

INFORMATION MEMORANDUM

APM FINVEST LIMITED

Registered office: SP-147, RIICO Industrial Area Bhiwadi, Alwar, Rajasthan – 301019

Corporate Office: 910, Chiranjiv Tower,
43, Nehru Place, New Delhi-110019.

CIN: U65990RJ2016PLC054921; **Contact Person:** Sanjay Rajgarhia **Tel:** 011-26441015-17

Website: www.apmfinvest.com **Email:** apmfinvestltd@gmail.com

This information memorandum is for general information purposes only and is not intended to be an offer or invitation to subscribe to any securities and is not a prospectus, a statement in lieu of prospectus, an offering circular, offering memorandum, placement memorandum, or an offering document (by whatever name called) within the meaning of the Companies Act, 2013 and the rules notified thereunder, or under any other applicable law.

APM Finvest Limited (“Our Company” or “The Company”) was incorporated on 13th May, 2016 as a public limited Company under the provisions of the Companies Act, 2013.

INFORMATION MEMORANDUM

FOR LISTING OF 2,16,11,360 EQUITY SHARES OF INR 2/- EACH

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS
INFORMATION MEMORANDUM

OUR PROMOTER

APM INDUSTRIES LIMITED

GENERAL RISK

Investment in equity and equity-related securities involve a degree of risk and investors should not invest in the equity shares of APM Finvest Limited unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in the shares of APM Finvest Limited. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

APM Finvest Limited having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to APM Finvest Limited, which is material in context of issue of shares pursuant to the scheme, that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of APM Finvest Limited is proposed to be listed on the Bombay Stock Exchange Limited ("BSE"), the designated stock exchange. Our Company has submitted this Information Memorandum to the BSE and the same is available on the Company's website www.apmfinvest.com and this Information Memorandum would also be made available on the website of the BSE, at www.bseindia.com.

REGISTRAR TO THE ISSUE / REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.



Address: D-153 A, 1st floor, Phase I, Okhla
Industrial Area, New Delhi – 110020
Tel : 011-40450193-97 & 011-26812682-83
Email: admin@skylinerta.com
Contact Person: Mr. Dinesh Kumar
Website: www.skylinerta.com

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A. DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Information Memorandum and references to any statute or regulations or policies shall include amendments thereto, from time to time:

Conventional and general terms or abbreviations

Term/ abbreviations	Description/Full Form
“₹” or Rupees or Rs. Or Indian Rupees or INR.	The lawful currency of India
THE ACT /COMPANIES ACT	The Companies Act 2013 read with rules made thereunder
AFL	APM Finvest Limited (Resulting Company)
AIL	APM Industries Limited (Demerged Company)
AS	Accounting Standard issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
BSE	Bombay Stock Exchange
CAGR	Compound Annual Growth Rate
CARE	CARE Ratings Limited
CDSL	Central Securities Depository Limited
DIN	Director Identification Number
Financial Year/Fiscal Year/F.Y.	Period of 12 Months ended March 31 st of that particular year
GNS	Gross national savings
GDP	Gross Domestic Product
GoI	Government of India
ICAI	Institute of Chartered Accountants of India
MAT	Minimum Alternate Tax
NBFC - ND	Non- Deposit Taking Non- Banking Financial Company
NBFC	Non-Banking Financial Companies
NBFC-MFIs	Non-Banking Financial Company Microfinance Institutions
NCD	Non-Convertible Debentures
NSDL	National Securities Depository Limited
PAN	Permanent Account Number

Q	Quarter
RBI	Reserve Bank of India
RTA	Registrar & Share Transfer Agent
SEBI	Securities and Exchange Board Of India
SEBI Regulations (ICDR)	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contract (Regulation) Rules, 1957
THE IT ACT	Income Tax Act, 1961
UHNWI	Ultra High Net Worth Individual

Issuer related and Industry related terms

Term/ abbreviations	Description/Full Form
Articles/Articles of Association/AoA	Articles of Association of our Company
Demerged Undertaking	Demerged Undertaking shall have the meaning ascribed to such term in " <i>Scheme of Arrangement for Demerger</i> "
Demerged Company/AIL/ Transferor Company	APM Industries Limited
Designated stock Exchange	Designated stock exchange shall be Bombay Stock Exchange.
Effective Date	The date of filing the Order of NCLT with Registrar of Companies.
Equity Share(s) or Share(s)	Equity Share of our Company having a face value of INR. 10/- unless otherwise specified in the context thereof
Equity Shareholder/ Shareholder	A holder of the Equity Shares
Eligible Shareholder (s)	Shall mean Eligible Shareholder (s) of the Equity Shares of APM Industries Limited as on the Record Date
Record Date	18 th June, 2019
Related Party	Related Party here shall mean a related party as defined under Companies Act, 2013 and Accounting Standard 18
Registrar and Share Transfer Agents	Skyline Financial Services Pvt. Ltd.
Registrar of Companies' or 'RoC'	Shall mean the Registrar of Companies of Jaipur.

Resulting Company/AFL/ Transferee Company	APM Finvest Limited
Scheme/The Scheme	Scheme of Arrangement, as set out herein and approved by the Board of Directors of Demerged Company and Resulting Company and subject to approval of NCLT
SEBI Listing Regulations, 2015	Shall mean the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
Statutory Auditor	Narendra Singhania & Co., Chartered Accountants
Stock Exchange	Shall mean BSE Limited where Equity Shares are proposed to be listed

B. CERTAIN CONVENTIONS, USE OF MARKET DATA AND CURRENCY OF PRESENTATION

Unless stated otherwise, the financial data in this Information Memorandum is derived from our financial statements. The financial year commences on April 1 and ends on March 31 of the next year, so all the references to a particular financial year are to the twelve months period ended March 31 of that year, unless otherwise stated.

In this Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All references to "India" contained in this Information Memorandum are to the Republic of India. All references to "Rupees" or "₹" are to Indian Rupees, the official currency of the Republic of India. For additional definitions, please see "*Definitions and Abbreviations*" of this Information Memorandum.

Unless stated otherwise, industry data and market data used throughout this Information Memorandum has been obtained from the published data and industry publications. These publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, we believe that industry and market data used in this Information Memorandum is reliable, it has not been independently verified. Data from these sources may also not be comparable. The extent to which industry and market data used in this Information Memorandum is meaningful depends on the readers' familiarity with and understanding of the methodologies used in compiling such data".

The information included in this Information Memorandum about various other companies is based on their respective annual reports and information made available by the respective companies.

C. FORWARD LOOKING STATEMENTS

We have included statements in this Information Memorandum, that contain words or phrases such as “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “project”, “should”, and similar expressions or variations of such expressions that are “forward looking statements”. Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties and assumptions associated with the Company’s expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which our Company has its businesses or proposes to have its business, and the Company’s ability to respond to them, its ability to successfully implement its strategy, its growth and expansion, its exposure to market risks, competitive landscape, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated fluctuations in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the Company’s industries. Important factors that could cause actual results to differ materially from our expectations include, among others:

- Our ability to expand our service capabilities
- Any litigation pursued by our customers or end users in case of any deficiency in our services, reputation and business
- General economic and business conditions in India;
- Our ability to successfully implement our strategy, our growth and expansion plans
- Ability to retain management team and skilled personnel;
- Amount that our Company is able to realize from the clients;
- Potential mergers, acquisitions or restructurings;
- Changes in fiscal, economic or political conditions in India;
- Changes in the value of the Rupee and other currency changes;
- Changes in Indian or international interest rates; and
- Changes in laws and regulations in India, including foreign exchange control regulations;
- Accidents and natural disasters; and
- Other factors beyond our control.

For further discussion of factors that could cause our actual results to differ, see “Risk Factors”. By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future.

As a result, actual future gains or losses could materially differ from those that have been estimated. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under “Industry Overview” and “Business Overview”.

We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

SECTION II – RISK FACTORS

An investment in equity shares involves risk. You should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in the Equity Shares of our Company.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our Company's business, results of operations and financial condition could suffer, the price of the Equity Shares could decline, and all or part of your investment may be lost. Unless otherwise stated our Company is not in a position to specify or quantify the financial or other risks mentioned herein.

Wherever used in this section the terms "we", "us", "our", "our Company" is a reference to APM Finvest Limited, unless otherwise stated. Unless otherwise specifically stated in this section, financial information included in this section has been derived from our Financial Statements.

RISK RELATING TO OUR COMPANY'S BUSINESS

A. INTERNAL RISK FACTORS

1. We are dependent on our senior management to manage our current operations and meet future business challenges.

Our future success is dependent on expertise, experience, and services of Company's senior managements to maintain strategic direction, manage current operations and risk profile and meet future business challenges, including the planned expansion and the addition of new projects. Loss of, or inability to attract or retain, such persons could adversely affect our business and results of operations. If one or more of these key personnel are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly or at all, and we may not be able to further augment our management team appropriately and this could have a materially adverse effect on our business, results of operations and financial condition.

2. We face competition from other established companies and future entrants into the industry.

We operate in the domestic market where we face competition from various players. Growing competition may force us to reduce interest rates that we propose to charge on loans, which may reduce revenues and margins and/or decrease market share, either of which could impact our results of operations.

3. We are subject to supervision by regulatory authorities and non-compliance with observations made by regulatory authorities during their periodic inspections could expose us to penalties and restrictions.

As an NBFC we are subject to periodic inspection by the RBI under Section 45N of the Reserve Bank of India Act, 1934 (the "RBI Act"), pursuant to which the RBI inspects our books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the RBI. Any irregularities found during such investigations by such regulatory authorities could similarly, expose us to warnings, penalties and restrictions.

During the course of finalization of inspection, regulatory authorities share their findings and recommendations with us and give us an opportunity to provide justification and clarifications. Further, such regulatory authorities also seek certain clarifications and share their findings in the ordinary course of business. We will respond to observations made by such authorities, if any and address them, however we cannot assure you that these authorities will not find any deficiencies in future inspections or otherwise/ the authorities will not make similar or other observations in the future. In the event we are unable to resolve such deficiencies to the satisfaction of the relevant authority, we may be restricted in our ability to conduct our business as we currently do. While we seek to comply with all regulatory provisions applicable to us, in the event we are unable to comply with the observations made by the authorities, we could be subject to penalties and restrictions which may have an adverse effect on our business, results of operations, financial condition and reputation.

4. Our Company is exposed to market risk from interest rate fluctuations.

An increase in interest rates or an increase in the margin on which finance can be obtained may increase the cost of borrowing, which could have an adverse impact on our business, margins and results of operations.

5. Our ability to pay dividends in the future will depend upon our future earnings, cash flows, working capital requirements, lender's approvals and other factors.

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our future earnings and financing arrangements for the projects, financial condition and results of operations.

6. We will enter into related party transactions in future.

We will enter into certain related party transactions with our related parties in future. Any future transactions with our related parties may not be on most favorable terms for our Company at all times vis-à-vis the transactions with unrelated parties. Such transactions may have an adverse effect on our business, prospects, financial condition and results of operations.

7. The statements contained in this Information memorandum are based on current management plans and estimates and may be subject to change. In addition, industry statistical and financial data contained in this Information memorandum may be incomplete or unreliable.

We have not independently verified data from industry publications and other sources contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable and should not be unduly relied upon.

B. EXTERNAL RISK FACTORS

1. Competition in the Industry

Our Company operates in a competitive scenario comprising of multiple players in the industry, resulting in a stiff competition from these players. Our Company and its management believe that it will continuously endeavor to expand its offering and has created the name "AFL" for quality and reliability; the same can have a significant impact on the future financial performance of our Company.

2. Changes in Government policies

Changes in Government policy, changes in interest rates, revision of duty or tariff structure, changes in tax laws, etc. may have an adverse impact on our customers. Due to the competitive nature of the market, the cost increases as a result of these changes may not be easily passed on to the customers, thus adversely impacting our profitability.

3. Legal and Compliance Risks

Our Company will be subject to extensive regulation by SEBI, Stock Exchanges, RBI and other market regulators in India. New laws/rules and changes in any law and application of current laws/rules could affect the manner of operations and profitability.

4. Political instability or changes in the government may delay the liberalization of the Indian economy and adversely affect economic conditions in India generally, which may impact our business, financial results and results of operations.

The GoI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. A change in the government in future may result in a significant change in the government's policies that may adversely affect business and economic conditions in India and may also adversely affect our business, financial condition and results of operations.

5. Terrorist attacks and other acts of violence

Terrorist attacks and other acts of violence or war may adversely affect Indian and worldwide financial markets. These acts may result in loss of business confidence and have other consequences that could adversely affect our business, results of operations and financial condition. Increased volatility in the financial markets can have an adverse impact on the economies of India and other countries, including economic recession.

6. Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy, adversely affecting our business.

C. RISKS RELATING TO OUR INDUSTRY

7. Slowdown/deceleration of the Indian economy

The level of general economic activity in India may have a direct impact on demand for our Company's services. The level of economic activity is influenced by a number of factors, including national and international economic activity, political and regulatory policy, and climatic conditions such as monsoons and drought, prices of international crude oil, etc. If the pace of growth of the Indian economy slows or turns negative, the business, financial condition and future results of operations of our Company would be materially and adversely affected.

8. Material changes in Legislation / New Legislation

Regulatory changes in India could adversely affect our business. Changes in laws and regulations or to the regulatory or enforcement environment in India may have an adverse effect on the services we offer, on the value of our assets or on the collateral available for our loans or on our business in general. The RBI has instituted several changes in regulations applicable to NBFCs, including an increase in risk-weights on certain categories of loans for computation of capital adequacy, an increase in general provisioning requirements for various categories of assets, changes to capital requirements and accounting norms for securitization, an increase in regulated interest rates, changes to limits on investments in group companies, changes to single party and group exposure limits on lending/investment and directed lending requirements, accounting standard etc.

9. Interest Rate Risk

A part of the Company's loans could be disbursed at fixed rates for specific tenures which may differ from its funding sources and therefore interest rate fluctuations could impact the Company's margins as well as profitability. We are exposed to interest rate risk principally as a result of lending to customers at interest rates and in amounts and for periods, which may differ from the funding sources (institutional/bank borrowings and debt offerings). We endeavor to match our asset liability to minimize our interest rate risk. Despite these efforts, there can be no assurance that significant interest rate movements will not have an effect on the results of our operations.

10. Credit Risk

As an NBFC, the risk of default and non-payment by borrowers and other counterparties is one of the most significant risks which may affect our profitability and asset quality. In deciding whether to extend credit to, or to enter into transactions with, customers and counterparties, our Company relies on (i) published credit information of such parties; (ii) financial and other relevant information furnished by or on behalf of their customers, based on which the Company performs its credit assessment. In the event, we do not suitably identify the risk of default, our business and operations may be affected.

11. Recovery value of security / Collateral granted in our favour

The NBFC activity may expose us to potential losses due to a decline in value of assets secured in our favour and due to delays in the enforcement of such security upon default by the Company's borrowers.

12. Higher Cost of Borrowings

We may not be able to access funds at competitive rates and such higher cost of borrowings could have a significant impact on the scale of our operations and on our profit margins.

13. Systems and Technology

System failures, infrastructure bottlenecks and security breaches in computer systems may adversely affect our business. If any of these systems did not operate properly or were disabled or if other shortcomings or failures in our internal processes or systems were to arise, this could affect our operations and/or result in financial loss, disruption of our businesses, regulatory intervention and/or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

14. Liquidity Concerns

We would face asset-liability mismatches in the short term, which could affect our liquidity position. The difference between the value of assets and liabilities maturing, in any time period category provides the measure to which we are exposed to the liquidity risk. As is typically seen in several NBFCs, a portion of the funding requirements would have to be met through short-term funding sources, i.e. bank loans, working capital demand loans, cash credit, short term loans and issuances of, non-convertible debentures and commercial papers. However, a large portion of our assets have medium to long-term maturities. In the event that the existing and committed credit facilities are withdrawn or are not available to the Company, funding mismatches may widen and it could have an adverse effect on our business and future financial performance.

15. Competition

The Company faces increasing competition from other established banks and other NBFCs. With the advent of Fintech companies the industry is getting extremely competitive especially in the personal loans segment. The success of our business depends on our ability to face the competition.

D. RISKS RELATING TO THE INVESTMENT IN OUR EQUITY SHARES**16. Our Equity Shares may experience price and volume fluctuations or an active trading market for our Equity Shares may not develop**

The price of the Equity Shares may fluctuate as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, adverse media reports on us, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic

liberalization and deregulation policies, and significant developments in India's fiscal regulations.

There has been no recent public issue for the Equity Shares prior to the listing of the Equity Shares of the Company and an active trading market for the Equity Shares may not develop or be sustained after the listing of Equity Shares. Further, the price at which the Equity Shares are initially traded may not correspond to the prices at which the Equity Shares will trade in the market subsequent to the listing of Equity shares.

17. Any future issuance of Equity Shares may dilute prospective investors' shareholding and sales of our Equity Shares by major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by the Company, may lead to the dilution of investors' shareholdings in the Company. Any future equity issuances or sale of Equity Shares by major shareholders of the Company may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

18. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements.

Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

19. There may be restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Upon listing and trading of the Equity Shares, we may be subject to a daily circuit breaker imposed by all stock exchanges in India, which may not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breaker may be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker effectively limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

SECTION III – INTRODUCTION

YOU SHOULD READ THE FOLLOWING SUMMARY TOGETHER WITH RISK FACTORS AND MORE DETAILED INFORMATION ABOUT OUR COMPANY AND FINANCIAL DATA INCLUDED ELSEWHERE IN THIS INFORMATION MEMORANDUM.

A. GENERAL INFORMATION

Our Company was incorporated on May 13th 2016 at Alwar as APM Finvest Limited as a public limited company under the provisions of Companies Act 2013 bearing CIN: U65990RJ2016PLC054921 and presently having its registered office at SP-147, RIICO Industrial Area Bhiwadi, Alwar, Rajasthan - 301 019. Our Company is registered with Reserve Bank of India (RBI) as Non-deposit accepting Non-Banking Financial Company.

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

REGISTERED OFFICE

SP-147, RIICO Industrial Area Bhiwadi,
Alwar, Rajasthan - 301 019
Tel.: 011-26441015-17
Email: apmfinvestltd@gmail.com
Website: www.apmfinvest.com
Registration No.: 054921
Corporate Identity Number: U65990RJ2016PLC054921

CORPORATE OFFICE

910, Chiranjiv Tower,
43, Nehru Place,
New Delhi-110019.
Tel.: 011-26441015

REGISTRAR OF COMPANIES

Shri U. S Patole (ROC cum OL Jaipur)
ROC-cum-Official Liquidator
Ministry of Corporate Affairs,
C/6-7, 1st Floor, Residency Area,
Civil Lines, Jaipur-302001
Phone: 0141-2981913/2981914/2981915/2981917
Fax: 0141-2981916

BOARD OF DIRECTORS:

The Board of Directors as on the date of filing of the Information Memorandum are:

Sr. No.	Name of Directors	DIN	Designation	Address
1.	Mr. Tribhuwan Das Chaturvedi	00002815	Chairman, Independent Director	B-10, Pamposh Enclave, G K -1, Greater Kailash, Delhi-110048
2.	Mr. Sanjay Rajgarhia	00154167	Vice Chairman, Director	177 C Western Avenue W-7 lane Sainik Farms New Delhi 110062
3.	Mr. Ajay Rajgarhia	01065833	Managing Director	W-13 Greater Kailash - II, New Delhi-110048
4.	Mrs. Anisha Mittal	00002252	Non-Executive Director	A-39, III rd Floor, Friends Colony, East South Delhi-110065
5.	Mrs. Nirmala Bagri	01081867	Independent Director	7/23, Old No.-177-C, W-7, Western Avenue, Sainik Farms, Pushpa Bhawan S.O, South Delhi, New Delhi-110062

For Further details of the Board of directors of our Company, please refer to the Chapter titled "Management"

COMPANY SECRETARY AND COMPLIANCE OFFICER

The details of the person appointed to act as Compliance Officer for the purposes of this issue are set out below:

Ms. Nidhi

Company Secretary and Compliance Officer

Address: 85-A Model Basti, West Park Road, Karol Bagh, New Delhi-110005

Tel No.: 011-26441015

E-mail: apmfinvestltd@gmail.com

LEGAL ADVISOR TO LISTING

Factum Legal Advocates & Solicitors

Address: 4th Floor, M-17, M-Block Market,
Greater Kailash – II, New Delhi -110048
Tel No.: 011-41066313,
Email: info@factumlegal.com
Website: www.factumlegal.com

REGISTRAR AND TRANSFER AGENT TO THE COMPANY

Skyline Financial Services Pvt. Ltd.

D-153/A, 1st floor, Phase I, Okhla Industrial Area,
Pocket D, Okhla Phase –I, New Delhi – 110020
Tel : 011-40450193 & 011-26812682-83
Email: admin@skylinerta.com
Contact Person: Mr. Dinesh Kumar
Website: www.skylinerta.com

STATUTORY AUDITOR

Narendra Singhania & Co.
Chartered Accounts
Firm Registration No. 009781N
Peer Review No. : 010462

Tel.: 011-43156000
Email: navneet.kumar@passpl.com
Contact Person: Ritesh Jindal

DEPOSITORY

a) NSDL

Address: Trade World, A wing, 4th Floor,
Kamala Mills Compound,
Lower Parel, Mumbai – 400013
Tel. No. : (022) 2499 4200
E-mail: info@nsdl.co.in
Website: www.nsdl.co.in

b) CDSL

Address: Marathon Futurex, A-Wing, 25th floor,
NM Joshi Marg, Lower Parel, Mumbai 400013
Tel. No.: 022- 2305-8640/8624/8639/8642/8663
E-mail: helpdesk@cdslindia.com
Website: www.cdslindia.com

AUTHORITY FOR LISTING:

The Jaipur Bench of National Company Law Tribunal, vide its order dated 24th May, 2019 has approved the Scheme of Arrangement between APM Industries Limited and APM Finvest Limited and their respective shareholders and creditors. Pursuant to the Scheme, the Finance & Investment Undertaking of the Demerged Company is transferred to and vested with the Resulting Company with effect from the appointed date i.e. 1st April 2018 in accordance with the Section 230 to 232 of the Companies Act, 2013. The Scheme was made effective on 3rd June, 2019. In accordance with the Scheme, the Company has issued and allotted, at par, to all the equity shareholders of APM Industries Limited whose names were appearing in the Register of Members of APM Industries Limited as on Record Date viz. 18th June, 2019, 1 (one) Equity Shares of face value of Rs. 2/- (Rupees Two only) each held in APM Industries Limited. Subsequently, the Equity Shares of the Company issued pursuant to the Scheme shall be listed and admitted to trading on the Stock Exchanges. Such admission and listing is not automatic and will be subject to fulfillment of the respective listing criteria of BSE by our Company and also subject to such other terms and conditions as may be prescribed by the Stock Exchanges at the time of the application made by our Company to the Stock Exchanges for seeking approval for listing.

Note: The Equity shares allotted by the Resulting Company to the shareholders of Demerged Company shall rank pari-passu, in all respects with the then existing equity shares in Resulting Company in all respects.

ELIGIBILITY CRITERIA

There being no initial public offering or rights issue, the eligibility criteria prescribed under the SEBI ICDR Regulations is not applicable. However, SEBI vide its letter no. [●] dated [●], granted relaxation of Rule 19(2) (b) of the SCRR to our Company pursuant to an application made by our Company to SEBI under sub-rule (7) of Rule 19 of the SCRR as per the SEBI Circular SEBI/CFD/DIL3/CIR/2017/21 dated 10th March, 2017. Our Company has submitted the Information Memorandum, containing information about our Company, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE and the Information Memorandum shall be made available to public through the respective website of the Stock Exchange at www.bseindia.com. Our Company shall also make the Information Memorandum available on its website at www.apmfinvest.com. Our Company shall also publish an advertisement in the newspapers containing the details in terms of Para (III) A (5) of Annexure I of the Circular. The advertisement shall draw specific reference to the availability of the Information Memorandum on our Company's website.

GENERAL DISCLAIMER FROM OUR COMPANY

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

B. CAPITAL STRUCTURE**1. Share Capital of our Company prior to Scheme of Arrangement**

Particulars	Amount (Rs.)
Authorized Capital:	
100,00,000 Equity Shares of Rs.2/- each	20,000,000.00
	20,000,000.00
Issued, Subscribed and Paid up Capital:	
100,00,000 Equity Shares of Rs.2/- each	20,000,000.00
Total	20,000,000.00

2. Share Capital of our Company Post Scheme of Arrangement

Particulars	Amount (Rs.)
Authorized Capital:	
2,25,00,000 Equity Shares of Rs.2/- each	4,50,00,000.00
	4,50,00,000.00
Issued, Subscribed and Paid up Capital:	
2,16,11,360 Equity Shares of Rs.2/- each	4,32,22,720.00
Total	4,32,22,720.00

Notes to Capital Structure of the Company, as mentioned above:*a) Equity Share Capital History of Our Company*

The Company was incorporated with an initial Authorized Share Capital of Rs. 2,00,00,000 divided into 2,00,00,000 Equity Shares having face value of Rs. 10 /- each. The Issued, Paid Up and Subscribed Share Capital of the Company was Rs. 2,00,00,000 divided into 2,00,00,000 Equity Shares having face value of Rs. 10/- each.

However, the Company has sub-divided nominal value of its equity shares from Rs. 10 /- each to Rs. 2 /- each on 14th December, 2017. Consequently number of Authorised, Issued, Subscribed and Paid up Equity Shares have increased accordingly.

b) Capital Evolution of Paid-Up Capital since Incorporation of the Company

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue	Cumulative Capital (No. of Shares)
13.05.2016	20,00,000	10.00	Subscriber	20, 00,000.00
14.12.2017	1,00,00,000.00	2.00	Sub-division of face value of issued, subscribed and paid up equity	1,00,00,000.00

			shares of the Company from Rs. 10 each to Rs. 2 each	
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c) *Details of the existing share capital of the Company:*

Date of Allotment	Nature of Allotment	No. of Equity Shares	Face Value	Issue Price	Form of Consideration	Nature of Allotment
20 th June, 2019	Allotment of Equity shares by Resulting Company to the shareholders of Demerged Company pursuant to the scheme of Arrangement for Demerger.	2,16,11,360	Rs. 2	Not Applicable	Not Applicable	Allotment of Equity Shares pursuant to the Scheme of Arrangement for Demerger.

d) *Details of Options / Convertible Instruments and Securities*

As on the date of this Memorandum, the Company does not have any options or convertible securities/instruments.

e) *Details of allotment of shares pursuant to scheme of Arrangement approved under section 230-232 of Companies Act, 2013*

Pursuant to the scheme of arrangement for demerger: for every 1 (one) Equity shares of face value Rs. 2/- (Rupees Two only) each held in APM Industries Limited (i.e. Demerged Company) as on the record date, the equity shareholders of APM Industries Limited (i.e. Demerged Company) will be issued 1 (One) Equity Shares of face value of Rs. 2/- (Rupees Two) Each credited as fully paid up in APM Finvest Limited (i.e. Resulting Company).

The Board of Directors of APM Finvest Limited at its meeting held on 20th June, 2019 has allotted 2,16,11,360 (Two Crore Sixteen Lakh Eleven Thousand Three Hundred Sixty) Equity Shares of Rs.2/- (Rupees Two) each as fully paid up to the shareholders of APM Industries Limited, whose names were appearing in the Register of members of APM Industries Limited as on the Record Date viz. 18th June, 2019.

Note: The Details regarding allotment of shares by the resulting Company to the Shareholders of Demerged Company is specified in Part – C of the Scheme of Arrangement for Demerger, on Page No. 32 of this Information Memorandum

f) *The Shareholding Pattern of our Company prior to Scheme of Arrangement is as under :*

Sr. No.	Name	Address	Number of shares	Shareholding (%)
1	APM Industries Limited (Holding Company)	SP-147, RIICO Industrial Area, Bhiwadi, Rajasthan-301019	99,99,994	100
2	Rajendra Kumar Rajgarhia (Nominee of APM Industries Limited)	W-13 Greater Kailash – II, New Delhi- 110048	1	NIL
3	Prabha Rajgarhia (Nominee of APM Industries Limited)	W-13 Greater Kailash – II, New Delhi- 110048	1	NIL
4	Shri Gopal Rajgarhia (Nominee of APM Industries Limited)	33/1 - Friends Colony (East), New Delhi -110065	1	NIL
5	Sanjay Rajgarhia (Nominee of APM Industries Limited)	House No. 177-C, Western Avenue, Sainik Farms, New Delhi - 110062	1	NIL
6	Pooja Rajgarhia (Nominee of APM Industries Limited)	House No. 177-C, Western Avenue, Sainik Farms, New Delhi - 110062	1	NIL
7	Ajay Rajgarhia (Nominee of APM Industries Limited)	W-13 Greater Kailash – II, New Delhi- 110048	1	NIL
TOTAL			1,00,00,000	100

a) Shareholding Pattern of our Company (viz. post allotment) in format as prescribed under Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights						Total as a % of (A+B+C)	No. (a)		As a % of total Shares held (b)
								Class: Equity	Class: Preference	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)=(IV)+(V)+(VI)	(VIII)	(IX)	(X)	(XI)=(VII)+(X)	(XII)	(XIII)	(XIV)				
(A)	Promoter & Promoter Group	14	13730620	0		13730620	63.53		0	63.53	0	0	0	0	13730620		
(B)	Public	9107	7880740	0		7880740	36.47		0	36.47	0	0	3056	0.04	6695779		
(C)	Non Promoter-Non Public																
(C1)	Shares underlying DRS	0	0	0		0	0		0	0	0	0	0	0	0		
(C2)	Shares held by Employee Trusts	0	0	0		0	0		0	0	0	0	0	0	0		
	Total	9121	21611360	0		21611360	100		0	100	0	0	3056	0.01	20426399		

a) Shareholding Pattern of our Company (viz. post allotment) in format as prescribed under Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

	RAJGARHIA LEASING AND FINANCE SERVICES PVT LTD	AACRCR2971B	1130000	0	1130000	5.23	0	5.23	0	0.00	0	0.00	1130000
	ESSVEE FISCAL LLP	AAGFEI874J	97500	0	97500	0.45	0	0.45	0	0.00	0	0.00	97500
	RAJENDRA KUMAR RAJGARHIA	AAFTA7808R	70000	0	70000	0.32	0	0.32	0	0.00	0	0.00	70000
	RAJENDRA KUMAR RAJGARHIA	AADTK0955H	70000	0	70000	0.32	0	0.32	0	0.00	0	0.00	70000
	Sub Total (A)(1)		14	0	13730620	63.53	0	63.53	0	0.00	0	0.00	13730620
2	Foreign												
(a)	Individual/Non Resident Individual/Foreign Individual		0	0	0	0	0	0.00	0	0.00	0	0.00	0
(b)	Government		0	0	0	0	0	0.00	0	0.00	0	0.00	0
(c)	Institutions		0	0	0	0	0	0.00	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0.00	0	0.00	0
(e)	Any Other (Specify)		0	0	0	0	0	0.00	0	0.00	0	0.00	0
	Sub Total (A)(2)		0	0	0	0	0	0.00	0	0.00	0	0.00	0
	Total Shareholding of Promoter and Promoter Group (A)-(A1)+(A2)		14	0	13730620	63.53	0	63.53	0	0.00	0	0.00	13730620

g) Details of shareholders of our Company holding more than 1% shareholding in the Company as on the date of this Information Memorandum

SR. NO.	FOLIO/DP-CLIENT	NAME OF SHAREHOLDERS	SHARES HELD IN PHYSICAL	SHARES HELD IN NSDL	SHARES HELD IN CDSL	TOTAL SHARES	% AGE OF HOLDING
1	IN30133021167102	RAJENDRA KUMAR RAJGARHIA	-	3850000		3850000	17.81
2	IN30011810301885	FARIDABAD PAPER MILLS PRIVATE LIMITED	-	2770000		2770000	12.82
3	IN30133021155922	AJAY RAJGARHIA	-	2275000		2275000	10.53
4	IN30133021159233	PRABHA RAJGARHIA	-	1600000		1600000	7.40
5	IN30011810352053	RAJGARHIA LEASING AND FINANCE SERVICES PVT LTD	-	1130000		1130000	5.23
6	IN30509930011497	SHRI GOPAL RAJGARHIA	-	573850		573850	2.66
7	IN30131320493031	SUBRAMANIAN P	-	524590		524590	2.43
8	IN30070810656671	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	-	470280		470280	2.18
9	1203230001310022	ANISHA MITTAL	-	-	398770	398770	1.85
10	IN30509930011464	BHAVNA RAJGARHIA	-	315500		315500	1.46
11	IN30302855177663	SANJAY RAJGARHIA	-	275000		275000	1.27
12	IN30032710587552	SASMAL MARCOM PVT. LTD.	-	250000		250000	1.16

h) Total Number of shareholders of our Company:

There are total 9,316 (Nine Thousand Three Hundred Sixteen) shareholders in our Company

C. STATEMENT OF POSSIBLE TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

This statement is only intended to provide the special tax benefits available to the Company and its Equity Shareholders under direct and indirect tax laws, presently in force in India (together 'the tax Laws') in a general and summarized manner and does not purport to be exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of tax consequence and the changing tax laws, each investor is advised to consult their own tax advisor with respect to specific tax implications arising out of their participation in the issue.

I. UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

There are no special tax benefits available to the Company.

B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHARTHOLDERS OF THE COMPANY

The shareholders of the Company are not entitled to any special tax benefits under the Act.

II. UNDER THE INDIRECT TAX

There are no special Indirect tax benefits available to the Company.

Notes:

a. All the special benefits are as per the current direct tax laws relevant for the Assessment Year 2020-21 (considering the amendments made by Finance Act, 2019 general benefits as available under the Act).

b. The above statement covers only certain special tax benefits under the Income-tax Act, 1961 and does not cover general benefits as available under the Act or under any other law.

c. The possible tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.

d. In view of the individual nature of tax consequences, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences.

e. The above Statement of Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

SECTION IV – ABOUT US

A. INDUSTRY OVERVIEW

(The information in this section is derived from various publicly available sources. This information has not been independently verified by us or respective legal or financial advisors, and no representation is made as to the accuracy of this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.)

India has witnessed steady GDP growth in the past decade and it is one of the fastest growing economies of the world. The major factor in this growth is the mass consuming population of the country. Consumers today are much more evolved and their demands and needs are very different. Over the years, the investments levels, technological changes, industry structure and intensity of competition have been significantly influenced by the Government tariff policy.

In Q4 FY 2017-18, India's GDP growth was 8.2%, which was the highest in the world. The growth is being led by strong consumption demand. Although, job growth still remains elusive, improving capacity utilisation and higher corporate earnings growth is expected to address that issue.

The country's financial services sector consists of the capital markets, insurance sector and non-banking financial companies (NBFCs). India's gross national savings (GNS) as a percentage of Gross Domestic Product (GDP) stood at 30.50 % in 2019. The total amount of Initial Public Offerings increased to Rs 84,357 crore (US\$ 13,089 million) by the end of F.Y.18. IPO's reached to US\$ 1.94 billion in F.Y.19 (up to Feb 2019). Ultra High Net Worth Individual (UHNWI) increased to 2,697 in 2018 and the population of UHNWI has grown by 118 % from 2013 to 2018.

NBFCs are rapidly gaining prominence as intermediaries in the retail finance space. NBFCs finance more than 80 % of equipment leasing and hire purchase activities in India. The gross loans of India's Non-Banking Finance Company Microfinance Institutions (NBFC-MFIs) increased 24 % year on-year in Q2 F.Y. 18 to Rs 38,288 crore (US\$ 5.89 billion) [*Source: RBI, Microfinance Institutions Network (MFIN)*]. NBFC's market share in commercial loans increased to 2.8 % in 2016-17 from 2 % in 2015-16. The public deposit of NBFCs increased from US\$ 0.3 billion in FY09 to Rs 319 billion (US\$ 4.9 billion) in FY18, registering a Compound Annual Growth Rate (CAGR) of 36.8%. [*Source: Investment & Finance Sector Analysis Report dated 12th February, 2019*]

There are 11,522 Non-Banking Financial Companies (NBFCs) registered with the Reserve Bank of India out of which a lion's share of 98.5% are non-deposit accepting with the balance 1.5% being deposit accepting NBFCs. Around 218 non-deposit accepting NBFCs have been classified as systemically important. NBFCs have established presence in specialized segments, for e.g. HDFC (mortgage loans), Mahindra Finance (agri finance), Power Finance Corporation (power finance) & Shriram Transport Finance (pre-owned commercial vehicle finance). [*Source: Investment & Finance Sector Analysis Report dated 12th February, 2019*]

Present in the competing fields of vehicle financing, housing loans, hire purchase, lease and personal loans, NBFCs, have emerged as key financial intermediaries for small-scale and retail sectors thereby

forming an essential part of shadow banking in India. NBFCs are the third largest segment in the Indian financial system after commercial banks and insurance companies and accounts for 9% of the total financial assets. *[Source: Investment & Finance Sector Analysis Report dated 12th February, 2019]*

But NBFCs cannot access low-cost deposits like their banking peers. Borrowings make up a lion's share of 70% of their liabilities, *as per CARE Ratings (Source)*. A number of NBFCs have been issuing non-convertible debentures (NCDs) in order to increase liquidity. For systemically important NBFCs, debentures had the largest share 49% of borrowings in FY17. Bank borrowings and commercial paper account for 22% and 10% in the liability mix. *[Source: Investment & Finance Sector Analysis Report dated 12th February, 2019]*

Non-Banking Financial Companies are expected to raise their share to 19%-20% by 2020 through recapitalization program for public sector and the new RBI guidelines on NBFCs with regard to capital requirements, provisioning norms and enhanced disclosure requirements are expected to benefit the sector in the long run. New distribution channels such as NBFCs have widened the reach and reduced operational costs.

B. OUR BUSINESS

The financial figures used in this chapter, unless otherwise stated, have been derived from our Company's Financial Statements and audit reports for the relevant years. This section should be read in conjunction with and is qualified in its entirety by, the more detailed information about us and our financial statements, including the notes thereto, in the sections "Risk Factors". In this section "our Company", "we", "us" and "our" refers to APM Finvest Limited.

Overview:

Our Company is a registered with the Reserve Bank of India (RBI) as a Non Deposit Accepting, Non-Banking Financial Company (NBFC-ND). Through our key business lines we deliver financing, investment and advisory services to our customers and clients. We believe our broad based and integrated financial solutions offerings enable us to service our customers from "cradle to grave".

➤ **Primary Business or Key Strengths:** The key business activities of the Company are:

- to invest in and acquire, hold or otherwise, dispose of exchange, transfer or alienate any share, stocks, debentures, debenture stock, bonds, obligation and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere;
- financing and advancing short term and long term loans and credits of any type including business loans, loan against property, housing finance, home loans, personal loans, loan against Diamond jewellery, Diamonds or other precious or semi-precious jewellery or stones etc., loan against Gold jewellery, Gold ornaments, Gold/silverware articles, precious watches, art & artifacts, paintings and similar items to individuals, firms, companies or association of individuals;
- to lend and advance money of all kinds or give credit on any terms or mode and with or without security to any individual, firm, body corporate or any other entity, bill discounting & to enter into guarantees, contracts of indemnity and surety ship of all kinds, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company; and

- Financing the hire purchase transactions, in all its branches in respect of motor vehicles, motor cycles, cycles, agricultural machinery, aero planes, launches, boat, mechanical or otherwise, appliances, refrigerator, furniture wooden or metallic, household equipments and all classes of plant and Machinery, Construction equipment, Materials Handling equipment.

➤ **Our Services:**

Nature of the Services and the end users

The Company is a registered NBFC holding Certificate of Registration from the RBI. The Company intends to focus on the areas of Loans and Investments in Direct Equity, Mutual Funds, Alternate Investment Funds, and Bonds etc.

The Company would provide loans to financial sound corporates and other entities with adequate security. At present the Company is not planning to foray into retail loans since though it may give higher returns it would entail setting up of an extensive network to manage the same which is not contemplated at present.

The Management would review the opportunities from time to time and also take a decision on the financing/loan opportunities from time to time.

The Company would also invest in direct equity, Mutual funds etc. in Primary and Secondary market and also related products

➤ **Business Strategy:**

Our Overall business strategy would be to replicate AFL's success as an NBFC-ND, with a differentiated and calibrated foray into the NBFC sector, with a diversified focus on financing and investing business activities. We operate in an environment where generating and maintaining brand recognition is a significant element of our business strategy.

While the loans and Bonds would provide a regular income stream to the Company, the Investments in Equity and related products would aim at capital appreciation over the medium to long term. The Company intends to maintain a low risk profile of its Loans and Investments

The allocation of capital between the different categories of Investments would be decided from time to time by the Management keeping in view the Economic and Capital Market conditions. The Company would take into consideration the views and opinions of various Financial & Investment advisors, Bankers etc. while deciding the resource allocation/investment opportunities.

C. SUMMARY OF FINANCIAL INFORMATION.

Summary of Balance Sheet of our Company for preceding 3 financial Years:

Particulars	For the period from May 13, 2016 to March 31, 2017	Year ended 31 st March, 2018	Year ended 31 st March, 2019
EQUITY AND LIABILITIES			

Shareholders' funds			
Share capital	20,000,000	20,000,000	43,222,720
Reserves and surplus	100,527	1,103,376	697,984,596
	20,100,527	21,103,376	741,207,316
Non- Current Liabilities			
Deferred tax Liabilities (Net)	-	-	16,722,151
	-	-	16,722,151
Current Liabilities			
Other current liabilities	464,747	49,306	307,854
Short-term provisions	47,376	172,055	17,326
	512,123	221,361	325,180
TOTAL	<u>20,612,650</u>	<u>21,324,737</u>	<u>758,254,647</u>
ASSETS			
Non- Current Assets			
Investments	-	9,922,516	644,754,693
Deferred tax assets (net)	99,847	62,404	-
	99,847	9984920	644,754,693
Current assets			
Cash and bank balances	20,512,803	1,253,269	29,973,689
Short-term loans and advances	-	10,000,000	82,387,477
Other current assets	-	86,548	1,138,788
	20,512,803	11339817	113499954
TOTAL	<u>20,612,650</u>	<u>11,339,817</u>	<u>113,499,954</u>

Summary of Profit & Loss Account of our Company for preceding 3 financial Years:

Particulars	For the period from May 13, 2016 to March 31, 2017	Year ended 31 st March, 2018	Year ended 31 st March, 2019
INCOME			
Revenue from operations	974,238	1,558,620	13,124,126
Other income		502	
Total revenue	974,238	1,559,122	13,124,126
EXPENSES			

Employee Benefits Expenses	-	-	222,403
Other expenses	828,758	209,873	439,249
Total expenses	828,758	209,873	661,652
Profit before tax	145,480	1,349,249	12,462,474
Tax expenses			
Current tax	144,800	311,211	4,702,476
Income-tax for earlier years	-	(2,254)	7,245
Deferred tax charge/(credit)	(99,847)	37,443	(4,041,763)
Total tax expense	44,953	346,400	667,958
PROFIT FOR THE YEAR	100,527	1,002,849	11,794,516

D. KEY INDUSTRY-REGULATIONS

The following description is a brief summary of the relevant regulations, policies and plans which are applicable to our Company. The information detailed in this chapter has been obtained from the websites of the relevant regulators and publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information and are neither designed nor intended to be a substitute for professional legal advice. Taxation statutes such as the Income Tax Act, 1961, State/Central/Union Territory/Integrated Goods & Service Tax Act, 2017 and applicable local sales tax statutes apply to us in India as they do to any other Indian company. The statements below are based on the current provisions of applicable law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

RESERVE BANK OF INDIA REGULATIONS

Reserve Bank of India Act, 1934

RBI may, subject to certain conditions, direct the inclusion or exclusion of any bank from the second schedule of the RBI Act. Scheduled banks are required to maintain cash reserves with the RBI. In this regard, RBI may stipulate an average daily balance requirement to be complied with by such banks and may direct that such banks regard a transaction or class of transactions as a liability. Further, RBI may direct any banking company to submit returns for the collection of credit information and may also furnish such information to a banking company upon an application by such company. RBI has the power to impose penalties against any person for *inter-alia* failure to produce any book, account or other document or furnish any statement, information or particulars which such person is duty-bound to produce or furnish under the RBI Act, or any order, regulation or direction thereunder.

Regulation relating to the NON-SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING NBFCs

The "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015" are applicable on our Company.

These Regulations provides for the provisions in relation to income recognition, income from investments, applicability of accounting standards, asset classification, disclosures in balance sheet, requirements as to capital adequacy, loans against security of single product - gold jewellery, Verification of the ownership of gold, Standardization of value of gold accepted as collateral in arriving at LTV Ratio, Safety and security measures to be followed by Non-Banking Financial Companies lending against collateral of gold jewellery, Norms for restructuring of advances, Submission of 'Branch Info' Return, Exemptions available for a Non-Banking Financial Company.

OTHER GENERAL APPLICABLE LAWS:

Companies Act, 2013

Companies Act 2013 is an Act of the Parliament of India on Indian company law which regulates incorporation of a company, responsibilities of a company, directors, dissolution of a company.

The provisions of Companies Act, 2013 shall apply to

- (a) companies incorporated under this Act or under any previous company law;
- (b) insurance companies, except in so far as the said provisions are inconsistent with the provisions of the Insurance Act, 1938 (4 of 1938) or the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999);
- (c) banking companies, except in so far as the said provisions are inconsistent with the provisions of the Banking Regulation Act, 1949 (10 of 1949);
- (d) companies engaged in the generation or supply of electricity, except in so far as the said provisions are inconsistent with the provisions of the Electricity Act, 2003 (36 of 2003);
- (e) any other company governed by any special Act for the time being in force, except in so far as the said provisions are inconsistent with the provisions of such special Act; and
- (f) such body corporate, incorporated by any Act for the time being in force, as the Central Government may, by notification, specify in this behalf, subject to such exceptions, modifications or adaptation, as may be specified in the notification.

Securities and Exchange Board of India Act, 1992

SEBI Act was enacted to provide for the establishment of SEBI whose function is to protect the interest of investors and to promote the development of, and to regulate the securities market, and for matters connected therewith and incidental thereto. The SEBI Act regulates the functioning of SEBI and enumerates its powers. It also provides for the registration and regulation of the function of various market intermediaries such as stock brokers, merchant bankers, portfolio managers etc. In terms of the provisions under the SEBI Act, SEBI has the power to and has formulated various rules and regulations to govern the functions and working of these intermediaries. SEBI also issues various circulars, notifications and guidelines from time to time in accordance with the powers vested with it under the SEBI Act. 1992.

Securities Contracts (Regulations) Act, 1956

SCRA seeks to prevent undesirable transactions in securities by regulating the business of dealing in securities and other related matters. The SCRA provides for grant of recognition for stock exchanges and clearing corporations by the Central Government (which has been delegated to SEBI). Every recognized stock exchange and clearing corporation is required to have in place a set of rules relating to its constitution and bye-laws for the regulation and control of contracts. It also deals with recognition, de-recognition, regulation/ control on the stock exchanges and clearing corporations and

empowers the stock exchanges for making its own bye laws, rules and the provisions pertaining to listing of securities, delisting of securities and dealing in securities.

Depositories Act, 1996

The Depositories Act provides for regulation of depositories in securities and other related matters. Every person subscribing to securities offered by an issuer has the option either to receive the security certificates or hold securities with a depository. All securities held by a depository are required to be de-materialized and in a fungible form. A depository after obtaining a certificate of commencement of Business from SEBI can enter into an agreement with one or more participants as its agent. Any person, through a participant, may enter into an agreement with any depository for availing its services.

Income Tax Act, 1961

The Income-tax Act, 1961 is the charging Statute of Income Tax in India. It provides for levy, administration, collection and recovery of Income Tax in India. Income Tax including surcharge (if any) & cess is charged for any person at the rate as prescribed by Central Act for that assessment year.

Stamp Duty Act, 1899

This act lays down that certain instruments shall be chargeable with duty of the amount mentioned in the schedule of the Act as the proper duty. All duties with which any instruments are chargeable shall be paid, and such payment shall be indicated on such instruments, by means of stamps.

SEBI (Prohibition of Insider Trading) Regulations, 2015

The Insider Trading Regulations govern the law with respect to insider trading in India. The Insider Trading Regulations, inter alia, prohibit all insiders from dealing in securities of a listed company when the insider is in possession of unpublished price sensitive information (“UPSI”). It further prohibits an insider from communicating, counselling or procuring, directly or indirectly, any UPSI to any person who while in possession of such UPSI is likely to deal in such securities. Information is said to be price sensitive if it is likely to, directly or indirectly, materially affect the price of the securities of the company to which it relates. Under the Insider Trading Regulations, the concept of an insider is related to those of a connected person or is in possession of or having access to unpublished price sensitive information. Further, in terms of the Insider Trading Regulations, the board of directors of a market intermediary is required to formulate a code of conduct to regulate, monitor and report trading by its employees and other connected persons towards achieving compliance with the Insider Trading Regulations, adopting the minimum standards set out in the Schedule B of the Insider Trading Regulations, without diluting the provisions of the Insider Trading Regulations in any manner.

LIST OF OTHER LAWS WHICH MAY BE APPLICABLE

The list of other laws and regulations that may be applicable to our Company includes the following:

1. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. Goods and Services Tax Act, 2017
3. Consumer Protection Act, 1986
4. Equal Remuneration Act, 1976
5. Information Technology Act, 2000
6. The Minimum Wages Act, 1948

7. Payment of Wages Act, 1936
8. Payment of Gratuity Act, 1972
9. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
10. Securities and Exchange Board of India (Issue Of Capital And Disclosure Requirements) Regulations, 2011

E. HISTORY AND OTHER CORPORATE MATTERS

Our Company was incorporated on May 13th 2016 at Alwar as APM Finvest Limited as a public limited company under the provisions of Companies Act, 2013 bearing CIN: U65990RJ2016PLC054921 and presently having its registered office at SP-147, RIICO Industrial Area Bhiwadi, Alwar, Rajasthan - 301 019. Our Company is registered with Reserve Bank of India (RBI) as Non-deposit accepting Non-Banking Financial Company.

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

Main Objects of our Company

- (i) *To carry on the business of investment company and to invest in and acquire, hold or otherwise, dispose of exchange, transfer or alienate any share, stocks, debentures, debenture stock, bonds, obligation and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture Stock, bonds, obligations and securities issued or guaranteed by any government, State dominion, Sovereign rules, commissioner, public body or authority supreme, municipal local or otherwise where in India or elsewhere.*
- (ii) *To carry on the business of financing and advancing short term and long term loans and credits of any type including business loans, loan against property, housing finance, home loans, personal loans, loan against Diamond jewellery, Diamonds or other precious or semi-precious jewellery or stones etc., loan against Gold jewellery, Gold ornaments, Gold/silverware articles, precious watches, art & artifacts, paintings and similar items to individuals, firms, companies or association of individuals by whatever name called and either on securities such as lands, building or part thereof, machinery, gold, plants, chattels, vehicles, shares, debentures, government securities, stock certificates, life insurance policies and unit stock-in-trade or on guarantee or without securities.*
- (iii) *To lend and advance money of all kinds or give credit on any terms or mode and with or without security to any individual, firm, body corporate or any other entity (including, without prejudice to the generality of the foregoing, any holding company, subsidiary or fellow subsidiary of, or any other company whether or not associated in any way with, the company), bill discounting & to enter into guarantees, contracts of indemnity and surety ship of all kinds, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (Including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with the company).*
- (iv) *To carry on the business of financing the hire purchase transactions, in all its branches in respect of motor vehicles, motor cycles, cycles, agricultural machinery, aeroplanes, launches, boat, mechanical or otherwise, appliances, refrigerator, furniture wooden or metallic,*

household equipments and all classes of plant and Machinery, Construction equipment, Materials Handling equipment.

F. SCHEME OF ARRANGEMENT

RATIONALE AS PROVIDED IN THE SCHEME

The arrangement is aimed at demerger of "Investments undertaking" of AIL into AFL to segregate the said business. The transfer and vesting by way of a demerger shall achieve the following benefits for AIL and AFL:

- I. Each of the business activities being carried out by the AIL is distinct and diverse in its business characteristics. Both the businesses are entirely unrelated and at different stages of maturity with different risk and return profiles and capital and operational requirements. The management of the Demerged Company believes that there may be a segment of investors who may wish to have a choice of investing in either of the categories of businesses being undertaken by the company.
- II. Pursuant to the proposed demerger, the Demerged Undertaking (defined hereinafter) and the Remaining Business (defined hereinafter) would have their own management teams which can chart out independent strategies for each business segment. Further, the proposed demerger would also open avenues for resizing and inorganic growth opportunities for the businesses, provide multiple listing avenues, along with creating opportunity for shareholders to participate in business of choice and reposition the businesses in their respective market segments, thereby creating opportunities for value creation for the respective stakeholders.
- III. The demerger will permit increased focus by AIL and AFL on their respective businesses in order to better meet their respective customers' needs and priorities, develop their own network of alliances and talent models that are critical to success.

There is no adverse effect of the Scheme on any directors, key management personnel, promoters, non-promoter members, creditors and employees of AFL. The Scheme would be in the best interest of all stakeholders in AIL.

The transfer and vesting of the Investment undertaking into AFL would be in the best interests of the shareholders, creditors and employees of AIL and AFL, respectively, as it would result in enhanced value for the shareholders and allow focused strategy in operation of the Investment undertaking and the remaining business of the AIL. Pursuant to this Scheme all the shareholders of the AIL will get shares in AFL and there would be no change in the economic interest for any of the shareholders of AIL pre and post implementation of the Scheme.

In view of the above rationale, the Board recommended a Scheme of Arrangement whereby the Investment undertaking of AIL will be demerged into AFL as a going concern with effect from the Appointed Date viz. 1st April, 2018. Accordingly, the Board of Directors of AIL and AFL have decided to make requisite applications and/or petitions before the Tribunal (NCLT) as the case may be, as applicable under Sections 230 to 232 of the Companies Act, 2013 read with section 66 of the Act, and other applicable provisions for the sanction of this Scheme.

Approvals with respect to the Scheme of Arrangement

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

ISSUE OF SHARES FOR DEMERGER AS PROVIDED IN THE SCHEME

1. ISSUE OF SHARES

- 1.1** Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Finance & Investment Undertaking of AIL in AFL, AFL shall, without any further act or deed, issue and allot to the equity shareholders of AIL, whose names appear in the Register of Members of AIL, on a date (hereinafter referred to as "Record Date") to be fixed in that behalf by the Board of Directors of AIL in consultation with AFL for the purpose of reckoning the names of the equity shareholders of AIL, in consideration for the transfer of the Finance & Investment Undertaking in the following proportion namely,:

1 (One) Equity Shares of face value of Rs. 2 (Rupees Two) each at par in Resulting Company for every 1 (One) Equity Shares of face value of Rs.2 (Rupees Two) each held by them in Demerged Company.

- 1.2** In issue and allotment of such shares as aforesaid, the fractional entitlements of shares of any shareholders of AIL shall not be taken into account, but such shares representing fractional entitlements shall be allotted to Company Secretary of AFL upon trust, who will sell them on the date of listing of AFL or within such period of listing of AFL as may be decided by the Board of Directors of AFL, and distribute their sale proceeds (less expenses, if any) to the shareholders of AIL, who are entitled to such fractional shares.
- 1.3** In case of shareholders of the Demerged Company, who holds shares in the demerged company in dematerialized form, New Shares will be credited to the existing depository accounts of the shareholders of the Demerged Company as per records maintained by National Securities Depository Limited and/or Central Depositors Services (India) Limited on the record date and made available by the Demerged Company to the Resulting Company. All those equity shareholders of AIL who hold equity shares of AIL in physical form shall also have the option to receive the new equity shares, as the case may be, in dematerialized form, provided the details of their account with the depository participant are intimated in writing to AFL before the Record Date. In the event that AFL has received notice from any equity shareholder of AIL that equity shares are to be issued in physical form or if any equity shareholder has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required or if the details furnished by any equity shareholder do not permit electronic credit of the shares of AFL, then AFL shall issue new equity shares of AFL in accordance with clauses 1.1 above, as the case may be, in physical form to such equity shareholder.
- 1.4** The new equity shares of AFL to be issued to the shareholders of AIL in terms of this scheme, shall be subject to the provisions of the Memorandum of Association and Articles of Association of AFL and shall rank pari-passu, in all respects with the then existing equity shares in AFL in all respects.
- 1.5** Where the new equity shares of AFL are to be allotted, pursuant to this scheme, to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of AIL, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of AFL.
- 1.6** The new equity shares to be issued by AFL, pursuant to this scheme, in respect of any equity shares of AIL, which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance by AFL.
- 1.7** In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, even

subsequent to the Appointed Date or the Effective Date, as the case may be, to effectuate such a transfer in the Demerged Company, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Resulting Company of such shares.

- 1.8 The issue and allotment of shares to shareholders of Resulting Company, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under Section 62 of the Companies Act, 2013.

G. MANAGEMENT

The general supervision, direction and management of our Company, its operations & business are vested in the board which exercises its power subject to Memorandum of Association & Article of Association of the Company. The Article of Association of the Company sets out that the Company shall not have less than three Directors and not more than fifteen Directors. Provided that the Company may appoint more than fifteen directors subject to the approval of shareholders of the Company. The composition of the Board of Directors will be in consonance with the Act and SEBI Listing Regulations, 2015.

The following table set forth details of the Board of Directors as on the date of Information Memorandum:

Name, Designation	Date of Birth	Age	Date of Expiry of Term	Nationality	Address	Occupation	Qualification	DIN	Other Directorships and LLP
Mr. Tribhuwan Nath Chaturvedi, Chairman, Independent Director	15-01-1959	60	19 th June, 2024	Indian	B-10, Pamposh Enclave, G K -1, Greater Kailash, Delhi-110048	Business	Chartered Accountant	00002815	Not Applicable
Mr. Sanjay Rajgarhia, Vice Executive Director	21-02-1963	56	N.A.	Indian	177 C, Western Avenue, W-7 Lane, Sainik Farms, New Delhi-110062	Business	B.Com. (Bachelor of Commerce)	00154167	1.Perfectpac Limited 2. Faridabad Paper Mills Private Limited 3. Rajgarhia Leasing and Financial Services Pvt. Ltd. 4.Indian Corrugated Case Manufacturers

									Association
Mr. Ajay Rajgarhia, <i>Managing Director</i>	20-08-1967	51	19 th June, 2024	Indian	W 13 Greater Kailash - II, New Delhi-110048	Business	M.B.A. from William E Simon Graduate School of Business Management University of Rochester, USA	01065833	1. Aamir Exim Private Limited 2. Rajgarhia Leasing and Financial Services Pvt. Ltd. 3. Axis Cottex Private Limited
Mrs. Nirmala Bagri, <i>Independent Director</i>	26-04-47	71	19 th June, 2024	Indian	7/23, Old No.-177-C, W-7, Western Avenue, Sainik Farms, Pushpa Bhawan S.O, South Delhi, Delhi-110062	Service	B.A. (Bachelor of Arts)	01081867	1. Godfrey Phillips India Limited 2. Clear Water Limited 3. Bagri Udyog Pvt. Ltd.
Mrs. Anisha Mittal, <i>Non-Executive Director</i>	13-10-47	45	N.A.	Indian	A-39, IIIrd Floor, Friends Colony, East South Delhi-110065	Business	M.B.A. in Finance from University of Pittsburg, U.S.A.	00002252	1. Sheevam Comfort Hotels Private Limited 2. Madhushree Properties (P) Limited 3. Rovo Marketing Private Limited 4. Blue Mountain Advisors India Private Limited

Brief Profile of Directors:

Mr. Tribhuwan Nath Chaturvedi (T.N. Chaturvedi) – Chairman, Independent Director

He is 60 years of age. He is designated as Chairman on the Board of the Company. Mr. T.N. Chaturvedi is a senior partner of a reputed Chartered Accountants' firm having more than 32 years of experience in institutional finance, corporate restructuring, financial due diligence, auditing, corporate law and taxation.

Mr. Sanjay Rajgarhia – Vice Chairman, Executive Director

He is having 56 years of age. He is designated as Vice-chairman on the Board of the Company. He is a commerce graduated and having vast experience in Finance, and also having 29 years of vast experience in NBFCs affairs including Investments, Taxation etc. His vast knowledge and experience about the Finance Market is very much helpful for the Company and his guidance is making Company achieving success consistently. He has also gained so much exposure in the field NBFCs.

Mr. Ajay Rajgarhia - Managing Director

He is 51 years old. He is having specialization in the field of finance as he has done M.B.A. from William E Simon Graduate School of Business Management University of Rochester, USA. He has been contributing tremendous efforts towards development in finance and he has +23 years of experience in the field of NBFCs.

Mrs. Nirmala Bagri – Independent Director

Mrs. Nirmala Bagri's age is 71 years. She is having work experience of over 40 years in the field of Finance, accounts and human resource operations. She has been contributing tremendous efforts towards supporting senior management in fulfillment of Company's business strategy.

Ms. Anisha Mittal – Non Executive Director

She is 45 years old. She has done her M.B.A. in Finance from University of Pittsburg, U.S.A. and she is having specialization in the field of finance. She has over 17 years' experience in the field of finance.

Changes in Board of Directors since Incorporation

1. At the time of Incorporation Mr. Sanjay Rajgarhia, Mr. Ajay Rajgarhia and Mrs. Anisha Mittal were appointed as Executive Directors in the Company.
2. On 20th June, 2019, the designation of Mrs. Anisha Mittal has been changed from Executive Director to Non-Executive Director, Mr. Sanjay Rajgarhia is also appointed as Vice Chairman Director of the Company and Mr. Ajay Rajgarhia is appointed as Managing Director of the Company for a term of 5years.

3. Further, in accordance with the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 following directors were appointed:

Name of Director	Date of Appointment	Term	Designation
Tribhuvan Nath Chaturvedi	20 th June, 2019	5 Years	Chairman, Independent Director
Nirmala Bagri	20 th June, 2019	5 Years	Non-Executive, Independent Director

Note: The Articles of Association of the Company do not require the Directors of the Company to hold any qualification shares.

Details of directorships in delisted/suspended companies

None of the Directors have held or are holding directorship in any listed companies whose shares have been or were suspended from being traded on BSE and/or NSE or whose shares have been or delisted from any stock exchange(s), in the past five years.

Confirmations/ Disclosures

Nature of any family relationship between any of the directors or any of the directors and key managerial personnel.

Mr. Sanjay Rajgarhia and Mr. Ajay Rajgarhia, directors of the Company are related to each other as brothers. Further, Mrs. Anisha Mittal, director of the Company is a cousin of Mr. Sanjay Rajgarhia and Mr. Ajay Rajgarhia.

Interest of Directors

All of the Directors may be deemed to be interested only to the extent of sitting fees, if any, payable to them for their services for a sum not exceeding the sum prescribed under the Act for every meeting of the Board of Directors or Committee thereof attended by them as well as to the extent of reimbursement of expenses payable to them under the Articles of Association and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company.

The Directors may also be regarded as interested in the equity shares held by them or to the companies, firms and trusts, in which they are interested as directors, members, partners and or trustees. All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by the Company with any Company in which they hold Directorships or any partnership firm in which they are partners as declared in their respective declarations.

Further, Presently the Directors are interested to the extent of equity shares that they are holding and are allotted to them pursuant to the Scheme, and also to the extent of any dividend payable to them and other distributions in respect of the equity shares.

Except as stated otherwise in this this Information Memorandum, the Company has not entered into any contract, agreement or arrangement during the preceding two years from the date of the Information Memorandum in which the Directors are directly or indirectly interested.

The Directors have no interest in any property acquired or proposed to be acquired by the Company within the two years preceding the date of this this Information Memorandum. None of the Directors have any interest in the promotion of the Company other than in the ordinary course of the business.

Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the directors was selected as a director or member of senior management

There are no arrangements or understandings with major shareholders, customers, suppliers or other, pursuant to which a Director was selected as a Director.

CORPORATE GOVERNANCE

The provisions with respect to the corporate governance will be applicable upon Listing of the Equity Shares of the Company on BSE. The Company administers corporate governance through the Board of Directors and the Committees of the Board. In compliance with the requirement of the Regulation 17-27 of SEBI (Listing Obligation & Disclosures) Requirements, 2015, the Company has constituted following Board level Committees:

Audit Committee

The Audit Committee was originally constituted by the Board of Directors at their meeting held on 20th June, 2019

As on the date of this Memorandum, the Audit Committee consists of the following Directors:

Name of Director	Designation in the Committee	Nature of Directorship
Mr. Tribhuwan Nath Chaturvedi	Chairman	Independent Director
Mr. Sanjay Rajgarhia	Member	Executive Director
Mrs. Nirmala Bagri	Member	Independent Director

Terms of Reference:

The Committee shall perform the following functions:

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. recommending to the board for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - ii changes, if any, in accounting policies and practices and reasons for the same;

- iii major accounting entries involving estimates based on the exercise of judgment by management;
 - iv significant adjustments made in the financial statements arising out of audit findings;
 - v compliance with listing and other legal requirements relating to financial statements;
 - vi disclosure of any related party transactions;
 - vii modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. reviewing, with the management, the statement of uses / application of funds raised through an issue (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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. approval or any subsequent modification of transactions of the Company with related parties;
 9. scrutiny of inter-corporate loans and investments;
 10. valuation of undertakings or assets of the Company, wherever it is necessary;
 11. evaluation of internal financial controls and risk management systems;
 12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. 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;
 14. discussion with internal auditors of any significant findings and follow up there on;
 15. reviewing the findings of any internal investigations by the 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;
 16. 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;
 17. 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;
 18. to review the functioning of the whistle blower mechanism;
 19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 20. review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary (if any), whichever is lower including existing loans / advances / investments existing

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was originally constituted by the Board of Directors at their meeting held on 20th June, 2019. As on the date of this Memorandum the Nomination and Remuneration Committee consists of the following Directors:

Name of Director	Designation in the Committee	Nature of Directorship
Mrs. Nirmala Bagri	Chairman	Independent Director
Mr. Tribhuwan Nath Chaturvedi	Member	Independent Director
Mrs. Anisha Mittal	Member	Non-Executive Director

Terms of Reference:

The Committee shall perform the following functions:

1. formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulate the criteria for evaluation of performance of independent directors and the board of directors;
3. devise a policy on diversity of board of directors;
4. identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Identify whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was originally constituted by the Board of Directors at their meeting held on 20th June, 2019. As on the date of this Memorandum the Stakeholders Relationship Committee consists of the following Directors:

Name of Director	Designation in the Committee	Nature of Directorship
Mrs. Nirmala Bagri	Chairman	Independent Director
Mr. Sanjay Rajgarhia	Member	Executive Director
Mr. Ajay Rajgarhia	Member	Managing Director

Terms of Reference:

The Committee shall perform the following functions:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review the measures taken for effective exercise of voting rights by shareholders.
3. Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review 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.

Management Organizational Structure

The Company is managed by the Board of Director of the Company consisting of three non-independent and two Independent Director(s). They are presently assisted by the Company secretary and Chief Financial Officer for the day to day operation of the Company

Key Managerial Personnel

The Company is managed by the Board of Directors (including its committees) and assisted by qualified persons who form the key managerial personnel team of the Company. The following are the key managerial personnel of the Company:

1. Name of Personnel: Ajay Rajgarhia

Age: 51 Years

Address: W 13 Greater Kailash - II, New Delhi-110048

Designation: Managing Director

Qualifications: M.B.A. from William E Simon Graduate School of Business Management University of Rochester, USA

Past business experience, and functions and areas of experience in the issuer: He is having specialization in the field of finance as he is M.B.A. from William E Simon Graduate School of Business Management University of Rochester, USA. He was appointed as Vice President (Business Development) in APM Industries Limited since 01.07.1995 & onwards. He has been contributing tremendous efforts towards development in finance and further expansion of the Company. He has 23 years of experience in NBFC.

Date of Appointment: 20th June, 2019

Period of Appointment: 5 Years, ending on 19th June, 2024

No. of Equity Shares of the Company held: 2275000

Details of previous employment: He was appointed as Vice President (Business Development) in APM Industries Limited Since 01.07.1995 onwards

2. Name of Personnel: Mr. Manoj Kumar Rinwa

Age: 42 Years

Address: Near Ashok Stambh, Ratangarh and Distt. Churu, Rajasthan -331022

Designation: Chief Financial Officer

Qualifications: Graduate (B. Com) from Maharishi Dayanand University, Ajmer

Past business experience, and functions and areas of experience in the issuer: He is having knowledge in the field of accounts and Finance have over 20 years' experience in the field of finance and accounts.

Date of Appointment: 20th June, 2019

Period of Appointment: N.A.

No. of Equity Shares of the Company held: Nil

Details of previous employment: Worked with M/s J.J. Buildcon Pvt. Ltd. Bhiwadi as accountant from 2012 to August -2018

3. Name of Personnel: Nidhi

Age: 29 Years

Address: H.No.85-A Model Basti, East Park Road Karol Bagh, New Delhi – 110005

Designation: Company Secretary

Qualifications: M.B.A. from Sikkim Manipal University and Company Secretary

Past business experience, and functions and areas of experience in the issuer: N.A.

Date of Appointment: 20th June, 2019

Period of Appointment: N.A.

No. of Equity Shares of the Company held: Nil

Details of previous employment: N.A.

Changes in Key Managerial Personnel in the past 3 years

There has been no change in Key Managerial Personnel of the Company in the past 3 years.

Relationship of Key Managerial Personnel

Mr. Ajay Rajgarhia, Managing Director and Key Managerial Personnel of the Company is related as brother to Mr. Sanjay Rajgarhia, Vice Chairman Director of the Company. Mr. Ajay Rajgarhia also holds 22,75,000 equity shares in our Promoter Company APM Industries Limited.

Arrangements with Major Shareholders, Customers, Suppliers and Others

There are no arrangements or understandings with major shareholders, customers, suppliers or other, pursuant to which a Key Managerial Personnel was appointed as a Key Managerial Personnel.

Other Commercial Arrangements with Key Managerial Personnel

Except for terms set forth in the appointment/engagement letters, the Key Managerial Personnel have not entered into any other contractual arrangements with the Company.

Interest of Key Managerial Personnel

All the Key Managerial Personnel may be deemed to be interested to the extent of the remuneration and other benefits in accordance with their terms of employment for services rendered as officers or employees to the Company. The Key Managerial Personnel may be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the Equity Shares held by them. None of the Key Managerial Personnel have been paid any consideration of any nature from the Company, other than their remuneration.

Employee Stock Options

The Company does not presently have in place any employee stock option plan/scheme.

H. PROMOTER, PROMOTER GROUP AND GROUP COMPANIES

APM Industries Limited ("AIL") is the Promoter of the Company.

1. Incorporation, Registered Office & other General Details:

AIL (CIN: L21015RJ1973PLC015819) was incorporated on 21st September, 1973 in Jaipur, Rajasthan under the provisions of Companies Act, 1956 under the name "APM INDUSTRIES LIMITED". Registered office of the promoter Company is located at SP-147, RIICO INDUSTRIAL AREA, Bhiwadi, Rajasthan – 301019.

AIL is presently engaged in the Business of manufacture of yarn. The equity shares of the AIL are currently listed on BSE.

It's Textile Spinning Unit in 1979-80 at Bhiwadi, Distt. Alwar, Rajasthan located in NCR 55 Kms. away from New Delhi International Airport, 5 Kms. from N.H.8 on Dharuhera-Sohna Road, under the trade name of **ORIENT SYNTEX** for the manufacture of Synthetic Blended Spun Yarns. Late Shri R.L. Rajgarhia, as its founder Chairman and Shri Rajendra Kumar Rajgarhia as Promoter Director promoted the company. The President of India honored late Shri Ram Lal Rajgarhia with Padmashri award in 1969 for his outstanding contribution to Indian Industry & promotion of export of engineering goods. Now, Shri R.K. Rajgarhia, as Chairman, looks after the company. The management control of the Company is vested with the Board of

Directors comprising of professionals & technocrats who are having vast experience. Shri Hari Ram Sharma, Managing Director of the Company and his team of Senior Executives & Technocrats in Production, Marketing and Research & Development etc.

The following is the capital structure of the Company since incorporation as per the details mentioned below:-

(Amount in Rs.)					
Particulars		Authorised Share Capital	Issued Share Capital	Subscribed & Paid up Share Capital	
0	:	25,00,000 Equity Shares of Rs 10/- each and 15,000 Preference Shares of Rs 100/- each	737,750 Equity Shares of Rs 10/- each	734,138 Equity Shares of Rs 10/- each	1,50,000 Equity shares allotted to promoters for other than cash
Year 1980	:	26,500,000	7,377,750	7,341,380	
Capital	:	25,00,000 Equity Shares of Rs 10/- each and 15,000 Preference Shares of Rs 100/- each	1,622,500 Equity Shares of Rs 10/- each	1,622,500 Equity Shares of Rs 10/- each	
Year 1981-89	:	26,500,000	16,225,000	16,225,000	
Capital	:	25,00,000 Equity Shares of Rs 10/- each and 15,000 Preference Shares of Rs 100/- each	23,29,875 Equity Shares of Rs 10/- each	23,29,875 Equity Shares of Rs 10/- each	
Year 1990	:	26,500,000	23,298,750	23,298,750	
Capital	:	28,50,000 Equity Shares of Rs 10/- each and 15,000 Preference Shares of Rs 100/- each	28,22,530 Equity Shares of Rs 10/- each	27,01,477 Equity Shares of Rs 10/- each	
Year 1991-94	:	30,000,000	28,225,300	27,014,770	
Issued 16,20,886 Equity Shares of Rs 10/- each at a premium of Rs 15/- per share					Right Issue
Capital	:	98,50,000 Equity Shares of Rs 10/- each and 15,000 Preference Shares of Rs 100/- each	44,43,416 Equity Shares of Rs 10/- each	43,22,272 Equity Shares of Rs 10/- each	
Year 1995-97	:	100,000,000	44,434,160	43,222,720	
Change in Authorised share Capital Structure					
Capital		70,00,000 Equity Shares of Rs 10/- each and 3,00,000	44,43,416 Equity Shares of	43,22,272 Equity Shares of Rs 10/-	

		Preference Shares of Rs 100/- each	Rs 10/- each	each
Year 1998-2010	:	100,000,000	44,434,160	43,222,720
The Company sub divided the face value of equity shares from Rs 10 to Rs 2 w.e.f January 28, 2011				
Capital		3,50,00,000 Equity Shares of Rs 2/- each and 3,00,000 Preference Shares of Rs 100/-each	2,22,17080 Equity Shares of Rs 2/- each	2,16,11,360 Equity Shares of Rs 2/- each and 3,00,000 Preference Shares of Rs 100/- each
Year 2011-2015	:	100,000,000	44,434,160	43,222,720

Sub division

Pursuant to the Scheme of Arrangement among APM Industries Limited (Demerged Company) and APM Finvest Limited (Resulting Company) and their respective shareholders and creditors 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.

The authorized share capital of the demerged company will get transferred to the resulting company, to the extent as specified below, and the authorized share capital of the resulting company shall automatically stand increased by said amount.

Details of the authorised share capital of the Demerged Company is given below:-

APM INDUSTRIES LIMITED (DEMERGED COMPANY)	Equity	Preference	Total
Authorised share capital (Pre Scheme of arrangement) 35,00,000 Equity Shares of Rs.2/- each 3,00,000 Preference Shares of Rs. 100/- each	70,000,000	30,000,000	100,000,000
Authorised share capital to be transferred as per scheme of arrangement 12,500,000 Equity Shares of Rs. 2/- each	25,000,000	Nil	25,000,000
Authorised share capital (Post Scheme of arrangement) 2,25,00,000 Equity Shares of Rs.2/- each 3,00,000 Preference Shares of Rs. 100/- each	4,50,00,000	30,000,000	7,50,00,000

2. Nature of Activities:

AIL is engaged in business activities of manufacturing of Synthetic Blended Spun Yarns under the trade name of ORIENT SYNTEX.

3. Profile of the Promoters:

Board of Directors

The Following table sets forth details regarding the Board of Directors of the AIL as on date of Information Memorandum.

Sr. No.	Name of the Directors	Designation
1.	Shri Gopal Rajgarhia	Non-Executive & Non Independent Director
2.	Khushi Ram Gupta	Non-Executive & Independent Director
3.	Rajendra Kumar Rajgarhia	Chairperson, Executive Director
4.	Hari Ram Sharma	Director
5.	Ram Ratan Bagri	Independent Director
6.	Uma Hada	Independent Director

Registration Number

015819

Registrar of Companies

Shri U. S Patole (ROC cum OL Jaipur)

ROC-cum-Official Liquidator

Ministry of Corporate Affairs,

C/6-7, 1st Floor, Residency Area,

Civil Lines, Jaipur-302001

Phone: 0141-2981913/2981914/2981915/2981917

Fax: 0141-2981916

Permanent Account Number

AACCA5114G

Bank Account Number

HDFC: - 57500000140463

SBI: - 00000051026441573

Financial Information

The summary of audited consolidated financial results of the APM Industries Limited for three financial year 2016-2017 and 2017-2018 are as follows: (In Lakhs)

Particulars	2016-2017	2017-2018
Equity Capital	432	432

Net Worth	17878	19022
Revenue	24771	27609
Profit After Tax	1604	1276
Earning Per Share	7.43	5.91
Net Asset Value Per Equity Share	82.73	88.02
Total Borrowings (As per Balance Sheet)	6099	4702

Details of the Highest and lowest Market Price of shares of the Promoter Company during the preceding six months:

Month	Open	High	Low	Close	No. of Shares
Jan 19	43.80	47.90	40.10	43.25	77,708
Feb 19	43.90	45.00	36.25	39.00	80,874
March 19	39.05	46.75	39.05	40.80	53,269
April 19	40.10	43.35	36.85	37.00	45,431
May 19	38.95	43.70	34.00	40.15	61,599
June 19	42.00	47.00	21.85	24.15	1,24,782

Summary of Shareholding Pattern of Our Promoter Company as on 31st March, 2019:

Sr. No.	Particulars	No. of shares	% of shares
(A)	Shareholding of Promoter and Promoter Group		
1	Indian		
(a)	Individuals/ Hindu Undivided Family	9593120	44.39%
(b)	Central Government/ State Government(s)	0	0
(c)	Bodies Corporate	3900000	18.05%
(d)	Financial Institutions/ Banks	0	0
(e)	Any Others(Specify)	237500	1.09%
	Sub Total(A)(1)	13730620	63.53%
2	Foreign		
A	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0
B	Bodies Corporate	0	0
C	Institutions	0	0
D	Any Others(Specify)	0	0
	Sub Total(A)(2)	0	0

	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	13730620	63.53%
(B)	Public shareholding		
1	Institutions		
(a)	Mutual Funds/ UTI	0	0
(b)	Financial Institutions /Banks	250	0
(c)	Central Government/ State Government(s)	0	0
(d)	Venture Capital Funds	0	0
(e)	Insurance Companies	0	0
(f)	Foreign Institutional Investors	0	0
(g)	Foreign Venture Capital Investors	0	0
(h)	Any Other (specify)	0	0
	Sub-Total (B)(1)	250	0
B 2	Non-institutions		
(a)	Bodies Corporate (Including Foreign Bodies Corporates)	386514	1.79%
(b)	Individuals		
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	5702097	26.38%
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	624591	2.89%
(c)	NBFCs Registered with RBI	98	0%
(d)	Non Resident Indians	202474	0.94%
(e)	Resident Indian HUF	492414	2.28%
(f)	Clearing Members/House	2022	0.01%
(g)	Any Other (specify)	470280	2.18%
	Sub-Total (B)(2)	7880490	36.47%
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	7880740	36.47%
	TOTAL (A)+(B)	21611360	100%
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0
	GRAND TOTAL (A)+(B)+(C)	21611360	100%

OUR PROMOTER GROUP

The following individuals and entities constitute the Promoter Group of the Company

a) Natural persons who are part of our Promoter Group

Sr. No.	PARTICULARS
1	RAJENDRA KUMAR RAJGARHIA
2	AJAY RAJGARHIA

3	PRABHA RAJGARHIA
4	SHRI GOPAL RAJGARHIA
5	ANISHA MITTAL
6	BHAVNA RAJGARHIA
7	SANJAY RAJGARHIA
8	ADITI RAJGARHIA
9	POOJA RAJGARHIA

b) Entities forming part of Promoter Group:

Sr. No.	PARTICULARS
1	FARIDABAD PAPER MILLS PRIVATE LIMITED
2	RAJGARHIA LEASING AND FINANCE SERVICES PVT LTD
3	ESSVEE FIISCAL LLP
4	RAJENDRA KUMAR RAJGARHIA-Trustee of Anya Rajgarhia Foundation
5	RAJENDRA KUMAR RAJGARHIA - Trustee of Kabir Rajgarhia Foundation

I. RELATED PARTY TRANSACTION OF OUR COMPANY

Summary of related party transactions for last 3 years:

Our Company does not have any related Party Transactions for the financial year ending 31st March, 2017 and 31st March, 2018:

Summary of Related Party Transactions for the Financial Year ending 31st March, 2019 are as follows:

APM Finvest Limited

Related Party disclosures

Names of related parties and related party relationship

Related parties where control exists

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

Related Party Transactions:

Holding Company	APM Industries Limited (till March 31, 2018)*
------------------------	--

a. Interest income (Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
APM Industries Limited	1,873,012	-

b. Payments made on behalf of the Company (Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
APM Industries Limited	37,755,838	120,752

c. Collections made on behalf of the Company (Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
APM Industries Limited	100,133,400	-

d. Amount received from (Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
APM Industries Limited	28,000,000	-

e. Reimbursement made by the Company (Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
APM Industries Limited	454,240	524,662

f. Related parties balances at the year-end: (Amount in Rs.)

Particulars	March 31, 2019	March 31, 2018
APM Industries Limited	36,704,814	-

*refer note 22

NOTE: 22. Scheme of Demerger

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

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

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

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

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

Particulars	Amount (in Rs.)
Assets	
Non-current investment	692,784,671
Loans to body corporates	35,000,000

Interest accrued but not due on loan	625,808
Interest accrued on investments	636,496
Balance with bank (on current account)	108,655
Liabilities	
Statutory dues payable	(1,250)
Provision for bonus	(18,638)
Deferred tax liability	(20,826,318)
Net assets	708,309,424

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

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

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

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

DIVIDEND POLICY

Neither the Company have declared and paid dividend to its shareholders since incorporation and nor the Company have any Dividend Policy.

SECTION V – FINANCIAL INFORMATION
FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of
APM Finvest Limited

Report on the Financial Statements

We have audited the accompanying financial statements of APM Finvest Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

Auditor's Responsibility

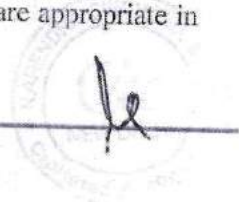
Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in

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the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

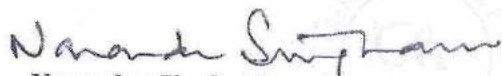
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 an 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as at March 31, 2018 which would impact its financial statements;



- ii. The Company does not have any long term contracts including derivative contracts for which there could be any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No. 009781N



Narendra Singhania

Partner

Membership No.: 087931

Place: New Delhi

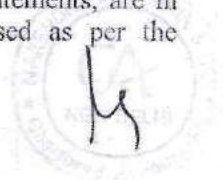
Date: 16 April 2018

Annexure A

Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: APM Finvest Limited


- (i) The Company does not have any fixed assets and hence no reporting is made in this regard.
- (ii) In our opinion and according to the information and explanations given to us, the nature of business activities of the Company does not give rise to any inventory and hence no reporting is made in this regard.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect to loan, investment, guarantees and securities given during the year.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for the business carried on by the Company.
- (vii)
 - a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, goods and services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities *though there has been a slight delay in few cases.*
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, excise duty, value added tax, goods and services tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax, goods and services tax and cess which have not been deposited on account of any dispute.
- (viii) As per the information and explanations given to us by the management, there are no dues to financial institutions, banks, Government or debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The provisions of section 197 read with Schedule V to the Act related to managerial remuneration are not applicable to the Company.
- (xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) Based on the audit procedures performed and as per the information and explanations given to us by the management, the transactions with the related parties, as disclosed in the financial statements, are in compliance with section 188 of the Companies Act, 2013 and have been disclosed as per the



requirements of the applicable accounting standard. The provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.

- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The Company has not entered into any non-cash transactions with the directors or persons connected with them as referred to in Section 192 of the Companies Act, 2013.
- (xvi) The Company is registered under section 45-IA of Reserve Bank of India Act, 1934.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No.009781N


Narendra Singhania
Partner
Membership No.: 087931

Place: New Delhi
Date: 16 April 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of APM Finvest Limited on the Financial Statements as of and for the year ended March 31, 2018)

Report on the Internal Financial Controls Over Financial Reporting 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 Finvest Limited** ("the Company") as of March 31, 2018 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 controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, 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

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(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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

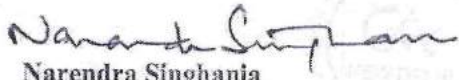
Inherent Limitations of Internal Financial Controls over Financial Reporting


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 controls 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, 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Narendra Singhania & Co.
Chartered Accountants
Firm Reg. No. 009781N


Narendra Singhania
Partner
Membership No. 087931



Place: New Delhi
Date: 16 April 2018

INDEPENDENT AUDITOR'S REPORT

**To Board of Directors of
APM Finvest Limited**

Report on Compliance with Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

Pursuant to Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 (the "Directions"), we have examined the matters specified in Paragraph 3 of the Directions in respect of APM Finvest Limited (the "Company") for the year ended March 31, 2018.

Management's Responsibility for the Financial Statements

The Management is responsible for the design, implementation and maintenance of adequate internal procedures, systems, processes and controls to ensure compliance with the Directions on an ongoing basis. This responsibility includes reporting non-compliances, if any, to the Reserve Bank of India, Board of the Company and its Audit Committee.

Auditor's Responsibility

Our responsibility is to report on the matters specified in Paragraph 3 of the Directions based on our audit.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether there are any identified non-compliances.

An audit involves performing procedures to obtain audit evidence about the compliance with the Directions. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's compliance with the Directions in order to design audit procedures that are appropriate in the circumstances.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the compliance with Directions.

Conclusion

Based on our examination of the books and records of the Company as produced for our examination and the information & explanations provided to us, we report that:

1. The Company has obtained a Certificate of Registration from the Reserve Bank of India ('the Bank')

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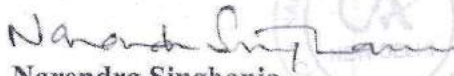


2. The Company is entitled to continue to hold a Certificate of Registration in terms of its Principal Business Criteria (Financial asset/income pattern) as at March 31, 2018.
3. The Company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
4. The Board of Directors have passed a resolution for non- acceptance of any public deposits.
5. The Company has not accepted any public deposits during the relevant year.
6. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time.
7. The Company has not been classified as a Non-Banking Financial Company – Micro Financial Institution as defined in Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

For Narendra Singhania & Co.

Chartered Accountants

Firm Registration No. 009781N


Narendra Singhania

Partner

Membership No.: 087931

Place: New Delhi

Date: 16 April 2018


APM Finvest Limited
Balance Sheet as at March 31, 2018

		(Amount in Rs.)	
	Notes	March 31, 2018	March 31, 2017
Equity and liabilities			
Shareholders' funds			
Share capital	3	2,00,00,000	2,00,00,000
Reserves and surplus	4	11,03,376	1,00,527
		<u>2,11,03,376</u>	<u>2,01,00,527</u>
Current liabilities			
Other current liabilities	5	49,306	4,64,747
Short-term provisions	6	1,72,055	47,376
		<u>2,21,361</u>	<u>5,12,123</u>
TOTAL		<u>2,13,24,737</u>	<u>2,06,12,650</u>
Assets			
Non-current assets			
Deferred tax assets (net)	7	62,404	99,847
		<u>62,404</u>	<u>99,847</u>
Current assets			
Investments	8	99,22,516	-
Cash and bank balances	9	12,53,269	2,05,12,803
Short-term loans and advances	10	1,00,00,000	-
Other current assets	11	86,548	-
		<u>2,12,62,333</u>	<u>2,05,12,803</u>
TOTAL		<u>2,13,24,737</u>	<u>2,06,12,650</u>
Summary of significant accounting policies	2.1	-	-

The accompanying notes are an integral part of the financial statements.

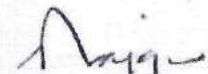
As per our report of even date attached

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


Narendra Singhania
Partner
Membership No.: 087931

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


Director
DIN 01065833


Director
DIN 00151167

Place : New Delhi
Date : 16 April 2018

APM Finvest Limited


Statement of Profit and Loss for the period from April 1, 2017 to March 31, 2018

(Amount in Rs.)			
	Notes	For the period from April 1, 2017 to March 31, 2018	For the period from May 13, 2016 to March 31, 2017
Income			
Revenue from operations	12	15,58,620	9,74,238
Other income	13	502	-
Total revenue		15,59,122	9,74,238
Expenses			
Other expenses	14	2,09,873	8,28,758
Total expenses		2,09,873	8,28,758
Profit before tax		13,49,249	1,45,480
Tax expenses			
Current tax		3,11,211	1,44,800
Income-tax for earlier years		(2,254)	-
Deferred tax charge/(credit)		37,443	(99,847)
Total tax expense		3,46,400	44,953
Profit for the year		10,02,849	1,00,527
Earnings per equity share			
Basic and Diluted (in Rs.)	15	0.10	0.01
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.


As per our report of even date attached

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


Narendra Singhania
Partner
Membership No.: 087931

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


Director
DIN 01065833


Director
DIN 00154167

Place : New Delhi
Date : 16 April 2018

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APM Finvest Limited
Cash Flow Statement as at March 31, 2018

	(Amount in Rs.)	
	March 31, 2018	March 31, 2017
Cash flow from operating activities		
Profit before tax	13,49,249	1,45,480
Adjustment		
Dividend income	(98,000)	-
Operating profit before working capital changes	12,51,249	1,45,480
Movements in working capital :		
(Decrease)/Increase in other current liabilities	(4,15,441)	4,64,747
(Increase) in loans and advances	(1,00,00,000)	-
(Increase) in other current assets	(86,548)	-
Cash generated from operations	(92,50,740)	6,10,227
Direct taxes paid (net of refunds)	1,84,278	97,424
Net cash flow from/ (used in) operating activities (A)	(94,35,018)	5,12,803
Cash flows from investing activities		
Investment in equity instruments (quoted)	(99,22,516)	-
Dividend income	98,000	-
Net cash flow from/ (used in) investing activities (B)	(98,24,516)	-
Cash flows from financing activities		
Proceeds from issuance of equity shares	-	2,00,00,000
Net cash flow from/ (used in) in financing activities (C)	-	2,00,00,000
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(1,92,59,534)	2,05,12,803
Cash and cash equivalents at the beginning of the year	2,05,12,803	-
Cash and cash equivalents at the end of the period	12,53,269	2,05,12,803
Components of cash and cash equivalents		
Balance with banks		
- on current accounts	12,53,269	5,12,803
Investment in Mutual Fund Units (Highly liquid)	-	2,00,00,000
Total cash and cash equivalents (Note 9)	12,53,269	2,05,12,803

Summary of significant accounting policies

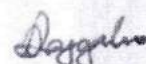
2.1


As per our Report of even date attached
For Narendra Singhanian & Co.
Chartered Accountants
Firm Registration Number : 009781N

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


Narendra Singhanian
Partner




Director
DIN 010 65833


Director
DIN 00154167

Place : New Delhi
Date : 16 April 2018

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APM Finvest Limited**Notes on financial statements for the year ended March 31, 2018****1. Corporate information**

APM Finvest Limited (the "Company") was incorporated in India on 13 May 2016 as a wholly owned subsidiary of APM Finvest Limited and regulated by Reserve Bank of India (RBI) as non-public deposit accepting Non-Banking Finance Company ("NBFC").

The Company is registered under section 45-IA of Reserve Bank of India Act, 1934 to carry on the business of a non-public deposit accepting Non-Banking Finance Company vide Certificate of Registration number B-10.00247.

2. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

Prudential norms

The Company follows the Reserve Bank of India ("RBI") Directions - "Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016", dated September 1, 2016 and as amended from time to time ("RBI Directions, 2016") in respect of Income recognition, Income from investments, Accounting of investments, Assets classification, Provisioning requirements, Disclosure in the balance sheet, Accounting standards (AS) notified under section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014 as amended and Guidance Notes issued by the Institute of Chartered Accountants of India ("ICAI") are followed insofar as they are not inconsistent with the RBI Directions.

2.1 Summary of significant accounting policies**(a) Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Unquoted investments in the units of mutual funds in the nature of current investments are valued at the net assets value declared by the mutual fund in respect of each particular scheme as per the RBI Directions, 2016.

(c) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

In terms of the RBI Directions, 2016, interest income on Non Performing Assets (NPAs) shall be recognised only when it is actually realised.

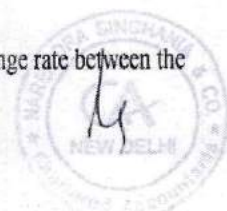
(d) Foreign currency translation**(i) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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APM Finvest Limited**Notes on financial statements for the year ended March 31, 2018****(ii) Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

Exchange differences arising on settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(e) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Deferred tax reflect the impact of timing differences between taxable income and accounting income originating during the current year the period and reversal of timing differences for the earlier years. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

(f) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit /loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance

(g) Earnings per share

The Basic earning per share and diluted earning per share have been computed in accordance with Accounting Standard (AS-20) on "Earnings Per Share" and is also shown in the Statement of Profit and Loss. Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares which are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

(h) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(i) Provisions

A provision is recognized when the company has a present obligation as a result of 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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(j) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

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APM Finvest Limited
Notes on financial statements for the year ended March 31, 2018

(Amount in Rs.)

	March 31, 2018	March 31, 2017
3. Share capital		
Authorised share capital		
10,000,000 equity shares of Rs. 2 each (March 31, 2017: 2,000,000 equity shares of Rs. 10 each)	2,00,00,000	2,00,00,000
Issued, subscribed and fully paid-up shares	2,00,00,000	2,00,00,000
10,000,000 equity shares of Rs. 2 each (March 31, 2017: 2,000,000 equity shares of Rs. 10 each)	2,00,00,000	2,00,00,000
Total	2,00,00,000	2,00,00,000

Note:

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

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**Equity shares**

	March 31, 2018 Nos.	March 31, 2017 Nos.
At the beginning of the period	20,00,000	-
issued during the period	-	20,00,000
Share split during the period	80,00,000	-
Outstanding at the end of period	1,00,00,000	20,00,000

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.2 per share (March 31, 2017: Rs. 10 per share). Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shares held by holding company**Equity shares**

(Amount in Rs.)

	March 31, 2018	March 31, 2017
10,000,000 equity shares (March 31, 2017: 2,000,000 equity shares) are held by APM Industries Limited	2,00,00,000	2,00,00,000
(*Includes thirty shares (March 31, 2017: six shares) held by the nominee shareholder)	2,00,00,000	2,00,00,000

(d) Details of shareholder's holding more than 5 percent shares in the Company

	March 31, 2018		March 31, 2017	
	Nos.	% of holding	Nos.	% of holding
Equity shares of Rs. 2 each (March 31, 2017: Rs. 10 each)				
APM Industries Limited	1,00,00,000	100%	20,00,000	100%
(*Includes thirty shares (March 31, 2017: six shares) held by the nominee shareholder)				

4. Reserves and surplus

	March 31, 2018	March 31, 2017
Surplus in the statement of profit and loss		
Opening balance	80,422	-
Add: Profit for the period	10,02,849	1,00,527
Less: Transfer to reserve fund	(2,00,570)	(20,105)
Net surplus	8,82,701	80,422
Reserve fund		
Opening balance	20,105	-
Add: Surplus transferred during the year	2,00,570	20,105
	2,20,675	20,105
Total reserves and surplus	11,03,376	1,00,527



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APM Finvest Limited
Notes on financial statements for the year ended March 31, 2018

	(Amount in Rs.)	
	March 31, 2018	March 31, 2017
5. Other current liabilities		
Statutory dues payable	2,500	36,500
Other payables	46,806	4,28,247
	<u>49,306</u>	<u>4,64,747</u>
6. Short-term provisions		
Provision for Income-tax (net of advance tax)	1,72,055	47,376
	<u>1,72,055</u>	<u>47,376</u>
7. Deferred tax assets (net)		
Deferred tax liability	-	-
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	62,404	99,847
	<u>62,404</u>	<u>99,847</u>
Net deferred tax assets	<u>62,404</u>	<u>99,847</u>
8. Current investments		
Non trade investments (valued at cost unless stated otherwise)		
Investment in mutual funds - Highly liquid investments (quoted)		
HDFC Liquid Fund - Regular Plan - Growth	-	2,00,00,000
[March 31, 2017: 6,263.768 Units (Net assets value: Rs. 20,041,802)]		
Less: Considered as cash and cash equivalents (refer note 9)	-	(2,00,00,000)
Trade investments		
Investment in equity instruments (quoted)	99,22,516	-
	<u>99,22,516</u>	<u>-</u>
Market value of quoted investments	1,14,46,250	-
9. Cash and bank balances		
Cash and cash equivalents		
Balances with banks:		
- On current accounts	12,53,269	5,12,803
Mutual Fund - Highly Liquid Investments (refer note 8)	-	2,00,00,000
	<u>12,53,269</u>	<u>2,05,12,803</u>
10. Short-term loans and advances		
(Unsecured and considered good)		
Loan to body corporate	1,00,00,000	-
	<u>1,00,00,000</u>	<u>-</u>
11. Other current assets		
Interest accrued but not due on loan	86,548	-
	<u>86,548</u>	<u>-</u>

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APM Finvest Limited
Notes on financial statements for the year ended March 31, 2018

	(Amount in Rs.)	
	For the period from April 1, 2017 to March 31, 2018	For the period from May 13, 2016 to March 31, 2017
12. Revenue from operations		
Interest income on fixed deposits	-	9,74,238
Interest income on loan to body corporate	13,91,575	-
Dividend	98,000	-
Profit on sale of mutual fund	69,045	-
	<u>15,58,620</u>	<u>9,74,238</u>
13. Other income		
Interest on Income-tax refund	502	-
	<u>502</u>	<u>-</u>
14. Other expenses		
Professional fee	77,873	2,337
Rates & taxes (represents pre-incorporation expenses)	-	4,03,910
Auditor's remuneration (refer details below)	1,24,750	4,19,750
Bank charges	7,250	2,761
	<u>2,09,873</u>	<u>8,28,758</u>
Auditor's remuneration (including Service-tax/GST)		
Statutory audit fee	47,200	46,000
Other services	53,100	3,45,000
Certification fee	24,450	-
Out of pocket expenses	-	28,750
	<u>1,24,750</u>	<u>4,19,750</u>

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APM Finvest Limited
Notes on financial statements for the year ended March 31, 2018

15. Earnings per share

	March 31, 2018	March 31, 2017
(a) Calculation of outstanding weighted average number of equity shares		
Number of shares at the beginning of the period	1,00,00,000	-
Number of shares issued during the period	-	1,00,00,000
Number of shares at the end of the period	1,00,00,000	1,00,00,000
Outstanding weighted average number of shares during the period	1,00,00,000	1,00,00,000
(b) Net profit available for Equity shareholders (in Rs.)	10,02,849	1,00,527
(c) Basic and Diluted EPS (in Rs.) *	0.10	0.01

*The Company has sub-divided nominal value of its equity shares from Rs. 10 each to Rs. 2 each on 14 December 2017. Consequently the number of authorized, issued, subscribed and paid-up equity shares have increased accordingly. EPS of previous year has been restated to make it comparable with current period.

16. Related Party disclosures

Names of related parties and related party relationship

Related parties where control exists

Holding Company	APM Industries Limited
Key Management Personnel	Anisha Mittal Sanjay Rajgarhia Ajay Rajgarhia

Related parties transactions

a. Shares allotted

Particulars	(Amount in Rs.)	
	March 31, 2018	March 31, 2017
APM Industries Limited	-	2,00,00,000

b. Reimbursement of expenses

Particulars	(Amount in Rs.)	
	March 31, 2018	March 31, 2017
APM Industries Limited	-	3,83,910

c. Payments made on behalf of the Company

Particulars	(Amount in Rs.)	
	March 31, 2018	March 31, 2017
APM Industries Limited	1,20,752	-

d. Related parties balances at the year end :

Particulars	(Amount in Rs.)	
	March 31, 2018	March 31, 2017
APM Industries Limited	-	3,83,910

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

18. Segment reporting

Based on the guiding principles given in Accounting Standard (AS) - 17 "Segment Reporting" as notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 as amended, the Company's primary business segment involves providing financial services. As the Company's business activity falls within a single primary business segment "Financial Services", the disclosure requirements of AS -17 in this regard are not applicable. The Company operates solely in one geographical segment namely "Within India" and hence no separate information for geographic segment is required.

19. Pursuant to the scheme of arrangement between the Company and APM Industries Limited (the holding company) as approved by the Board of Directors of the holding company, it is proposed to demerge finance and investment undertaking of the holding company to the Company with effect from April 1, 2018, being the appointment date. As per the scheme, post the demerger, the Company will cease to be subsidiary of APM Industries Limited. The holding company is currently under process to obtain necessary approvals from the regulatory authority.


20. Details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

21. There are no employees in the Company during the year.

22. There is no contingent liability as at March 31, 2018.

23. There are no unhedged foreign currency exposure as at March 31, 2018.

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APM Finvest Limited

Notes on financial statements for the year ended March 31, 2018

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

(Amount in Rs.)

Liabilities side	Amount outstanding	Amount overdue
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
(a) Debentures : Secured	Nil	Nil
: Unsecured	Nil	Nil
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	Nil	Nil
(c) Term Loans	Nil	Nil
(d) Inter-corporate loans and borrowing	Nil	Nil
(e) Commercial Paper	Nil	Nil
(f) Public Deposits	Nil	Nil
(g) Other Loans (specify nature)	Nil	Nil
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of Unsecured debentures	Nil	Nil
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
(c) Other public deposits	Nil	Nil
Assets side	Amount outstanding	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	Nil	
(b) Unsecured	1,00,00,000	
(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	Nil	
(b) Operating lease	Nil	
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire	Nil	
(b) Repossessed Assets	Nil	
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	Nil	
(b) Loans other than (a) above	Nil	
(5) Break-up of Investments		
Current Investments		
1. Quoted		
(i) Shares		
(a) Equity	99,22,516	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	
Unquoted		
(i) Shares		
(a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	

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APM Finvest Limited

Notes on financial statements for the year ended March 31, 2018

Long Term investments		
1. Quoted		
(i) Shares		
(a) Equity		Nil
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil
Unquoted		
(i) Shares		
(a) Equity		Nil
(b) Preference		Nil
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		Nil
(iv) Government Securities		Nil
(v) Others (please specify)		Nil
(6) Borrower group-wise classification of assets financed as in (3) and (4) above :		
Category	Amount net of provisions	
	Secured	Unsecured
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	Nil	1,00,00,000
Total	Nil	1,00,00,000
(7.) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted		
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	1,14,46,250	99,22,516
Total	1,14,46,250	99,22,516
(8) Other information		
Particulars	Amount	
(i) Gross Non-Performing Assets		
(a) Related parties	Nil	
(b) Other than related parties	Nil	
(ii) Net Non-Performing Assets		
(a) Related parties	Nil	
(b) Other than related parties	Nil	
(iii) Assets acquired in satisfaction of debt		
	Nil	

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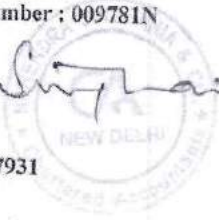
APM Finvest Limited
Notes on financial statements for the year ended March 31, 2018

25. Previous period's numbers have been recasted/ reclassified to confirm with current period's numbers. Previous period's numbers were from May 13, 2016 to March 31, 2017 and these are not comparable to current period's numbers.


As per our report of even date attached

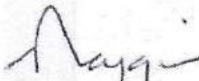
For Narendra Singhania & Co.
Chartered Accountants
Firm Registration Number : 009781N


Narendra Singhania
Partner
Membership No.: 087931



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


Director
DIN 01065833


Director
DIN 00154167

Place : New Delhi

Date : 16 April 2018

INDEPENDENT AUDITOR'S REPORT

**To Board of Directors of
APM Finvest Limited**

Report on Compliance with Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

Pursuant to Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 (the "Directions"), we have examined the matters specified in Paragraph 3 of the Directions in respect of APM Finvest Limited (the "Company") for the year ended March 31, 2019.

Management's Responsibility for the Financial Statements

The Management is responsible for the design, implementation and maintenance of adequate internal procedures, systems, processes and controls to ensure compliance with the Directions on an ongoing basis. This responsibility includes reporting non-compliances, if any, to the Reserve Bank of India, Board of the Company and its Audit Committee.

Auditor's Responsibility

Our responsibility is to report on the matters specified in Paragraph 3 of the Directions based on our audit.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether there are any identified non-compliances.

An audit involves performing procedures to obtain audit evidence about the compliance with the Directions. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's compliance with the Directions in order to design audit procedures that are appropriate in the circumstances.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the compliance with Directions.

Conclusion

Based on our examination of the books and records of the Company as produced for our examination and the information & explanations provided to us, we report that:

1. The Company has obtained a Certificate of Registration from the Reserve Bank of India ('the Bank')
2. The Company is entitled to continue to hold a Certificate of Registration in terms of its Principal Business Criteria (Financial asset/income pattern) as at March 31, 2019.

3. The Company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company --Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
4. The Board of Directors have passed a resolution for non- acceptance of any public deposits.
5. The Company has not accepted any public deposits during the relevant year.
6. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time.
7. The Company has not been classified as a Non-Banking Financial Company – Micro Financial Institution as defined in Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

For Narendra Singhanian & Co.

Chartered Accountants

Firm Registration No. 009781N

Narendra Singhanian

Narendra Singhanian

Partner

Membership No.: 087931



Place: New Delhi

Date: 20 June 2019

INDEPENDENT AUDITOR'S REPORT

To The Members of
APM Finvest Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of APM Finvest Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, the statement of profit and loss, and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit and its cash flows for the year ended on that date.

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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and rules 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 opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon. The Director's report 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.

Responsibilities of Management 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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.

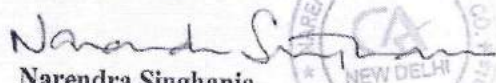
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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 of India in terms of sub-section (11) of Section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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, and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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";
 - g) The Company has not paid any managerial remuneration during the year. Accordingly, the provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31 March 2019;
 - 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations as at 31 March 2019 which could impact its financial statements;
 - ii) The Company does not have any long term contracts including derivative contracts for which there could be any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No. 009781N


Narendra Singhania
Partner
Membership No.: 087931



Place: New Delhi
Date: 20 June 2019

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of APM Finvest Limited on the Financial Statements as of and for the year ended 31 March 2019)

Re: APM Finvest Limited

- (i) The Company does not have any fixed assets and hence no reporting is made in this regard.
- (ii) In our opinion and according to the information and explanations given to us, the nature of business activities of the Company does not give rise to any inventory and hence no reporting is made in this regard.
- (iii) The Company has granted unsecured loan to a Company covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of grant such loan are not prejudicial to the interest of the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence no reporting is made in this regard.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for the business carried on by the Company.
- (vii)
 - a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, goods and services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in few cases.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, excise duty, value added tax, goods and services tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax, goods and services tax and cess which have not been deposited on account of any dispute.
- (viii) As per the information and explanations given to us by the management, there are no dues to financial institutions, banks, Government or debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has not paid any managerial remuneration during the year. Accordingly, the provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31 March 2019.
- (xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) Based on the audit procedures performed and as per the information and explanations given to us by the management, the transactions with the related parties, as disclosed in the financial statements, are in compliance with Section 188 of the Companies Act, 2013 and have been disclosed as per the requirements of the applicable accounting standard. The provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The Company has not entered into any non-cash transactions with the directors or persons connected with them as referred to in Section 192 of the Companies Act, 2013.
- (xvi) The Company is registered under Section 45-IA of Reserve Bank of India Act, 1934.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No.009781N


Narendra Singhania
Partner
Membership No.: 087931



Place: New Delhi
Date: 20 June 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of APM Finvest Limited on the Financial Statements as of and for the year ended 31 March 2019)

Report on the Internal Financial Controls Over Financial Reporting under Clause (f) 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 Finvest Limited ("the Company") as of 31 March 2019 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 controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, 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

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financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 controls 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 31 March 2019, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Narendra Singhania & Co.

Chartered Accountants

Firm Reg. No. 009781N

Narendra Singhania
Narendra Singhania

Partner

Membership No. 087931



Place: New Delhi

Date: 20 June 2019

APM Finvest Limited
Balance Sheet as at March 31, 2019

	Notes	March 31, 2019	March 31, 2018
(Amount in Rs.)			
Equity and liabilities			
Shareholders' funds			
Share capital	3	4,32,22,720	2,00,00,000
Reserves and surplus	4	69,79,84,596	11,03,376
		<u>74,12,07,316</u>	<u>2,11,03,376</u>
Non-current liabilities			
Deferred tax liabilities (net)	5	1,67,22,151	-
Current liabilities			
Other current liabilities	6	3,07,854	49,306
Short-term provisions	7	17,326	1,72,055
		<u>3,25,180</u>	<u>2,21,361</u>
TOTAL		<u>75,82,54,647</u>	<u>2,13,24,737</u>
Assets			
Non-current assets			
Investments	8	64,47,54,693	99,22,516
Deferred tax assets (net)	5	-	62,404
		<u>64,47,54,693</u>	<u>99,84,920</u>
Current assets			
Cash and bank balances	9	2,99,73,689	12,53,269
Short-term loans and advances	10	8,23,87,477	1,00,00,000
Other current assets	11	11,38,788	86,548
		<u>11,34,99,954</u>	<u>1,13,39,817</u>
TOTAL		<u>75,82,54,647</u>	<u>2,13,24,737</u>
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

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

Narendra Singhania
Narendra Singhania
Partner
Membership No.: 087931



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

[Signature]
Director

[Signature]
Director



Place : New Delhi
Date : 20/06/2019

APM Finvest Limited
Statement of Profit and Loss for the year ended March 31, 2019

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	Notes	March 31, 2019	March 31, 2018
(Amount in Rs.)			
Income			
Revenue from operations	12	1,31,24,126	15,58,620
Other income	13	-	502
Total revenue		1,31,24,126	15,59,122
Expenses			
Employee benefits expenses	14	2,22,403	-
Other expenses	15	4,39,249	2,09,873
Total expenses		6,61,652	2,09,873
Profit before tax		1,24,62,474	13,49,249
Tax expenses			
Current tax		47,02,476	3,11,211
Income-tax for earlier years		7,245	(2,254)
Deferred tax charge/(credit)		(40,41,763)	37,443
Total tax expense		6,67,958	3,46,400
Profit for the year		1,17,94,516	10,02,849
Earnings per equity share			
Basic and Diluted (in Rs.)	16	0.55	0.10
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

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

Narendra Singhania
Narendra Singhania
Partner
Membership No.: 087931



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

Nayyari
Director

Duggala
Director



Place : New Delhi
Date : 20/06/2019

APM Finvest Limited
Cash Flow Statement as at March 31, 2019

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	(Amount in Rs.)	
	March 31, 2019	March 31, 2018
Cash flow from operating activities		
Profit before tax	1,24,62,474	13,49,249
Operating profit before working capital changes	1,24,62,474	13,49,249
Movements in working capital :		
Increase/(decrease) in other current liabilities	2,57,298	(4,15,441)
Decrease in provisions	(1,312)	-
(Increase)/decrease in investments	5,79,52,494	(99,22,516)
Increase in loans and advances	(3,67,04,814)	(1,00,00,000)
(Increase)/decrease in other current assets	2,10,064	(86,548)
Cash generated from operations	3,41,76,204	(1,90,75,256)
Direct taxes paid (net of refunds)	(55,64,439)	(1,84,278)
Net cash flow from/ (used in) operating activities (A)	2,86,11,765	(1,92,59,534)
Cash flows from investing activities	-	-
Net cash flow from/ (used in) investing activities (B)	-	-
Cash flows from financing activities	-	-
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	2,86,11,765	(1,92,59,534)
Cash and cash equivalents at the beginning of the year	12,53,269	2,05,12,803
Add: Cash and cash equivalents received on account of Scheme of Demerger (refer note 22)	1,08,655	-
Cash and cash equivalents at the end of the period	2,99,73,689	12,53,269
Components of cash and cash equivalents		
Balance with banks		
- on current accounts	2,99,73,689	12,53,269
Total cash and cash equivalents (Note 9)	2,99,73,689	12,53,269

Summary of significant accounting policies

2.1

As per our Report of even date attached
For Narendra Singhania & Co.
Chartered Accountants
Firm Registration Number : 009781N

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

Narendra Singhania
Narendra Singhania
Partner



[Signature]
Director

[Signature]
Director

Place : New Delhi
Date : 20/06/2019



APM Finvest Limited**Notes to the financial statements for the year ended March 31, 2019****1. Corporate information**

APM Finvest Limited (the "Company") was incorporated in India on 13 May 2016 as a wholly owned subsidiary of APM Finvest Limited and regulated by Reserve Bank of India (RBI) as non-public deposit accepting Non-Banking Finance Company ("NBFC").

The Company is registered under Section 45-IA of Reserve Bank of India Act, 1934 to carry on the business of a non-public deposit accepting Non-Banking Finance Company vide Certificate of Registration number B-10.00247.

2. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

Prudential norms

The Company follows the Reserve Bank of India ("RBI") Directions - " Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016", dated September 1, 2016 and as amended from time to time ('RBI Directions') in respect of Income recognition, Income from investments, Accounting of investments, Assets classification, Provisioning requirements and Disclosure in the balance sheet. The Accounting standards (AS) notified under Section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014, as amended and Guidance Notes issued by the Institute of Chartered Accountants of India ("ICAI") are followed insofar as they are not inconsistent with the RBI Directions.

2.1 Summary of significant accounting policies**(a) Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Unquoted investments in the units of mutual funds in the nature of current investments are valued at the net assets value declared by the mutual fund in respect of each particular scheme as per the RBI Directions.

(c) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Interest income

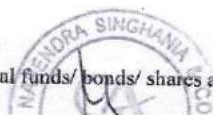
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable. In terms of the RBI Directions, interest income on Non Performing Assets (NPAs) shall be recognised only when it is actually realised.

Dividend income

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.

Profit or loss on sale of investments

Profit or loss on sale of units of mutual funds/ bonds/ shares are accounted on transfer of ownership.



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

(d) Foreign currency translation

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

Exchange differences arising on settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(e) Employee benefits

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 service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(f) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Deferred tax reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

(g) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit /loss amounts are evaluated regularly by the management in deciding how to allocate resources and in assessing performance.

(h) Earnings per share

The Basic earning per share and diluted earning per share have been computed in accordance with Accounting Standard (AS-20) on "Earnings Per Share" and is also shown in the Statement of Profit and Loss. Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares which are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

(i) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(j) Provisions

A provision is recognized when the Company has a present obligation as a result of 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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(k) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

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

(Amount in Rs.)

	March 31, 2019	March 31, 2018
3. Share capital		
Authorised share capital		
22,500,000 (March 31, 2018: 10,000,000) equity shares of Rs. 2 each*	4,50,00,000	2,00,00,000
	<u>4,50,00,000</u>	<u>2,00,00,000</u>
Issued, subscribed and fully paid-up shares		
Nil (March 31, 2018: 10,000,000) equity shares of Rs. 2 each*	-	2,00,00,000
Total	<u>-</u>	<u>2,00,00,000</u>
Share capital pending allotment		
21,611,360 (March 31, 2018: Nil) equity shares of Rs. 2 each*	4,32,22,720	-
Total	<u>4,32,22,720</u>	<u>-</u>

*refer note 22

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	March 31, 2019 Nos.	March 31, 2018 Nos.
Equity shares		
At the beginning of the year	1,00,00,000	20,00,000
Issued during the year	-	-
Share split during the year	-	80,00,000
Shares cancelled during the year*	(1,00,00,000)	-
Outstanding at the end of year	<u>-</u>	<u>1,00,00,000</u>

*refer note 22

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.2 per share (March 31, 2018: Rs. 2 per share). Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shares held by holding company

	(Amount in Rs.)	
	March 31, 2019	March 31, 2018
Equity shares		
Nil (March 31, 2018: 10,000,000) equity shares, held by APM Industries Limited*	-	2,00,00,000
[Includes Nil (March 31, 2018: 30) equity shares, held by the nominee shareholder]		
	<u>-</u>	<u>2,00,00,000</u>

*refer note 22

(d) Details of shareholder's holding more than 5 percent shares in the Company

	March 31, 2019		March 31, 2018	
	Nos.	% of holding	Nos.	% of holding
Equity shares of Rs. 2 each				
APM Industries Limited*	-	-	1,00,00,000	100%
[Includes Nil (March 31, 2018: 30) equity shares, held by the nominee shareholder]				

*refer note 22



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Handwritten initials/signature

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

4. Reserves and surplus

	March 31, 2019	March 31, 2018
Surplus in the statement of profit and loss		
Opening balance		
Add: Profit for the year	8,82,701	80,422
Less: Transfer to reserve fund	1,17,94,516	10,02,849
Net surplus	(23,58,903)	(2,00,570)
	1,03,18,314	8,82,701
Reserve fund		
Opening balance		
Add: Surplus transferred during the year	2,20,675	20,105
	23,58,903	2,00,570
	25,79,578	2,20,675
Capital Reserve		
Opening Balance		
Add: Addition on account of scheme of demerger*	-	-
Add: Cancellation of equity share capital*	70,83,09,424	-
Less: Equity share capital pending allotment*	2,00,00,000	-
	(4,32,22,720)	-
	68,50,86,704	-
Total reserves and surplus	69,79,84,596	11,03,376

*refer note 22



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

(Amount in Rs.)

March 31, 2019 March 31, 2018

5. Deferred tax liabilities (net)

Deferred tax liability

Valuation of investments

Opening balance

Add: Transferred during the year (refer note 22)

Less: Deferred tax credited to the statement of profit and loss

2,08,26,318

40,37,928

1,67,88,390

1,67,88,390

-

-

Deferred tax asset

Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years

66,239

62,404

Net deferred tax liabilities

66,239

62,404

1,67,22,151

(62,404)

Net deferred tax credited to the statement of profit and loss during the year is Rs. 4,041,763 (March 31, 2018: charge of Rs. 37,443)

6. Other current liabilities

Statutory dues payable

Other payables

2,054

2,500

3,05,800

46,806

3,07,854

49,306

7. Short-term provisions

Provision for employee benefits

- Provision for bonus

Provision for Income-tax (net of advance tax)

17,326

-

-

1,72,055

17,326

1,72,055



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

	March 31, 2019			March 31, 2018		
	Face value per share/unit	Nos.	Amount in Rs.	Face value per share/unit	Nos.	Amount in Rs.
8 Investments						
Non-trade investments (valued at cost unless stated otherwise)						
Investment in equity instruments (quoted)						
HDFC Bank Limited	2	2,250	42,43,725	-	-	-
Indian Oil Corporation Limited	10	20,000	35,32,000	-	-	-
State Bank of India	1	55,000	1,45,73,773	1	20,000	58,27,273
KEC International Limited	2	10,000	21,51,929	2	10,000	21,51,929
Dewan Housing Finance Corporation Limited	10	5,000	19,43,314	10	5,000	19,43,314
Investment in bonds (unquoted)						
Indian Renewable Energy Development Agency Limited	1,000	13,624	1,36,24,000	-	-	-
National Highways Authority of India	1,000	5,714	57,14,000	-	-	-
Investment in mutual funds (unquoted)						
ABSL Dynamic Bond Fund - Growth - Regular Plan	10	5,84,938	1,75,37,904	-	-	-
ABSL Equity Fund - Growth - Regular Plan	10	9,402	64,70,933	-	-	-
ABSL Equity Hybrid Fund - Growth - Regular Plan	10	13,537	99,75,850	-	-	-
ABSL Pure Value Fund - Growth - Regular Plan	10	56,558	34,06,987	-	-	-
ABSL Regular Savings Fund - Growth - Regular Plan	10	10,59,565	4,04,96,381	-	-	-
ABSL Short Term Opportunities Fund - Growth - Regular Plan	10	8,97,035	2,58,84,213	-	-	-
Axis Focused 25 Fund - Growth	10	2,34,411	59,91,084	-	-	-
Axis Strategic Bond Fund - Growth	10	17,89,207	3,03,06,843	-	-	-
DSP Equity & Bond Fund - Growth - Regular Plan	10	69,541	99,04,989	-	-	-
Franklin India Smaller Companies Fund - Growth	10	84,647	49,83,225	-	-	-
HDFC FMP Series-37 - Growth - Regular Plan	10	20,00,000	2,27,87,600	-	-	-
HDFC Balanced Advantage Fund - Growth - Regular Plan	10	70,039	1,26,21,479	-	-	-
HDFC Capital Builder Value Fund - Growth - Regular Plan	10	25,844	73,53,317	-	-	-
HDFC Credit Risk Debt Fund - Growth - Regular Plan	10	27,37,791	3,94,53,755	-	-	-
HDFC Equity Savings Fund - Growth - Regular Plan	10	2,89,260	99,94,504	-	-	-
HDFC Hybrid Equity Fund - Growth - Regular Plan	10	2,57,720	1,30,93,497	-	-	-
HDFC Small Cap Fund - Growth - Regular Plan	10	1,65,439	73,17,357	-	-	-
ICICI Prudential Equity & Debt Fund - Growth	10	1,01,563	1,26,84,213	-	-	-
ICICI Prudential FMP Series 79 -1104 Days Plan	10	10,00,000	1,14,04,000	-	-	-
ICICI Prudential Short Term Fund - Growth Option	10	1,656	59,927	-	-	-
IDFC Core Equity Fund - Growth - Regular Plan	10	1,35,829	59,64,483	-	-	-
Invesco India Contra Fund - Growth	10	1,08,719	50,00,000	-	-	-
Kotak Credit Risk Fund - Growth - Regular Plan	10	11,60,369	2,21,92,401	-	-	-
Kotak Equity Savings Fund - Growth - Regular Plan	10	7,58,725	1,00,13,581	-	-	-
Kotak Standard Multicap Fund - Growth - Regular Plan	10	2,86,503	91,14,515	-	-	-
L&T Emerging Businesses Fund - Growth	10	1,43,391	38,41,721	-	-	-
L&T Hybrid Equity Fund - Growth	10	2,85,322	72,96,246	-	-	-
L&T Infrastructure Fund - Growth	10	2,84,899	48,83,171	-	-	-
L&T Midcap Fund - Growth	10	23,045	31,27,456	-	-	-
L&T Resurgent India Bond Fund - Growth	10	16,12,213	2,09,57,962	-	-	-
Motilal Oswal Multicap 35 Fund - Growth - Regular Plan	10	1,92,808	50,71,517	-	-	-
SBI Blue Chip Fund - Growth - Regular Plan	10	1,80,663	67,24,763	-	-	-
UTI Dynamic Bond Fund - Growth - Regular Plan	10	3,03,335	60,81,815	-	-	-
Reliance Equity Savings Fund	10	7,81,763	1,00,07,036	-	-	-
Reliance Regular Saving Fund	10	2,34,341	1,32,52,893	-	-	-
Reliance Fixed Horizon Fund - XXX - Series 3 - Direct Growth Plan	10	10,00,000	1,24,17,300	-	-	-
Reliance Fixed Horizon Fund - XXXI Series 4 - Direct Growth Plan	10	10,00,000	1,17,84,900	-	-	-
Reliance Corporate Bond Fund	10	7,61,441	1,10,18,579	-	-	-
Alternative Investment Equity						
Abakus Growth Fund-I	1,000	9,263	1,00,00,000	-	-	-
DSP Emerging Star Fund - Class B - 1.01	100	74,378	1,26,41,953	-	-	-
DSP Core Fund - Class B - 1.02	100	94,792	1,42,26,407	-	-	-
Enam India Diversified Equity Advantage	-	-	2,53,17,210	-	-	-
HFL Special Opportunities Fund	10	9,30,239	1,06,55,500	-	-	-
Motilal Oswal Focused Growth Opportunities Fund	10	7,33,008	1,06,19,678	-	-	-
Old Bridge Capital Management Private Limited	-	-	1,40,95,598	-	-	-
Reliance Equity Opportunities Fund - Scheme I	10	15,00,000	1,50,00,000	-	-	-
Alternative Investment Debt						
Edelweiss Multi Strategy Fund	-	-	1,07,35,577	-	-	-
Edelweiss Infrastructure Yield Plus	10	4,00,000	40,00,000	-	-	-
Reliance Yield Maximiser AIF - Scheme II	-	-	1,12,01,632	-	-	-
			64,47,54,693			99,22,516
Aggregate amount of quoted investments			2,64,44,741			99,22,516
Market value of quoted investments			2,98,64,525			1,14,46,250
Aggregate amount of unquoted investments			61,83,09,952			-



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APM Finvest Limited

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

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



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(Amount in Rs.)

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



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16. Earnings per share

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

*refer note 22

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

17. Related Party disclosures

Names of related parties and related party relationship

Related parties where control exists

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

Related parties transactions

a. Interest income

Particulars	(Amount in Rs.)	
	March 31, 2019	March 31, 2018
APM Industries Limited	18,73,012	-

b. Payments made on behalf of the Company

Particulars	(Amount in Rs.)	
	March 31, 2019	March 31, 2018
APM Industries Limited	3,77,55,838	1,20,752

c. Collections made on behalf of the Company

Particulars	(Amount in Rs.)	
	March 31, 2019	March 31, 2018
APM Industries Limited	10,01,33,400	-

d. Amount received from

Particulars	(Amount in Rs.)	
	March 31, 2019	March 31, 2018
APM Industries Limited	2,80,00,000	-

e. Reimbursement made by the Company

Particulars	(Amount in Rs.)	
	March 31, 2019	March 31, 2018
APM Industries Limited	4,54,240	5,24,662

f. Related parties balances at the year end :

Particulars	(Amount in Rs.)	
	March 31, 2019	March 31, 2018
APM Industries Limited	3,67,04,814	-

*refer note 22

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

19. Segment reporting

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

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

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



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Signature



22. Scheme of Demerger

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

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

- a) The assets and liabilities of AIL pertaining to the Finance and Investment Undertaking as on the appointed date have been transferred to AFL at their respective book values as appearing in the books of accounts of AIL.
- b) The employees of the Finance and Investment Undertaking as on the appointed date have been transferred to AFL.
- c) Summary of assets and liabilities transferred from AIL to AFL as on April 1, 2018 is as under:

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

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

- d) The authorised share capital of AIL to the extent of Rs. 250,000,000 divided into 12,500,000 equity shares of Rs. 2 each has been transferred to AFL and the authorised share capital of AFL has been increased by the said amount.
- e) The equity share capital of AFL held by AIL on the appointed date has been cancelled. The equity share capital so cancelled, has been credited to the capital reserves of AFL. Accordingly, APM Finvest Limited ceased to be a subsidiary of APM Industries Limited from the appointed date.
- f) In consideration of the transfer and vesting of the Finance and Investment Undertaking, AFL shall issue equity shares of face value of Rs. 2 each at par to the equity shareholders of AIL for every 1 equity shares of face value of Rs. 2 each held by them in AIL. Consequently, AFL has recorded equity share capital pending allotment of Rs. 43,222,720 (divided into 21,611,360 equity shares of Rs. 2 each) by a corresponding debit to the capital reserves. AFL is currently in the process of allotment of equity shares to the shareholders of AIL.



APM Finvest Limited

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

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

(Amount in Rs.)

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



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APM Finvest Limited

Notes on financial statements for the year ended March 31, 2019

	31-Mar-19	31-Mar-18		
Long Term investments				
I. Quoted				
(i) Shares				
(a) Equity	2,64,44,741	99,22,516		
(b) Preference	Nil	Nil		
(ii) Debentures and Bonds	Nil	Nil		
(iii) Units of mutual funds	Nil	Nil		
(iv) Government Securities	Nil	Nil		
(v) Others (please specify)	Nil	Nil		
Unquoted				
(i) Shares				
(a) Equity	Nil	Nil		
(b) Preference	Nil	Nil		
(ii) Debentures and Bonds	1,93,38,000	Nil		
(iii) Units of mutual funds	46,04,78,396	Nil		
(iv) Government Securities	Nil	Nil		
(v) Others - Alternative Investment Equity	11,25,56,347	Nil		
(vi) Others - Alternative Investment Debt	2,59,37,209	Nil		
(6) Borrower group-wise classification of assets financed as in (3) and (4) above :				
Category	Amount net of provisions		Amount net of provisions	
	Secured	Unsecured	Secured	Unsecured
1. Related Parties				
(a) Subsidiaries	Nil	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil	Nil
(c) Other related parties	Nil	3,67,04,814	Nil	Nil
2. Other than related parties	Nil	4,50,00,000	Nil	1,00,00,000
Total	Nil	8,17,04,814	Nil	1,00,00,000
(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :				
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	Nil	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil	Nil
2. Other than related parties	65,55,40,542	64,47,54,693	1,14,46,250	99,22,516
Total	65,55,40,542	64,47,54,693	1,14,46,250	99,22,516
(8) Other information				
Particulars	Amount	Amount		
(i) Gross Non-Performing Assets				
(a) Related parties	Nil	Nil		
(b) Other than related parties	Nil	Nil		
(ii) Net Non-Performing Assets				
(a) Related parties	Nil	Nil		
(b) Other than related parties	Nil	Nil		
(iii) Assets acquired in satisfaction of debt	Nil	Nil		



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

As per our report of even date attached

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


Narendra Singhania
Partner
Membership No.: 087931



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


Director


Director

Place : New Delhi
Date : 20/06/2019



SECTION VI – LEGAL AND OTHER INFORMATION

A. OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

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

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

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

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

LITIGATION BY OR AGAINST OUR COMPANY

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

LITIGATION BY OR AGAINST OUR PROMOTER COMPANY

A. Criminal matters filed by the Promoters:

Nil

B. Civil matters filed by the Promoters:

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

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

C. Taxation matters by the Promoter:

Nil

D. Labour cases filed by the Promoter:

Nil

E. Labour cases filed against the Promoter:

Nil

F. Taxation matters against the Company:

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

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

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

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

B. GOVERNMENT APPROVALS AND LICENCES

Reserve Bank of India

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

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

C. REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

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

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

Eligibility Criteria

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

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

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

Prohibition by SEBI

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

Wilful Defaulters

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

Significant Beneficial Ownership

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

Disclaimers:

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

BSE does not in any manner:

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

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

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

General Disclaimer of Our Company

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

Listing

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

Expert Opinion

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

Demat Credit & Dispatch of Share Certificates

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

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

CDSL Credit date: 29.06.2019

NSDL Credit date: 27.06.2019

Previous Rights and Public Issues

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

Commission and Brokerage on previous issues

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

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

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

Stock Market Data for Equity Shares of the Company

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

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

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

SECTION VII –OTHER INFORMATION

A. MAIN PROVISIONS OF ARTICLES OF ASSOCIATIONS OF OUR COMPANY

VOTING RIGHTS

1. *Subject to any rights or restrictions for the time being attached to any class or classes of shares,—*
 - (a) *on a show of hands, every member present in person shall have one vote; and*
 - (b) *on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.*
2. *A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.*
3. *Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.*
4. *No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.*
5. (i) *No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.*

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

DIVIDENDS AND RESERVE

1. *The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.*
2. *Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.*
3. (i) *The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.*

- (ii) *The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.*
4. (i) *Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.*
- (ii) *No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.*
- (iii) *All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.*
5. *The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.*
6. (i) *Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.*
- (ii) *Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.*
7. *Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.*
8. *Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.*
9. *No dividend shall bear interest against the company*

LIEN

1. (i) *The Company shall have a first and paramount lien-*
- (a) *on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and*
- (b) *on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:*
- Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.*
- ii) *The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.*

2. *The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien provided that no sale shall be made—*
- (a) unless a sum in respect of which the lien exists is presently payable; or*
- (b) until the expiration of Thirty days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.*
3. *(i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.*
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.*
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.*
4. *(i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.*
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.*
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.*
5. *(i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.*
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.*

FORFEITURE OF SHARES

1. *If a member fails to pay any call or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.*
2. *The notice aforesaid shall:-*
- (a) Name a further day (not earlier than the expiry of 14 (Fourteen days from the date of service of notice) on or before which the payment required by the notice is to be made; and*
- (b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.*
3. *If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.*

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

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

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

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

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

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

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

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

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

B. MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

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

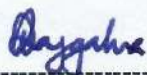
DOCUMENTS FOR INSPECTION

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


DECLARATION

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

For and on behalf of APM Finvest Limited



Name: Ajay Rajgarhia
Designation: Managing Director



Name: Sanjay Rajgarhia
Designation: Director



Name: Mrs. Anisha Mittal
Designation: Director



Name: Manoj Kumar Rinwa
Designation: Chief Financial Officer



Name: Mrs. Nirmala Bagri
Designation: Independent Director

Place: New Delhi
Date: 29th June, 2019

