked Balances with banks		
-Unclaimed dividend	118	126
	<u>118</u>	<u>126</u>
14 LOANS	As At	As At
	March 31, 2020	March 31, 2019
Current Financial Assets		
(Unsecured, considered good)		
Loans to Employees	10	-
	<u>10</u>	<u>-</u>
15 OTHER FINANCIAL ASSETS	As At	As At
	March 31, 2020	March 31, 2019
Current Financial Assets		
(Unsecured, considered good)		
Interest Receivable	16	9
Other Receivables	23	10
	<u>39</u>	<u>19</u>
16 OTHER CURRENT ASSETS	As At	As At
	March 31, 2020	March 31, 2019
(Unsecured, considered good)		
Advances to Suppliers	63	42
Other Advances	8	18
Balances with Government Authorities	284	520
Prepaid Expenses	51	32
Deferred interest payment	10	3
	<u>416</u>	<u>615</u>

Note Particulars	(Rs. in Lakhs)			
17 EQUITY SHARE CAPITAL	As At		As At	
	March 31, 2020		March 31, 2019	
Authorised				
22,500,000 (Previous Year 22,500,000) Equity Shares of Rs. 2/- each (Refer Note No. 39)	450		450	
300,000 (Previous year 300,000) Redeemable Preference Preference Shares of Rs. 100/- each	300		300	
Equity Share Capital Issued				
22,217,080 (Previous Year 22,217,080) Equity Shares of Rs. 2/- each	444		444	
Subscribed and Fully Paid-up				
21,611,360 (Previous Year 21,611,360) Equity Shares of Rs. 2/- each	432		432	
Total	432		432	
a) Reconciliation of equity shares outstanding at the beginning and end of the financial year				
Equity Shares	As At		As At	
	March 31, 2020		March 31, 2019	
	Nos.	Rs.	Nos.	Rs.
Balance at the beginning of the year	21,611,360	432	21,611,360	432
Issued during the year	-	-	-	-
Balance at the end of the year	21,611,360	432	21,611,360	432
b) Terms/ Rights attached to equity shares				
The company has one class of equity shares having a par value of Rs. 2/- per share. Each shareholder is entitled to one vote per share. All equity shareholders are having right to get dividend in proportion to paid up value at each equity shares as and when declared. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all the preferential amounts, in proportion to their shareholding.				
c) Details of shareholders holding more than 5% shares in the Company				
Name of the Shareholder	As at		As at	
	March 31, 2020		March 31, 2019	
	% of holding	Nos.	% of holding	Nos.
Rajendra Kumar Rajgarhia	17.81	3,850,000	17.81	3,850,000
Faridabad Paper Mills Limited	12.82	2,770,000	12.82	2,770,000
Ajay Rajgarhia	10.53	2,275,000	10.53	2,275,000
Prabha Rajgarhia	7.40	1,600,000	7.40	1,600,000
Rajgarhia Leasing and Financial Services Pvt. Ltd.	5.23	1,130,000	5.23	1,130,000

Note Particulars	(Rs. in Lakhs)	
18 OTHER EQUITY	As At	As At
	March 31, 2020	March 31, 2019
Securities Premium	243	243
Capital Reserve	0	0
General Reserve	5,000	5,000
Retained Earnings	7,500	6,575
Other Comprehensive Income	(51)	(38)
TOTAL	12,692	11,780
(Refer Statement of Changes in Equity)		
Nature and purpose of reserves		
(a)	Securities premium: The amount of difference between the issue price and the face value of the shares is reconized in Securities premium.	
(b)	Capital reserve: The capital reserve represents profit on re-issued of forfeiture of equity shares by the Company. This reserve is not freely available for distirbution to the shareholders.	
(c)	General Reserve: General reserve is the accumulation of the portions of the net profits transferred by the Company in the past years. This reserve is freely available for distirbution to the shareholders.	
(d)	Retained earnings: Retained earnings comprise of the profits of the Company earned till date net of distributions and other adjustments.	
(e)	Other Comprehensive Income: Other Comprehensive Income represents recognized remeasurement gains/ (loss) on defined benefit plans in Other Comprehensive Income. These changes are accumulated within the Other Comprehensive Income under Other Equity.	
19 BORROWINGS	As At	As At
	March 31, 2020	March 31, 2019
Non-Current Financial Liabilities		
Secured Term Loan from Banks	1,935	1,725
Unsecured Loan From Related Party (Refer note 50)	311	-
Finance Lease Liabilities (Refer note 41)	2	2
	2,248	1,727
19.1 Nature of Security & Terms of Repayment		
19.1.1	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 immovble 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
a	Industrial Development Bank of India (Rs. 560 Lakhs)	
	Term Loans from Banks amounting to Rs. NIL (March 31, 2019 Rs.35 lakhs)	Repayable in 32 quarterly instalments from October 2011 along with interest at the rate of 11.90% p.a.
b	HDFC Bank (Rs. 750 Lakhs)	
	Term Loans from Banks amounting to Rs. 281 lakhs (March 31, 2019 Rs. 469 lakhs)	Repayable in 16 equally quarterly instalments from Sept. 2017 alongwith interest at the rate of 10.05% p.a.
c	HDFC Bank (Rs. 1000 Lakhs)	
	Term Loans from Banks amounting to Rs. 683 lakhs (March 31, 2019 Rs. 884 lakhs)	Repayable in 60 equally monthly instalments from August 2018 alongwith interest at the rate of 9.90% p.a.
d	State Bank of India (Rs. 415 Lakhs)	
	Term Loans from Banks amounting to Rs. 187 lakhs (March 31, 2019 Rs. 342 lakhs)	Repayable in 11 equally quarterly instalments from October 2018 alongwith interest at the rate of 8.90% p.a.
e	State Bank of India (Rs. 690 Lakhs)	
	Term Loans form Banks amounting to Rs. 660 lakhs (March 31, 2019 Rs. 597 lakhs)	Repayable in 6 quarterly instalment of Rs.15 lakhs 17 quarterly instalment of Rs. 33 lakhs and last instalment of Rs. 39 lakhs from October 2019 alongwith interest at the rate of 8.90% p.a.
f	State Bank of India (Rs.465 Lakhs)	
	Term Loans form Banks amounting to Rs. 453 lakhs (March 31, 2019 Rs. Nil)	Repayable in 6 equally monthly instalment of Rs. 5 lakhs 60 equally monthly instalment of Rs. 7 lakhs from November 2020 alongwith interest at the rate of 8.30% p.a.
g	APM Finvest Limited (Related Party)	
	Unsecured Loans amounting to Rs. 311 lakhs (March 31, 2019 Rs. Nil)	Repayable in finacial year 2021-22. Interest at the rate of 8.75% p.a. and payable on last date of every quarter.
19.1.2	Secured Long Term Loans aggregating to Rs. 2,265 lakhs (March 31, 2019 Rs. 2,326 lakhs) are guaranteed by the Chairman.	

Note	Particulars	(Rs. in Lakhs)	
19.2	The Long Term borrowing shown above is net of Rs. 329 lakhs (Mar 31, 2019 Rs. 601 lakhs) current maturities, which is shown under note no. 24		
19.3	Other financial liabilities include current maturities of long term borrowings amounting to Rs. Nil and interest on borrowings amounting to Rs.39.25 lakhs became due during Covid-19 lockdown period upto March 31, 2020 remain unpaid due to lockdown. The company has availed moratorium on the repayment of borrowings and interest thereon from March 1, 2020 to August 31, 2020 as per guidelines relating to COVID-19 Regulatory Package issued by Reserve Bank of India and the outstanding borrowings (including interest) as at March 31, 2020 have been classified accordingly. Above terms of repayments will also be modified accordingly.		
20	OTHER FINANCIAL LIABILITIES	As At	As At
		March 31, 2020	March 31, 2019
	Non-current Financial Liabilities		
	Lease liabilities (Refer Note 41)	22	-
	Capital creditors	76	180
		98	180
21	DEFERRED TAX LIABILITIES (Net)	As At	As At
	[Refer Note-45(d)]	March 31, 2020	March 31, 2019
	a. Deferred Tax Liabilities		
	Depreciation	3,175	3,668
		3,175	3,668
	b. Deferred Tax Assets		
	Employee benefits and other timing differences	40	31
	Provision for diminution in value of Investment	53	53
	Provision for Doubtful Debts	25	18
		118	102
	c. MAT Credit Entitlement	163	187
	Deferred Tax Liabilities (Net) (a-b-c)	2,894	3,379
22	BORROWINGS	As At	As At
	Current financial liabilities	March 31, 2020	March 31, 2019
	Secured		
	Working Capital Loans From banks	2,381	3,004
	Unsecured Loan		
	Demand loan from a related party (Refer Note-50)	258	367
		2,639	3,371
22.1	Working Capital loan from bank including cash credit of Rs. 2,381 lakhs (March 31, 2019 Rs. 3,004 lakhs) repayable on demand is secured by hypothecation of raw materials, consumables stores and spare parts, stock in process, finished goods, book debts and personal guarantees of the Chairman of the Company upto Rs. 3,000 lakhs. Further it is also secured by way of pari passu second charge on all the immovable properties of the Company. The loans are carrying interest rate of 9.05% and 9.55% p.a. and payable on last date of every month.		
22.2	For moratorium availed by the Company in terms of RBI guidelines, refer note 19.3.		
22.3	Demand loan from related party is repayable on demand and carrying interest rate of 8.75% p.a. payable on last date of every quarter.		
23	TRADE PAYABLES	As At	As At
	Current Financial Liabilities	March 31, 2020	March 31, 2019
	(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 40)	66	3
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,593	1,757
		1,659	1,760

Note Particulars	(Rs. in Lakhs)	
24 OTHER FINANCIAL LIABILITIES	As At	As At
	March 31, 2020	March 31, 2019
Current Financial Liabilities		
Current Maturities of long Term Debts (Refer Note 19.3)	329	601
Interest accrued but not due (Refer Note 19.3)	39	11
Unclaimed Dividends#	118	126
Capital creditors	131	251
Salary, wages and benefits payable	485	531
Other Payable	2	2
Lease Liabilities (Refer Note 41)	39	-
TOTAL LIABILITIES	1,143	1,522
#There are no amount due for payment to the Investor Education and Protection Fund under section 125 of Companies Act, 2013 as at March 31, 2020.		
25 OTHER CURRENT LIABILITIES	As At	As At
	March 31, 2020	March 31, 2019
Advances from Customers	51	18
Statutory Dues Payable	58	64
Interest Payable on MSMED outstanding *	-	0
Security Deposits	3	6
	112	88
* Nil (Previous year : Rs. 242/-)		
26 PROVISIONS	As At	As At
	March 31, 2020	March 31, 2019
Provision for Employee Benefits		
- Gratuity	175	123
- Compensated Absence	17	2
TOTAL	192	125
27 REVENUE FROM OPERATIONS	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
(a) Sale of products	26,586	26,733
(b) Other Operating Revenue	243	217
TOTAL	26,829	26,950
27.1 Disaggregation of Revenue		
27.1.1 Revenue based on Geography		
Domestic	26,829	26,950
Export	-	-
Total	26,829	26,950
27.1.2 Reconciliation of Revenue from operations with contract price Products		
Contract price	26,957	27,034
Less: Sales returns	(123)	(79)
Less: Discount and other rebates	(5)	(5)
Total	26,829	26,950
27.1.3 During the year, the Company is engaged in only one Business Segment i.e. Yarn Manufacturing, hence no business segment disclosure is required.		

Note Particulars	(Rs. in Lakhs)	
28 OTHER INCOME	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
(a) Interest Income from:		
Bank on Term Deposit	-	2
Customers and Others	154	145
(b) Liabilities no longer required, written Back	3	255
(c) Gain on Fair valuation of Financial Assets	6	2
(d) Gain on sale of Property, Plant and Equipment	0*	-
(e) Miscellaneous Income	0*	11
Total	163	415
* Amount less than Rs. 1 lakh.		
29 COST OF MATERIALS CONSUMED	For the year ended	For the year ended
(Refer Note - 47)	March 31, 2020	March 31, 2019
Opening Stock	1,175	896
Add: Purchases	14,919	16,081
Less: Closing Stock	1,116	1,175
	14,978	15,802
30 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
(A) Opening Inventories		
Finished Products	2,903	2,607
Work-in-Progress	569	509
	3,472	3,116
(B) Closing Inventories		
Finished Products	3,159	2,903
Work-in-Progress	582	569
	3,741	3,472
Change in Inventories of Finished Goods and Work-in-progress (A-B)	(269)	(356)
31 EMPLOYEE BENEFITS EXPENSE	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Salaries, Wages & other benefits	4,018	3,640
Contribution to Provident & other funds (Refer Note-42)	228	187
Employee Welfare Expenses	183	199
TOTAL	4,429	4,026
32 FINANCE COSTS	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Interest Expense	471	416
Interest on Lease Liability	8	
Other Borrowing costs	7	20
TOTAL	486	436

Note Particulars	(Rs. in Lakhs)	
33 DEPRECIATION AND AMORTIZATION EXPENSES	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on Property, Plant and Equipment and Right of use assets	613	538
Amortization on Intangible assets	1	4
	614	542
34 OTHER EXPENSES	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Manufacturing Expenses		
Consumption of Stores and Spare Parts	388	400
Packing Material	394	384
Power and Fuel	4,100	4,067
Repairs to Plant and Machinery	345	319
Repairs to Building	11	14
Job Charges (Fabric)	-	79
	5,238	5,263
(b) Selling and Distribution Expenses		
Freight and Forwarding	431	405
Brokerage and Commission	53	66
	484	471
(c) Establishment Expenses		
Legal and Professional Fees	64	43
Rent Expenses	4	31
Rates and Taxes	16	15
Repairs to Others	8	6
Insurance	25	17
Travelling	21	20
Payment to Auditors (Refer note 35)	8	7
Printing and Stationary	16	23
Vehicle Running	25	22
Computer Maintenance	6	6
Charity and Donation	0*	0
Communication	16	23
Electricity and Water Charges	6	7
Membership Fee & Subscription	2	3
General Expenses	30	25
Allowances for doubtful Debts	36	23
Loss on sale/replacement of property, plant and equipment	-	9
Corporate Social Responsibility (CSR) Expenditure (Refer note 36)	27	54
Pollution Control Expenses	8	36
	318	370
TOTAL	6,040	6,104

* Amount Less than Rs. 1 lakh

Note	Particulars	(Rs. in Lakhs)	
35. PAYMENT TO AUDITORS		For the year ended March 31, 2020	For the year ended March 31, 2019
	Audit fee	4	4
	Limited Review fee	1	1
	In other Capacity:		
	Tax Audit fee	1	1
	Other Services (Certification Fees)*	1	0
	Reimbursements of Expenses	1	1
		8	7
	* Amount Less than Rs. 1 lakh.		
36. DISCLOSURE RELATED TO CSR EXPENDITURE		For the year ended March 31, 2020	For the year ended March 31, 2019
A Gross amount required to be spent by the company during the year			
i) Required to be spent for the year		30	44
ii) Unspent balance of carried over of earlier year		-	10
		30	54
B Expenditure incurred during the year			
i) Construction / acquisition of the assets		8	16
ii) On purpose other than (i) above		19	38
		27	54
Unspent balance carry forward		3	-
37. Contingent Liabilities (to the extent not provided for):		(Rs. in Lakhs)	
S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
I	Claims against the Company not acknowledged as debt		
	Demand from Jaipur Vidyut Vitran Nigam Limited	212	176
II	Other money for which the Company is contingently liable		
	*Excise Duty and Service Tax	144	148
	Amount deposited against above	14	-
	* Excluding estimated interest / penalty as may be determined / levied on the conclusion of the matters.		
38. Commitments		(Rs. in Lakhs)	
Particulars	As at March 31, 2020	As at March 31, 2019	
Capital Commitments			
Estimated value of contracts to be executed on capital account (net of advances)	112	115	
39. Scheme of Arrangement	Pursuant to the Scheme of Arrangement under Section 230 to 232 of the Companies Act, 2013 between APM Industries Limited (AIL) ("the demerged company") and APM Finvest Limited (AFL) ("the resulting company") as approved by the National Company Law Tribunal, Jaipur on May 24, 2019 with effective date of June 3, 2019, all the properties and liabilities, of whatsoever nature and kind and wheresoever situated, of the Finance and Investment undertaking of AIL as on the appointed date (April 01, 2018) have been transferred to AFL at their respective book values as appearing in the books of accounts of AIL. APM Finvest Limited ceased to be Subsidiary of APM Industries Limited from appointed date.		

40. The Company has certain dues to suppliers registered under as 'micro' and 'small' under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Dues remaining unpaid as at Balance Sheet date		
- Principal amount	66	3
- Interest amount	-*	0*
(b) Interest paid in terms of section 16 of the Act, along with the amount of payment made to the supplier and services providers beyond the appointed day during the period	-	-
(c) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during period) but without adding the interest specified under the Act	-	-
(d) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-
(e) Interest accrued and remaining unpaid as at Balance Sheet date	-*	-*

* Nil (previous year Rs 242/-) is payable as Interest.

Disclosure of amounts due to Micro, Small and Medium enterprises is based on information available with the Company regarding the status of the suppliers as defined under 'The Micro, Small and Medium Enterprises Development Act, 2006' (MSMED). This has been relied upon by the auditors.

41. Ind AS 116 - Leases

Effective 1st April 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective method along with the transition option to recognise right-of-use assets at an amount equal to the Lease Liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

The Company had treated leasehold land as finance lease as on March 31, 2019 and reclassified to Right to Use Assets. The Company has taken land on lease for its plant from government and government agencies for 99 years.

The Company has taken buildings on lease for offices and godowns for the period ranges from 24 months to 72 months.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous year to depreciation cost for the right-of-use assets, and finance cost for interest accrued on lease liability.

Extension and termination options

Extension and termination options are included in some of the leases across the Company. These are used to maximise operational flexibility in terms of managing the assets in the Company's operation. The majority of extension and termination options held are exercisable by both the Company and by the respective lessor. Further the company expects not to use that options.

The Company has used the following practical expedients when applying Ind AS 116:

- Applied a single discount rate to its portfolio of leases having similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the exemption not to recognize right-of-use asset and liabilities for leases with remaining lease term of 12 months or less.
- Excluded initial direct costs from measuring the right-of-use asset at the date of application.

41.1 Amounts recognised in the Statement of Profit and Loss :

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020
Depreciation Expenses	136
Interest Expenses	8
Rent	50
Total	194

41.2 The break-up of current and non-current lease liabilities as at March 31, 2020 is as under :

(Rs. in Lakhs)

Particulars	Category of Right of Use Assets		Total
	Land	Building	
Current lease liability	0*	39	39
Non-current lease liability	2	22	24
Total	2	61	63

*Amount is less than Rs. 1 lakh.

41.3 The movement in lease liabilities during the year ended March 31, 2020 is as under:

(Rs. in Lakhs)

Particulars	Category of Right of Use Assets		Total
	Land	Building	
Balance at the beginning	2	60	62
Additions	-	33	33
Finance cost accrued during the period	0*	8	8
Deletions	-	-	-
Payment of lease liabilities	0*	(40)	(40)
Balance at the end of the year	2	61	63

*Amount is less than Rs. 1 lakh.

Actual cash flow during the year is Rs. 40 lakhs of lease liabilities.

41.4 The details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis given below:

(Rs. in Lakhs)

Particulars	Category of Right of Use Assets		Total
	Land	Building	
Less than one year	0*	43	43
One to five year	1	24	25
More than five year	29	-	29
Balance at the end	30	67	97

*Amount is less than Rs. 1 lakh

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

42. Details of Employees Benefits as required by the Ind AS 12 "Employee Benefits" are given below: -

a) Defined contribution plans:

The company has recognized the following amounts in the Statement of Profit and Loss (included in Contribution to provident and other funds):

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Contribution to provident fund	172	132
Employee State Insurance Corporation	110	127

b) Post Retirement Benefit Plan - Gratuity

1. Amount recognized in the Balance Sheet :

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Gratuity:		
Present value of plan liabilities	747	668
Fair value of plan assets	572	545
Unfunded Liability/Provision in Balance Sheet	(175)	(123)

2. Movements in plan assets and plan liabilities :

(Rs. in Lakhs)

Particulars	Plan Assets	Plan Liabilities	Plan Assets	Plan Liabilities
	Year ended March 31, 2020		Year ended March 31, 2019	
As at April 1	545	668	515	668
Current Service Cost	-	56	-	51
Fund Charges	(4)		(3)	
Actual return on plan assets	40		39	
Interest cost	-	51	-	52
Actuarial (gain)/loss on Obligation	-	12	-	(35)
Employer contributions	31		62	-
Benefit payments	(40)	(40)	(68)	(68)
As at March 31	572	747	545	668

3. Amount recognized in the Statement of Profit and Loss as Employee Benefit Expenses

(Rs. in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gratuity:		
Current service cost	56	51
Finance cost/(Income)	9	12
Net impact on the Profit/(Loss) before tax	(65)	(63)
Remeasurement of the net defined benefit liability		
Return on plan assets excluding actual return on plan assets	(6)	(4)
Actuarial gains/(loss) arising from changes in demographic	-	-
Actuarial gains/(loss) arising from changes in financial assumption	4	6
Experience gains/(loss) arising on experience adjustments	(16)	29
Benefit plan liabilities		
Net gain/(loss) recognized in the Other Comprehensive Income before tax	(18)	31

* Amount Less than Rs. 1 lakh

Note: Surplus of assets over liabilities has not been recognized on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or cash refunds.

4. Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Gratuity:		
Unquoted		
Government Debt Instruments	-	-
Corporate Bonds	-	-
Insurer managed funds	100%	100%
Others		-
Total	100%	100%

5. Assumptions

Particulars	As at March 31, 2020	As at March 31, 2019
Financial Assumption		
Discount rate	6.76%	7.66%
Salary Escalation Rate #	4.00%	5.00%
Demographic Assumptions		
Published rates under the Indian Assured Lives Mortality (2012-14)(2006-08)	100%	100%

#The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

6. Sensitivity**(Rs. in Lakhs unless otherwise stated)**

Gratuity:	As at March 31, 2020			As at March 31, 2019		
	Change in assumption	Increase in present value of plan liabilities	Decrease in present value of plan liabilities	Change in assumption	Increase in present value of plan liabilities	Decrease in present value of plan liabilities
Discount rate	0.50%	(15)	16	0.50%	15	14
Salary Escalation Rate	0.50%	16	15	0.50%	16	15

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognized in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

7. The defined benefit obligations shall mature after year end March 31, 2020 as follows:**(Rs. in Lakhs)**

Year	As at March 31, 2020	As at March 31, 2019
2020	-	333
2021	391	38
2022	24	44
2023	54	24
2024	28	13
Thereafter	251	216

The above information is as certified by the actuary.

43. Financial risk management and policies**43.1 Capital Risk Management****(a) Risk Management**

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to the shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity as shown in the balance sheet plus all other reserves attributable to equity shareholders of the Company.

(Rs. in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Borrowings	5,214	5,697
Less : Cash and cash equivalents	28	10
Net Debt	5,186	5,687
Equity	13,124	12,212
Gearing Ratio (times)	0.40	0.47

(b) Dividend

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
On Equity Shares (Face value of Rs. 2/- each)		
Dividend for the year ended March 31, 2019 of Rs.0.50 per fully paid equity share (March 31, 2018- Rs.1.00 per fully paid equity share).	108	216
Dividends not recognized at the end of the reporting period		
In addition to the above dividends, the Directors have recommended the payment of dividend of Rs. NIL per fully paid equity share (March 31, 2019 – INR 0.50 per fully paid equity share).	-	108

(c) The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

43.2

Financial-Risk-Management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise cash and bank balance, trade and other receivables.

The risk management policies of the Company are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company is exposed to market risk, credit risk, liquidity risk and operational and business risk. The Company's management oversees the management of these risks to ensure the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk objectives. The major risks are summarised below:

a) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the market price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, borrowing strategies and ensuring compliance with market risk limits and policies.

a)(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates

a)(i)(1) Exposure to interest rate risk related to borrowings with floating rate of Interest

(Rs. In Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Borrowings	5,214	5,697

a)(i)(2) Interest rate sensitivity

(Rs. In Lakhs)

Basis Points	2019-20	2018-19
50 basis point increase would decrease the profit before tax by	(26)	(28)
50 basis point decrease would Increase the profit before tax by	26	28

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of store and spare and other materials. The Company's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies.

c) Credit Risk:

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of dealing with creditworthy customers.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as actual or expected significant adverse changes in business, operating results, financial or economic conditions, credit risk on other financial instruments and third party collateral guarantees or credit.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables based on historical trend, available external and internal credit risk factors such as financial condition, ageing of accounts receivable etc., industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

As at March 31, 2020, the company did not consider there to be any significant concentration of credit risk, which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

d) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Rs. in lakhs)

Particulars	Less than 1 year/on demand	1-5 years	> 5 years	Total payments
As at March 31, 2020				
Long Term Borrowings (including Current maturities of long terms debts)	329	2,057	189	2,575
Finance Lease Obligations	-*	1	29	30
Short Term Borrowings	2,639	-	-	2,639
Trade and other payables	1,659	-	-	1,659
Payable on Capital Creditors	131	76	-	207
Lease Liabilities	43	24	-	67
Other financial liabilities (Current and Non-current)	644	-	-	644
As at March 31, 2019				
Long Term Borrowings (including Current maturities of long terms debts)	601	1,610	115	2,326
Finance Lease Obligations	-*	-*	30	30
Short Term Borrowings	3,371	-	-	3,371
Trade and other payables	1,760	-	-	1,760
Payable on Capital Creditors	251	180	-	431
Other financial liabilities (Current and Non-current)	670	-	-	670

* Amount less than Rs. 1 lakh

44. Financial Instrument by category and hierarchy

(I.) Financial instruments by category

A. The carrying value and fair value of financial instruments by categories as at March 31, 2020 were as follows:

(Rs. in lakhs)

Particulars	Amortized cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total Carrying Value	Total Fair Value
Assets:					
(a) Trade receivables	2,307	-	-	2,307	2,307
(b) Loans	20	-	-	20	20
(c) Other financial assets	390	-	-	390	390
(d) Cash and cash equivalent	28	-	-	28	28
(e) Bank balances other than cash and Cash equivalent	118	-	-	118	118
Liabilities:					
(a) Borrowings	5,216	-	-	5,216	5,216
(b) Trade payables	1,659	-	-	1,659	1,659
(c) Other financial liabilities	912	-	-	912	912

B. The carrying value and fair value of financial instruments by categories as at March 31, 2019 were as follows:
(Rs. in Lakhs)

Particulars	Amortized cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total Carrying Value	Total fair Value
Assets:					
(a) Trade receivables	2,919	-	-	2,919	2,919
(b) Loans	-	-	-	-	-
(c) Other financial assets	330	-	-	330	330
(d) Cash and cash equivalent	10	-	-	10	10
(e) Bank balances other than cash and Cash equivalent	126	-	-	126	126
Liabilities:					
(a) Borrowings	5,699	-	-	5,699	5,699
(b) Trade payables	1,760	-	-	1,760	1,760
(c) Other financial liabilities	1,101	-	-	1,101	1,101

(II.) Fair value hierarchy:

- (i) This section explains the judgments and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table

(Rs. In Lakhs)

Particulars	March 31, 2020			March 31, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
(1) Financial Assets and Financial Liabilities measured at FV recurring FV measurement						
	-	-	-	-	-	-
(2) Financial Assets and Financial Liabilities measured at Amortized cost for which FV are disclosed						
Assets						
(a) Loans	-	-	20	-	-	-
(b) Security Deposit	-	-	70	-	-	46
(c) Lease Obligations	-	-	63	-	-	2

(ii) Measurement of fair values

The above table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Input other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or the liabilities that are not based on observable market data (unobservable Inputs).

(i) Fair value of financial assets and liabilities measured at amortised cost :-

Particulars	(Rs. In lakhs)	
	March 31, 2020	March 31, 2019
(a) Security Deposit	70	46
(b) Loan	20	-
(c) Lease Obligations	63	2

(ii) The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and others approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

45. Income tax expense:

a) Tax expense recognized in the Statement of Profit and Loss

Particulars	(Rs. in Lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
Current tax on taxable income for the year	138	198
Total Current tax expense	138	198
Deferred tax		
Deferred tax charge/(credit)	(165)	(83)
MAT credit (taken)/utilized	(21)	(20)
Total deferred tax expense/(benefit)	(186)	(103)
Tax in respect of earlier years	45	(18)
Total tax expense	(3)	77

b) A reconciliation of the Income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Particulars	(Rs. in Lakhs)			
	Year ended March 31, 2020		Year ended March 31, 2019	
Enacted income tax rate in India applicable to the company	27.82%		33.38%	
Profit before tax		714		811
Current tax expense on profit before tax expense at the enacted income tax rate in India	27.82%	199	33.38%	271
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income				
Property, plant and equipment – Depreciation	0.00%	-	(5.79)%	(47)
Effect of change in tax rate	(36.98)%	(264)	(15.88)%	(129)
Effect of temporary differences	0.03%	0*	4.06%	33
Permanent Difference and Others	3.50%	25	2.46%	20
Impact of fair valuation/impairment of Investment	(1.15)%	(8)	(6.53)%	(53)
Income tax expense for the earlier year	6.27%	45	(2.22)%	(18)
Tax Expense recognized in the Statement of Profit & Loss	(0.42)%	(3)	9.48%	77

* Amount less than 1 lakh

c) Tax assets and liabilities

Particulars	(Rs. in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Non-current tax assets (net)	38	23

d) Deferred tax assets and liabilities

(Rs. in lakhs)

Particulars	As at April 1, 2018 - Deferred tax assets/liabilities	Transfer on account of demerger	(Credit)/Charge in statement of profit and loss	Credit/Charge directly in OCI	As at March 31, 2019 - Deferred tax assets/liabilities	(Credit)/charge in other Equity (Refer Note 45(e))	(Credit)/charge in statement of profit and loss	(Credit)/charge directly in OCI	As at March 31, 2020 - Deferred tax assets/liabilities
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	3,720		(52)	-	3,668	(339)	(154)	-	3,175
Valuation of Investment	208	(208)	-	-	-	-	-	-	-
Deferred Tax Liabilities (A)	3,928	(208)	(52)	-	3,668	(339)	(154)	-	3,175
Expenditure allowed for tax purpose on payment basis	69		(28)	(10)	31	-	4	5	40
Allowance for doubtful debts and advances	12	-	6	-	18	-	7	-	25
Valuation of Investment	-	-	53	-	53	-	-	-	53
MAT Credit Entitlements	178	-	9	-	187	-	(24)	-	163
Deferred tax Assets (B)	259	-	40	(10)	289	-	(13)	5	281
Deferred tax liabilities (net) (A-B)	3,669	(208)	(92)	10	3,379	(339)	(141)	(5)	2,894

- e) Pursuant to the provisions of the Finance Act, 2019, the Company has recognised provision for income tax for the year ended March 31, 2020 at the applicable revised rate and remeasured the balance of deferred tax as at March 31, 2020 resulting in write back of deferred tax liabilities(net) of Rs. 264 lakhs in the Statement of Profit and Loss and amount of Rs. 339 lakhs in Other Equity in respect of items earlier directly recognised in Equity.

46. Value of consumption of Raw material and Spare parts and components consumed during the year:

(Rs. in lakhs unless otherwise stated)

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Value	%	Value	%
Raw Material Consumed				
Indigenous	14,978	100	15,802	100
Imported	-	-	-	-
Total	14,978	100	15,802	100
Spare parts and components				
Indigenous	782	100	783	99.87
Imported	-	-	1	0.13
Total	782	100	784	100

47. Raw material consumption:

(Rs. in lakhs)

Particulars	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Quantity (in Kgs.)	Amount	Quantity (in Kgs.)	Amount
Viscose Staple Fibre	1,028,491	1,570	883,679	1,535
Polyester Fibre	16,209,652	11,332	16,165,989	12,411
Acrylic Fibre	408,372	531	385,997	535
Polyester Filament Yarn/Other Yarn/ Nylon/ Bamboo Fibre	0	0	9,163	21
Dyes and chemicals		1,161		1,072
Polyester Yarn Sewing Thread	193,031	384	97,609	228
		14,978		15,802

48. Particulars in respect of Production, Sales and Stocks

a. Production, Sales and Stocks

Man Made Fibers Spun Yarn

Year Ended	Production (in Kgs.)	Opening Stock		Closing Stock	
		Quantity (in Kgs.)	Value (in Lakhs)	Quantity (in Kgs.)	Value (in Lakhs)
March 31, 2020	16,956,793	1,982,168	2,823	2,119,360	3,035
March 31, 2019	16,826,787	1,824,283	2,607	1,982,168	2,823

Sewing Thread

Year Ended	Production (in Kgs.)	Opening Stock		Closing Stock	
		Quantity (in Kgs.)	Value (in Lakhs)	Quantity (in Kgs.)	Value (in Lakhs)
March 31, 2020	189,808*	23,901	80	39,158	124
March 31, 2019	99,444*	-	-	23,901	80

*Production includes NIL (4,402 Kgs) received from Spinning Division for manufacture of Sewing Thread.

b. Turnover:

(Rs. in lakhs unless otherwise stated)

Particulars	Quantity (in Kgs.) Year Ended	Quantity (in Kgs.) Year Ended	Value Year Ended	Value Year Ended
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Man-made Fibre spun Yarn	16,819,410	16,369,998*	25,951	26,009
Knitted Fabric (Job Work)	0	288,192	0	446
Sewing Thread	174,543	75,543	635	278

*Excluding shortage/wastage of yarn 191 kgs (451 Kgs), Knitted Fabric NIL (5,859 Kgs), Sewing Thread 8kg (NIL)

*Sales excluding NIL (4,402 Kgs) yarn issued for Captive Consumption for manufacture of Sewing Thread.

49. CIF Value of Imports:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Capital Goods	0	344
Stores and Spares	0	1

(b) Income and Expenditure in Foreign Currency: Nil (March 31, 2019: Nil)

50. Related Party disclosures as required by Ind AS-24 issued by Ministry of Corporate Affairs(MCA):

50.1 List of related parties and their relationship:

1	Subsidiary	APM Finvest Limited	Incorporated on May 13, 2016 (Ceased to be subsidiary w.e.f. April 01, 2018)
2	Key management personnel	R. K. Rajgarhia	Executive Chairman
		S. G. Rajgarhia	Director and Brother of Chairman
		Hari Ram Sharma	Managing Director and Director in Arvind Syntex Private Limited
3.	Relatives of Key Management Personnel with whom transactions have taken place	Prabha Rajgarhia	Wife of Chairman
		Sanjay Rajgarhia	Son of Chairman
		Pooja Rajgarhia	Daughter in law of Chairman
		Ajay Rajgarhia	Vice President (Business Development) and son of Chairman
		Anjali Harlalka	Daughter of Chairman
		Deepak Harlalka	Son in law of Chairman
		Aditi Rajgarhia	Grand Daughter of Chairman

	Nawal Kishore Rajgarhia	Brother of Chairman & Shri S G Rajgarhia
	Purushottam Kumar Rajgarhia	Brother of Chairman & Shri S G Rajgarhia
	Surendra Kumar Rajgarhia	Brother of Chairman & Shri S G Rajgarhia
	Sunita Bagla	Sister of Chairman & Shri S G Rajgarhia
	Usha Rajgarhia	Wife of Shri S G Rajgarhia
	Anisha Mittal	Daughter of Shri S G Rajgarhia
	Bhavna Rajgarhia	Daughter of Shri S G Rajgarhia
	Sampat Sharma	Wife of Managing Director
	Arvind Sharma	Son of Managing Director
4. Non-Executive Directors	K R Gupta	Non-Executive and Independent Director
	S G Rajgarhia	Non-Executive and Non-Independent Director
	R R Bagri	Non-Executive and Independent Director
	Uma Hada	Non-Executive and Independent Director
5. Enterprises over which, shareholders/ Promoters are having significant influence	APM Finvest Limited	Significant influence w.e.f. April 01, 2018
6. Enterprises over which, executives directors/ their relatives described in para 2 & 3 are able to exercise significant influence	Perfectpac Limited	
	Rajgarhia Leasing & Financial Services Private Limited	
	Arvind Syntex Private Limited	
	Faridabad Paper Mills Private Limited	
	Essvee Fiscal LLP	
	Rovo Marketing Private Limited	
	R K R Foundation (ceased w.e.f. December 31, 2018)	
Ram Lal Rajgarhia Memorial Trust		

50.2 The following transactions were carried out with related parties in the ordinary course of business**(Rs in Lakhs)**

Name of the related party	Nature of transaction	Year ended March 31, 2020	Year ended March 31, 2019
Arvind Syntex Private Limited	Sales (Net of Sales return)	82	28
Arvind Syntex Private Limited	Purchase	-	9
Arvind Syntex Private Limited	Job work	-	79
Rajgarhia Leasing Financial Services Private Limited	Interest expenses	29	38
Ram Lal Rajgarhia Memorial Trust	Contribution to Corporate Social Responsibility	8	6
K R Gupta	Director Sitting Fees	3	3
R R Bagri	Director Sitting Fees	3	3
S G Rajgarhia	Director Sitting Fees	2	2
Uma Hada	Director Sitting Fees	1	1
Prabha Rajgarhia	Rent	11	10
Ajay Rajgarhia	Rent	16	15
Aditi Rajgarhia	Rent	2	2
Anisha Mittal	Rent	4	0
Rajgarhia Leasing Financial Services Private Limited	Loans Repaid	1353	2,563
Rajgarhia Leasing Financial Services Private Limited	Loans/Advances taken	1611	2,563
APM Finvest Limited	Payment made by the Company on its behalf to the related party	837	378
APM Finvest Limited	Payment received by the Company on its behalf	837	1008
APM Finvest Limited	Loans Repaid	267	263
APM Finvest Limited	Loans/Advances taken	211	
APM Finvest Limited	Interest Expenses	34	19
R K Rajgarhia	Remuneration	112	109
Hari Ram Sharma	Remuneration	104	97
Ajay Rajgarhia	Remuneration	20	19
R K Rajgarhia	Additional Personal Guarantee provided for term loan/Working Capital Loan	453	1,497
R K Rajgarhia	Reduction in Personal Guarantee provided for term loan/Working Capital Loan	1,138	-

50.3 Outstanding balances with related parties

(Rs in Lakhs)

Name of the related party	Nature of transaction	As at March, 31 2020	As at March, 31 2019
Rajgarhia Leasing and Financial Services Private Limited	Loan Taken	258	-
APM Finvest Limited	Loan Taken	311	367
R K Rajgarhia	Personal Guarantee provided for Company term loan/ Working Capital Loan	4,645	5,330
APM Finvest Limited	Interest Payable	6	-
Rajgarhia Leasing and Financial Services Private Limited	Interest Payable	7	-

50.4 Key Management Personnel Remuneration

Key management personnels remuneration comprised of the following:

(Rs in Lakhs)

Particulars	R.K. Rajgarhia, Executive Chairman		Hari Ram Sharma, Managing Director	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Salary and Allowances	108	104	103	95
Contribution to Provident and other Funds	-	-	**	**
Value of benefits, calculated as per Income Tax Rules	4	5	1	2

**Rs 0.22 Lakh (Rs. 0.22 Lakh)

50.5 No amount pertaining to related parties which have been provided for as doubtful debts or written off.**50.6** Related party relationship is as identified by the Company and relied upon by the Auditors.**51. Segment Reporting**

The Company's primary business segment is reflected based on principal business activities carried on by the Company. Chairman and Managing Director has been identified as being the Chief Operating Decision Maker ('CODM') and evaluates the Company's performance and allocates resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, there are no separate reportable business segments as per Ind AS 108-Operating Segments. The Company operates in one reportable business segment i.e., manufacturing of Yarn.

52. Earnings per Share (EPS)

(Rs. in lakhs unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Net profit for the period (before OCI)	717	734
Weighted average no. of Equity Shares	21,611,360	21,611,360
Diluted average no. of Equity Shares	21,611,360	21,611,360
Basic earnings per share (in Rs.)	3.32	3.40
Diluted earnings per share (in Rs.)	3.32	3.40
Face value of each shares (in Rs.)	2	2

53. The operation and financial performance of the company during the financial year ended March 31, 2020 are marginally impacted due to the shutdown of the company's plants under the lockdown announced by the state/central Government after the outbreak of Covid-19 pandemic in March 22, 2020. The company has since resumed its operations on May 04, 2020 conforming to the guidelines of the Government. All necessary precautions relating to Hygiene, Sanitization, social distancing, care and protection of the employees would continue to be followed.

The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Property, Plants and Equipment, Inventories, Receivables and Other current Assets. In developing the

assumptions relating to the possible future uncertainties in the economic condition because of this pandemic, the company as at the date of approval of these Financial statements has used internal and external sources on the expected future performance of the company. The Company has performed analysis on the assumptions used and based on current indicators of Future Economic conditions, the company expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the Business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact on the company's assets and performance in future may differ from that estimated as at the date of approval of these Financial statements.

54. All amounts in the financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III except per share data and as otherwise stated. Figures in brackets represent corresponding previous year figures. Previous year's figures are regrouped / rearranged to confirm current year presentation.
55. The Financial Statements were authorised for issue by the Board of Directors on June 29, 2020.

As per Report of even date**For and on behalf of the Board****For CHATURVEDI & PARTNERS**

Chartered Accountants
Firm Registration No. 307068E

R K RAJGARHIA

Chairman
DIN 00141766

K R GUPTA

Director
DIN 00027295

HARI RAM SHARMA

Managing Director
DIN 00178632

ANUJ MAHANSARIA

Partner
Membership No. 500819

C S VIJAY

Chief Financial Officer

NEHA JAIN

Company Secretary
Membership No. 48053

Place : New Delhi

Date : June 29, 2020