

APM INDUSTRIES LIMITED
 REGISTERED OFFICE: SP-147, RIICO INDUSTRIAL AREA, BHIWADI – 301019, Rajasthan
 Corporate Identity Number (CIN): L21015RJ1973PLC015819
 PHONE: (01493)- 662400, (011) 2644105-17; FAX: (01493)-662413 , (011) 26441018
 Email: bhiwadi@apmindustries.co.in delhi@apmindustries.co.in; Website: www.apmindustries.co.in

NOTICE OF NCLT CONVENED MEETING

OF

THE EQUITY SHAREHOLDERS

OF

APM INDUSTRIES LIMITED

(Convened pursuant to the order of the Hon'ble National Company Law Tribunal – Jaipur Bench, dated 26th October, 2018)

MEETING

Date	8 th December, 2018
Day	Saturday
Time	12:00 Noon
Venue	COUNTRY INN & SUITES BY RADISSON, Plot No. 4, Sohna Road, Bhagat Singh Colony, U.I.T. Bhiwadi, Rajasthan – 301 019

REMOTE E-VOTING

Start Date	09:00 A.M. on Thursday, 8 th November, 2018
End Date	05:00 P.M. on Friday, 7 th December, 2018

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APM up

BEFORE NATIONAL COMPANY LAW TRIBUNAL, JAIPUR BENCH
COMPANY APPLICATION NO. CA (CAA) 33/230-232/JPR/2018 of 2018

IN THE MATTER OF
Companies Act, 2013
Section 230 and 232 of Companies Act, 2013

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT OF:

APM Industries Limited
Having its registered office at:
SP - 147, RIICO Industrial Area,
Bhiwadi, Rajasthan – 301 019

DEMERGED COMPANY
(APPLICANT COMPANY 1)

AND

APM Finvest Limited
Having its registered office at:
SP-147, RIICO Industrial Area,
Bhiwadi, Rajasthan - 301019
RESULTING COMPANY
(APPLICANT COMPANY 2)

AND

Their respective shareholders and creditors

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF APM INDUSTRIES LIMITED, PURSUANT TO THE ORDER DATED 26th OCTOBER, 2018 BY HON'BLE NATIONAL COMPANY LAW TRIBUNAL, JAIPUR BENCH

To,

The Equity Shareholders of APM Industries Limited ('the Company')

Notice is hereby given that by an order dated 26th day of October, 2018, the Jaipur Bench of the National Company Law Tribunal has directed a meeting to be held of Equity Shareholders of the Company for the purpose of considering, and if thought fit, approving with or without modification, the Scheme of Arrangement among APM Industries Limited (hereinafter referred to as 'AIL' or 'Demerged Company' or 'the Company' or the "Applicant Company No. 1") and APM Finvest Limited (hereinafter referred to as 'AFL' or 'Resulting Company' or the "Applicant Company No. 2") and their respective shareholders and creditors, whereby it is proposed to Demerge the Finance & Investment Undertaking (herein after referred as 'Demerged Undertaking') of the Demerged Company and subsequently amalgamate with and into its wholly owned subsidiary, the Resulting Company as a going concern in accordance with the provisions of Section 230-232 of the Companies Act, 2013 ("the Scheme").

In pursuance of the said order and as directed therein further notice is hereby given that a meeting of Equity Shareholders of the Company will be held at COUNTRY INN & SUITES BY RADISSON, Plot No. 4, Sohna Road, Bhagat Singh Colony, U.I.T. Bhiwadi, Rajasthan – 301 019 on Saturday, the 8th day of December, 2018 at 12 Noon at which time and place the said Equity Shareholders are requested to attend.



Copies of the aforesaid Scheme of Arrangement and of the statement under Section 230 of the Companies Act, 2013 read with Rule 6(3) of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 can be obtained free of charge at the registered office of the Company. Persons entitled to attend and vote at the meeting may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the Company at SP-147, RIICO Industrial Area, Bhiwadi, Rajasthan - 301 019 or at Corporate office situated at 910 Chiranjiv Tower, 43- Nehru Place, New Delhi - 110019, not later than 48 hours before the meeting.

The notice convening the Meeting along with the requisite documents is placed on the website of the company viz. www.apmindustries.co.in and is being sent to Securities and Exchange Board of India and BSE Limited. The proxy form is annexed along with this notice and can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office or Corporate office of the Company and also from the website of the Company.

Take Further Notice that in compliance with the provisions of (i) Section 230(4) read with Section 108 of the Companies Act, 2013 (ii) Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (iii) Rule 20 and other applicable provisions of the Companies (Management and Administration) Rule, 2014; (iv) Regulation 44 and other applicable provision of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and (v) Circular No. CFD/DIL 3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India (referred to as SEBI Circular), the company has provided the facility of voting through E voting so as to enable the equity shareholders to consider and approve the Scheme by way of aforesaid resolution. Accordingly, voting by equity shareholders of the company to the Scheme shall be carried out through E voting system and by voting in person at the venue of the meeting to be held on 8th day of December, 2018.

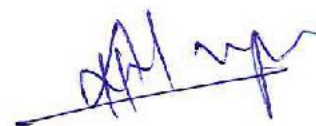
The Tribunal has appointed Mr. Amol Vyas (Advocate) as a Chairperson and failing him, Mr. Deepak Arora (Practicing Company Secretary) as the Alternate Chairperson of the said meeting. The abovementioned arrangement, if approved by the meeting, will be subject to the subsequent approval of the Tribunal.

The Scrutinizer will submit his report to the designated Chairperson of the meeting upon completion of scrutiny, in a fair and transparent manner, of voting through electronic means and voting at the venue on or before Monday, 10th December, 2018. The Chairperson shall be responsible to report the result of the meeting to the Tribunal in Form No. CAA 4, as per Rule 14 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 within 07 days of the conclusion of the meeting.

The Result will also be displayed at the notice board at Registered Office of the company and posted on the Company's website, besides communicating the same to the BSE Limited.

At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactments thereof for the time being in force, and subject to the relevant provisions of the Memorandum & Articles of Association of the Company and subject to the approval of National Company Law Tribunal, Jaipur Bench ("Tribunal") and subject to such requisite approvals of the concerned Stock Exchanges in accordance with the regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India or any other relevant authority from time to time to the extent applicable and subject to such approvals, consents, permissions and sanctions of the appropriate authorities as may be necessary/required and subject to such conditions as may be prescribed, directed or made by any of them while granting such approvals, consents and permissions, and further based on Share Entitlement Report dated January 8, 2018 from M/s Bansal Abinav & Co., Chartered Accountants, Fairness Opinion dated January 9, 2018 from Finshore Management Services Limited, Merchant Banker and Certificate dated January 11, 2018 in accordance with Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 obtained from M/s Chaturvedi & Partners, Statutory Auditor of the Company, regarding the accounting treatment being followed in the Scheme is in compliance with all the applicable Accounting Standards and on the recommendation of the Audit Committee and other relevant documents placed before it, the consent and approval of the Equity Shareholders be and is hereby accorded for the Demerger of Finance & Investment Undertaking of APM Industries Limited ("Demerged Company") into APM Finvest Limited ("Resulting Company") with 1st April, 2018 as the Appointed Date.



RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution, and effectively implement the arrangement embodied in the Scheme, and to accept such modification(s), amendment(s), limitation(s) and/or condition(s), if any, which may be required and/or imposed by the Tribunal, while sanctioning the arrangement embodied in the Scheme, or by any authorities under law, or as may be required for the purpose of resolving any questions, doubts or difficulties that may arise in giving effect to the Scheme, including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

TAKE FURTHER NOTICE that Board of Directors of the Demerged Company and Resulting Company have considered the draft Scheme of Arrangement at their respective board meetings held on 11th January, 2018.

Place: Jaipur

For and on Behalf of APM INDUSTRIES LIMITED

Date: 01.11.2018



AMOL VYAS

Chairman appointed for the Meeting
E – 708, Ground Floor, Nakul Path, Lalkothi Scheme,
Jaipur, Rajasthan

NOTES:

- 1. ONLY THE REGISTERED EQUITY SHAREHOLDERS OF THE COMPANY MAY ATTEND AND VOTE, EITHER IN PERSON OR BY PROXY (A PROXY NEED NOT BE ANOTHER EQUITY SHAREHOLDER OF THE COMPANY AND PROXY WILL ALSO BE COUNTED AS THE QUORUM FOR THE MEETING), OR IN THE CASE OF A BODY CORPORATE BY A REPRESENTATIVE AUTHORISED BY WAY OF A BOARD RESOLUTION TO ATTEND AND VOTE AT THE MEETING OF THE EQUITY SHAREHOLDERS OF THE COMPANY. PROXIES TO BE VALID AND EFFECTIVE SHOULD BE IN A PRESCRIBED FORM OF PROXY, DULY COMPLETED, STAMPED AND SIGNED OR AUTHENTICATED BY THE CONCERNED EQUITY SHAREHOLDER AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OR CORPORATE OFFICE OF THE COMPANY NOT LATER THAN 48 (FORTY EIGHT) HOURS BEFORE THE SCHEDULED TIME OF COMMENCEMENT OF THE MEETING OF THE EQUITY SHAREHOLDERS OF THE COMPANY.*
2. The Authorised Representative of a Body Corporate which is a registered equity shareholder shall bring and handover a copy of the resolution of the body corporate authorizing such representative to attend and vote at the meeting of equity shareholders of the company duly certified to be a true copy by a director, the manager, the secretary or other authorised officer of such body corporate, at the venue of the meeting.
3. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of not more than 50 (fifty) equity shareholders holding in aggregate, not more than 10% (ten percent) of the total share capital of the Demerged Company carrying voting rights. Equity Shareholders holding more than 10% (ten percent) of the total share capital of the Demerged Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or equity shareholders.
4. The form of proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) at the registered office of the Company at SP-147, RIICO Industrial Area, Bhiwadi Rajasthan – 301 019 or from the Corporate Office situated at 910 Chiranjiv Tower, 43- Nehru Place, New Delhi – 110019, during business hours (viz. between 10:00 a.m. to 5:00 p.m.). A copy of proxy form is enclosed with the notice and available at the website of the Company.
5. All alterations made in the form of proxy should be initialed. Incomplete unsigned, improperly or incorrectly completed proxy forms may be rejected by the Scrutinizer.

6. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, an equity shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Demerged Company, provided that not less than 3 (three) days of notice in writing is given to the Demerged Company.
7. Tribunal by its order dated 26th October, 2018 has directed that a meeting of the equity shareholder of the Company shall be convened to be held on Saturday, 8th December, 2018 at 12:00 Noon at COUNTRY INN & SUITES BY RADISSON, Plot No. 4, Sohna Road, Bhagat Singh Colony, U.I.T. Bhiwadi, Rajasthan – 301 019 for the purpose of considering, and if thought fit, approving, with or without modification (s), the arrangement embodied in the scheme.
8. In compliance with the provisions of (i) Section 230(4) read with Section 108 of the Companies Act, 2013 (ii) Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (iii) Rule 20 and other applicable provisions of the Companies (Management and Administration) Rule, 2014 (iv) Regulation 44 and other applicable provision of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and (v) Circular No. CFD/DIL 3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India (referred to as SEBI Circular), the Demerged Company has provided the facility of e voting so as to enable the equity shareholders, to consider and approve the scheme by way of aforesaid resolution. Accordingly, voting by equity shareholders of the company to the Scheme shall be carried out through e voting system and by voting in person through ballot or polling paper at the venue of the meeting to be held on 8th December, 2018.
9. The Quorum of the meeting of equity shareholder of demerged company shall be 25% in number and in value terms.
10. The Registered Equity Shareholder or proxy or authorised representative attending the meeting is requested to bring and hand over the Attendance Slip, duly completed and signed, for admission to the Meeting Hall, accompanied by valid identity proof with photograph, issued by a statutory authority. No copy of the Attendance Slip shall be submitted to the Company or be liable to be furnished by the Company. A proxy attending the meeting is requested to carry a copy of the deposited Form of Proxy along with the supporting documents duly authenticated.
11. The Registered Equity Shareholder of the Company who are attending the meeting are requested to bring their Identity Proof such as Voter Id or Aadhaar Card.
12. The registered equity shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the register of members of the Demerged Company/List of beneficial owners as received from National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") in respect of such joint holding, will be entitled to vote.
13. The document referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Demerged Company between 10.00 A.M. and 05.00 P.M. on all days (except Saturdays, Sundays and Public holidays) up to the date of the meeting.
14. Equity shareholders holding equity shares as on October 26, 2018 being the cut off date, will be entitled to exercise their right to vote on the above resolution.
15. The Notice, together with the documents accompanying the Notice, is being sent to all the equity shareholder either by courier or by email to those equity shareholders who have registered their e-mail ids with the Demerged Company/Registrar and Share Transfer Agents/NSDL/CDSL, whose names appear in the register of members/list of beneficial owner as received from NSDL/CDSL as on 26th October, 2018. The notice will be displayed on the website of the Company <http://apminindustries.co.in/> and will be send to Securities and Exchange Board of India and BSE Limited.



16. A person whose name is not recorded in the register of members or in the register of beneficial owner maintained by NSDL/CDSL as on the cut off date i.e. 26th October, 2018 shall not be entitled to avail the facility of e-voting or voting at the meeting to be held on 8th December, 2018. Voting Rights shall be reckoned on the paid up value of the shares registered in the names of equity shareholders as on 26th October, 2018. Persons who are not equity shareholders of the Demerged Company as on cut off date i.e. 26th October, 2018 should treat notice which is available in public domain for information purpose only.
17. The voting by the equity shareholders through e-voting shall commence at 09:00 A.M. on Thursday, 8th November, 2018 and shall close at 05:00 P.M. on Friday, 7th December, 2018. During this period, the equity shareholders of the Demerged Company holding shares either in physical or in Dematerialized form, as on the cut off date i.e. 26th October, 2018, may cast their votes electronically.
18. The notice convening the meeting will be published through advertisement in (i) "Times of India" (Jaipur Edition) in the English Language; and (ii) "Dainik Navjyothi" (Jaipur Edition) in Vernacular Language.
19. In accordance with the provisions of Section 230-232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the equity shareholders of the Demerged Company, voting in person or by proxy or e voting agree to the Scheme.
20. The Demerged Company has engaged the services of NSDL for facilitating the e-voting for the said meeting to be held on 8th December, 2018. Equity Shareholders desiring to exercise their vote by using e-voting facility are requested to follow the instructions mentioned in the note no. 25 below.
21. The equity shareholders of the Demerged Company can opt for only one mode for voting i.e. by e-voting or voting at the venue of the meeting.
22. The equity shareholders of the Demerged Company attending the meeting who have not cast their vote through e-voting shall be entitled to exercise their vote at the venue of the company. Equity Shareholders who have cast their votes through e-voting may also attend the meeting but shall not be entitled to cast their vote again.
23. Any queries/grievances in relation to the e voting may be addressed to Ms. Jyoti Upadhayay, Company Secretary cum Compliance Officer of the Demerged Company at 910 Chiranjiv Tower, 43- Nehru Place, New Delhi – 110019 or through email to [delhi@apmindustries.co.in].
24. A route map to the venue of meeting along with prominent landmark for easy location is enclosed.

25. VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to offer e-voting facility to its members in respect of the business to be transacted at the meeting of Shareholders. The Company has engaged the Services of National Securities Depository Limited ('NSDL') as the Authorised Agency to provide e-voting facilities.

Members are requested to note that the business may be transacted through electronic voting system and the company is providing facility for voting by electronic means. It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility. A member may avail the facility at his/her/its discretion, as per the instructions provided herein.

The instructions for shareholders voting electronically are as under:

The E-Voting period begins on Thursday, 8th November, 2018 at 9:00 A.M. and ends on Friday, 7th December, 2018 at 5:00 P.M. The E-Voting module shall be disabled by NSDL for voting after 5:00 P.M on 7th December, 2018. During this period, the Members of the Company, holding shares in Physical form or in Demat form, as on the cut-off date viz. 26th October, 2018, may cast their vote electronically. Once the vote on a resolution is cast by the Member, the Member is not allowed to change it subsequently.



The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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

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

Details on Step 1 is mentioned below:

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

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

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

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

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

General Guidelines for shareholders

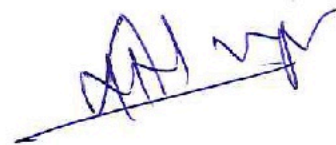
1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to susshil@amicuslegal.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at atevoting@nsdl.co.in

10. Mr. Susshil Daga, Company Secretary (Advocate) has been appointed as the Scrutinizer to conduct the e-voting process and voting at the venue of the meeting, in fair and transparent manner.

11. The Scrutinizer after scrutinizing the votes cast at the meeting through ballot paper and through remote e-voting, will make a consolidated scrutinizer's report and submit the same to the chairman on or before Monday, 10th December, 2018.

12. In the event of poll, please note that the members who have exercised their right to vote through electronic means as above shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and report thereon shall be prepared in accordance with Section 109 of the Act read with rules made thereunder. In such an event, votes cast through remote e-voting shall be counted for the purpose of passing of the resolution. No voting by show of hands will be allowed at the meeting.

13. Subject to receipt of requisite vote, the resolution shall be deemed to be passed at the Shareholders meeting of the company scheduled to be held on 8th December, 2018. The Results shall be declared by the chairman simultaneously, upon receiving the scrutinizer report i.e. on or before Monday, 10th December, 2018. The result declared along with scrutinizer report shall be placed on the website of the Company, <http://apmindustries.co.in/> and on NSDL website www.evoting.nsdl.com and communicated to the stock exchange (BSE Limited).



EXPLANATORY STATEMENT PURSUANT TO SECTION 230 READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6(3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF APM INDUSTRIES LIMITED, PURSUANT TO THE ORDER DATED 26th OCTOBER, 2018 BY HON'BLE NATIONAL COMPANY LAW TRIBUNAL, JAIPUR – BENCH

I. OVERVIEW

1. This Statement is being furnished as required under Section 230 (3) and Section 102 of the Companies Act, 2013 ("The Act") read with Rule 6 (3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "Rules").
2. Pursuant to the Order dated 26th October, 2018 w.r.t. COMPANY APPLICATION NO. CA (CAA) 33/230-232/JPR/2018 of 2018, the Jaipur Bench of the National Company Law Tribunal has directed a meeting to be held, of the equity shareholders of APM Industries Limited at Country Inn & Suites by Radisson, Plot no. 4, Sohna Road, Bhagat Singh Colony, U.I.T., Bhiwadi, Rajasthan – 301019 on Saturday, 8th December, 2018, at 12:00 Noon for the purpose of considering, and if thought fit, approving with or without modification, the arrangement proposed to be made among APM Industries Limited and its wholly owned subsidiary APM Finvest Limited, and their respective shareholders and creditors.
3. Under the scheme, it is proposed that 'Finance & Investment Undertaking of APM Industries Limited shall be demerged and subsequently amalgamate with and into APM Finvest Limited, pursuant to the provisions of Sections 230-232 and other applicable provisions of the Act.
4. The terms used herein, but not defined, shall have the meaning assigned to them in the Scheme, unless otherwise stated. APM INDUSTRIES LIMITED (hereinafter referred as "Demerged Company" or "the Company" or "AIL" or "Applicant Company No. 1) and APM FINVEST LIMITED (hereinafter referred to as "Resulting Company" or "AFL" or "Applicant Company No. 2"). The Applicant Company No. – 1 / Demerged Company and Applicant Company No. – 2 / Resulting Company are collectively hereinafter referred to as the "Applicant Companies".
5. A copy of the Scheme, setting out the terms and conditions of the arrangement, is annexed herewith and marked as Annexure-1.
6. In terms of the said Order, the quorum for the Meeting of the shareholders of the Company shall be 25% in number and in value terms.

As per the order of Hon'ble National Company Law Tribunal, Jaipur Bench, in case the quorum are not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum.

II. RELATIONSHIP AMONG COMPANIES WHO ARE PARTIES TO THE SCHEME

APM Industries Limited and APM Finvest Limited shares a holding – subsidiary relationship, where 100% shares of the resulting company is held by the demerged Company, thereby making it a wholly owned subsidiary company of the demerged Company.

III. BACKGROUND OF THE COMPANIES INVOLVED IN PROPOSED ARRANGEMENT:

➤ APM INDUSTRIES LIMITED (Demerged Company or AIL)

1. APM Industries Limited, the Demerged Company is a public listed Company bearing CIN: L21015RJ1973PLC015819 which was originally incorporated as "Ajay Paper Mills Private Limited" on 21st September, 1973 in accordance with the provisions of the Companies Act, 1956. The Company, thereafter, got converted into a public limited company on 15th December, 1976 and consequently the name was changed to "Ajay Paper Mills Limited". The name of the Company was again changed to its present name "APM



Industries Limited" on 19th April, 1990. The registered office of the Demerged Company ('AIL') is situated at SP-147, RIICO Industrial Area, Bhiwadi, Rajasthan - 301 019 and the email addresses of the Company are bhiwadi@apmindustries.ci.in and delhi@apmindustries.co.in. Demerged company along with its nominee holds 100% of the paid up equity share capital of the Resulting Company.

2. The Permanent Account Number of Demerged Company is AACCA5114G
3. The equity shares of the Company are listed on BSE LIMITED (hereinafter referred to as 'BSE'), a recognized stock exchange.
4. The Company has altered its main objects on 22nd August, 2017, with a view to expand the business operations of the Company. The Company was quiet active when it comes to investing in various shares, securities, mutual funds etc. from time to time from last many years. The Board of Directors wished to insert a full-fledged clause w.r.t. finance and investment business in its main object clause of the Memorandum of Association.
5. There has been no change in the name of the Company in last 5 (Five) years.
6. There has been no change in the registered office of the Company in last 5 (Five) years.
7. The Company is currently engaged in two distinct and diverse business activities through the following business undertaking, namely –
 - a) Yarn manufacturing undertaking – manufacturing of synthetic blended (polyester, viscose & acrylic) yarn. Yarn manufacturing business undertaking here in after may also be referred as the Core Business of the Company.
 - b) Finance & Investment Undertaking- Finance & Investment business that includes investment in shares and other securities of companies and granting of loans and advances.
8. The summary of main objects of the Demerged Company, as set out in the Memorandum of Association are as follows:
 - (ii) To carry on business as manufacturers, dealers, importers, exporters, stockists, agents, contractors, distributors, buyers, or sellers, of all kinds and classes of papers, boards, hardboard, plywood boards and packages, boxes, wrappers, tapes, and other packing materials, made of paper, card board, corrugated board, timber, teak, plywood, plastic, P.V.C. or other synthetic chemicals or natural products and all kinds or articles in manufacture of which, wood, plywood, bamboo, any or all type of plastics materials or allied products in any form are used and to deal in or manufacture any other or things of a character similar or analogous to the forgoing.
 - (iii) To carry on the business as traders, dealers, wholesalers, retailers, makers, designers, combers, sources, spinners, weavers, finishers, dyers and manufacturers of readymade garments, yarns, and fabrics of wool, cotton, jute, silk, rayon, nylon, terylene and other natural synthetic and/ or fibrous substances and/ or manufacturers of materials from the waste realized from the above mentioned products either on its own accounts or on commission and to carry on the business as drapers and dealers or furnishing fabrics in all its branches, as customers, readymade dress and mantel makers, silk mercers, makers and suppliers of clothing, lingerie and timings of every kind, furriers, drapers, haberdashers, milliners, hosiery, gloves, lace makers, feathers, dressers, felt maker, dealers in and manufacturers of yarns, fabrics and also to manufacture, deal in or process natural starch and other sizing materials, dyestuff, synthetic or chemical substances, of all kinds and compounds and other substances, of all kinds and compounds and other substances either basic or intermediate required for the above mentioned product or products.
 - (iv) To act as holding Company and to invest either directly or through subsidiary(ies), associate(s) or group companies, the capital or other funds of the Company in the purchase of acquisition of or rights in moveable and immoveable property, share and securities, to use the capital, funds and assets of the



Industries Limited" on 19th April, 1990. The registered office of the Demerged Company ('AIL') is situated at SP-147, RIICO Industrial Area, Bhiwadi, Rajasthan - 301 019 and the email addresses of the Company are bhiwadi@apmindustries.ci.in and delhi@apmindustries.co.in. Demerged company along with its nominee holds 100% of the paid up equity share capital of the Resulting Company.

2. The Permanent Account Number of Demerged Company is AACCA5114G
3. The equity shares of the Company are listed on BSE LIMITED (hereinafter referred to as 'BSE'), a recognized stock exchange.
4. The Company has altered its main objects on 22nd August, 2017, with a view to expand the business operations of the Company. The Company was quiet active when it comes to investing in various shares, securities, mutual funds etc. from time to time from last many years. The Board of Directors wished to insert a full-fledged clause w.r.t. finance and investment business in its main object clause of the Memorandum of Association.
5. There has been no change in the name of the Company in last 5 (Five) years.
6. There has been no change in the registered office of the Company in last 5 (Five) years.
7. The Company is currently engaged in two distinct and diverse business activities through the following business undertaking, namely –
 - a) Yarn manufacturing undertaking – manufacturing of synthetic blended (polyester, viscose & acrylic) yarn. Yarn manufacturing business undertaking here in after may also be referred as the Core Business of the Company.
 - b) Finance & Investment Undertaking- Finance & Investment business that includes investment in shares and other securities of companies and granting of loans and advances.
8. The summary of main objects of the Demerged Company, as set out in the Memorandum of Association are as follows:
 - (ii) To carry on business as manufacturers, dealers, importers, exporters, stockists, agents, contractors, distributors, buyers, or sellers, of all kinds and classes of papers, boards, hardboard, plywood boards and packages, boxes, wrappers, tapes, and other packing materials, made of paper, card board, corrugated board, timber, teak, plywood, plastic, P.V.C. or other synthetic chemicals or natural products and all kinds or articles in manufacture of which, wood, plywood, bamboo, any or all type of plastics materials or allied products in any form are used and to deal in or manufacture any other or things of a character similar or analogous to the forgoing.
 - (iii) To carry on the business as traders, dealers, wholesalers, retailers, makers, designers, combers, sources, spinners, weavers, finishers, dyers and manufacturers of readymade garments, yarns, and fabrics of wool, cotton, jute, silk, rayon, nylon, terylene and other natural synthetic and/ or fibrous substances and/ or manufacturers of materials from the waste realized from the above mentioned products either on its own accounts or on commission and to carry on the business as drapers and dealers or furnishing fabrics in all its branches, as customers, readymade dress and mantel makers, silk mercers, makers and suppliers of clothing, lingerie and timings of every kind, furriers, drapers, haberdashers, milliners, hosiery, gloves, lace makers, feathers, dressers, felt maker, dealers in and manufacturers of yarns, fabrics and also to manufacture, deal in or process natural starch and other sizing materials, dyestuff, synthetic or chemical substances, of all kinds and compounds and other substances, of all kinds and compounds and other substances either basic or intermediate required for the above mentioned product or products.
 - (iv) To act as holding Company and to invest either directly or through subsidiary(ies), associate(s) or group companies, the capital or other funds of the Company in the purchase of acquisition of or rights in moveable and immoveable property, share and securities, to use the capital, funds and assets of the



Company as security for borrowing and the acquisition of or rights in moveable or immoveable property, or shares, stocks, debentures, debenture stock, bonds, mortgages, obligations, securities and to arrange or provide financing facilities.

9. The Details of the Capital Structure of the Company, as on 26th October, 2018, stating authorised share capital, issued share capital and Subscribed and Paid up Capital of the Company, is as follows:

Particulars	Amount (in Rs.)
Authorized Share Capital	
35,000,000 Equity Shares of Rs.2/-each	70,000,000.00
3,00,000 Redeemable Preference Shares of Rs. 100/-each	30,000,000.00
Total	100,000,000.00
Issued Share Capital:	
22,217,080 Equity Shares of Rs.2/-each	44,434,160.00
Subscribed and Paid up Share Capital :	
21,611,360 Equity Shares of Rs. 2/- each	43,222,720.00

10. The details of Promoters and Directors of the Company as on 26th October, 2018 are as follows:

DETAILS OF PROMOTERS OF APM INDUSTRIES LIMITED

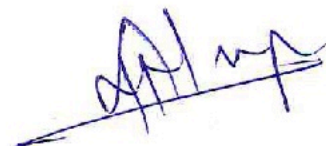
SR. NO.	NAME OF PROMOTERS	ADDRESS
1.	Rajendra Kumar Rajgarhia	W-13 Greater Kailash-II, New Delhi – 110048
2.	Ajay Rajgarhia	W-13, Greater Kailash PART-II, New Delhi- 110048
3.	Prabha Rajgarhia	W-13, Greater Kailash PART-II, New Delhi- 110048
4.	Shri Gopal Rajgarhia	33/1 Friends Colony (EAST) New Delhi-110065
5.	Anisha Mittal	A - 39, Third Floor Friends Colony East, NEW DELHI - 110065
6.	Bhavna Rajgarhia	33/1, Friends Colony (East), New Delhi – 110065
7.	Sanjay Rajgarhia	177-C Western Avenue Sainik Farms New Delhi- 110062
8.	Aditi Rajgarhia	177-C Western Avenue Sainik Farms New Delhi- 110062
9.	Pooja Rajgarhia	177-C Western Avenue Sainik Farms New Delhi- 110062
10.	Faridabad Paper Mills Private Limited	2 Brabourne Road, Kolkata, West Bengal – 700001
11.	Rajgarhia Leasing and Financial Services Private Limited	2 Brabourne Road, 5 th Floor, Kolkata, West Bengal – 700001
12.	Essvee Fiscal LLP	2 Brabourne Road, Kolkata, West Bengal – 700001
13.	Anya Rajgharia Foundation	910 Chiranjiv Tower, 43- Nehru Place, New Delhi - 110019
14.	Kabir Rajgharia Foundation	910 Chiranjiv Tower, 43- Nehru Place, New Delhi - 110019
15.	RKR Foundation	W-13, Greater Kailash PART-II, New Delhi- 110048

DETAILS OF DIRECTORS OF APM INDUSTRIES LIMITED

SR. NO.	NAME OF DIRECTORS	ADDRESS
1.	Hari Ram Sharma	A 132, Bhagat Singh Colony, Bhiwadi 301019, Rajasthan
2.	Khushi Ram Gupta	A-68, Mira Bagh, New Delhi- 110087
3.	Rajendra Kumar Rajgarhia	W-13 Greater Kailash-II, New Delhi – 110048
4.	Shri Gopal Rajgarhia	33/1 Friends Colony, New Delhi-110065
5.	Ram Ratan Bagri	177-C, Western Avenue Lane W-7, Sainik Farms New Delhi-110062
6.	Uma Hada	20, Raja Santosh Road PO - Alipore Kolkata -700027, West Bengal

➤ **APM FINVEST LIMITED (Resulting Company or AFL)**

1. APM Finvest Limited, the Resulting Company is a public limited company bearing CIN: U65990RJ2016PLC054921. It was incorporated on 13th May, 2016 under the provisions of the Companies Act, 2013 and presently having its registered office at SP-147, RIICO Industrial Area Bhiwadi, Alwar, Rajasthan - 301 019. The Resulting Company is wholly owned subsidiary of the Demerged Company ('AIL'). The Resulting Company is registered with Reserve Bank of India (RBI) as Non-deposit accepting Non-Banking Financial Company. The email address of APM Finvest Limited is apmfinvestltd@gmail.com. The Resulting Company is the wholly owned subsidiary of the Demerged Company.
2. The Permanent Account Number of Resulting Company is AAOCA3945K
3. The shares of the Resulting Company are not listed on any Stock Exchange, thereby the Resulting Company is an unlisted public Company.
4. There was no change in the name, registered office situation and objects of the Company since incorporation i.e. 13th May, 2016.
5. The Resulting Company is mainly carrying on Finance & Investment business that includes investment in shares and other securities of companies and granting of loans and advances.
6. The summary of main objects of the Resulting Company as set out in the Memorandum of Association are as follows :-
 - (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, 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.

7. The Details of the Capital Structure of the Resulting Company, as on 26th October, 2018, stating authorised share capital, Issued Share capital and Subscribed and Paid up Capital of the Resulting Company, is as follows:

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

8. The details of Promoters and Directors of the Resulting Company as on 26th October, 2018 are as follows:

DETAILS OF PROMOTERS OF APM FINVEST LIMITED

SR. NO.	NAME OF PROMOTERS	ADDRESS
1.	APM Industries Limited	SP-147, RIICO Industrial Area, Bhiwadi, Rajasthan- 301019
2.	Rajendra Kumar Rajgarhia	W-13, Greater Kailash PART-II, New Delhi-110048
3.	Prabha Rajgarhia	W-13, Greater Kailash PART-II, New Delhi-110048
4.	Shri Gopal Rajgarhia	33/1 Friends Colony (EAST) New Delhi-110065
5.	Sanjay Rajgarhia	177-C Western Avenue Sainik Farms New Delhi- 110062
6.	Pooja Rajgarhia	177-C Western Avenue Sainik Farms New Delhi- 110062
7.	Ajay Rajgarhia	W-13, Greater Kailash PART-II, New Delhi-110048



DETAILS OF DIRECTORS OF APM FINVEST LIMITED

SR. NO.	NAME OF DIRECTORS	ADDRESS
1.	Anisha Mittal	A - 39, Third Floor Friends Colony East, NEW DELHI - 110065
2.	Sanjay Rajgarhia	177-C Western Avenue, Sainik Farms New Delhi- 110062
3.	Ajay Rajgarhia	W-13, Greater Kailash PART-II, New Delhi- 110048

IV. CORPORATE APPROVALS:

1. The Audit Committee of APM Industries Limited, Demerged Company at their meeting held on 11th January, 2018 has considered and approved the *Share Entitlement Ratio Report (Valuation Report)* issued by M/s Bansal Abhinav & Co., Chartered Accountants dated 8th January, 2018, *Fairness Opinion* on Share Entitlement Ratio Report on the Scheme dated 9th January, 2018 issued by M/s Finshore Management Services Limited (A SEBI Registered [Category - 1] Merchant Banker) and *Certificate* from M/s Chaturvedi & Partners, Chartered Accountants, *Statutory Auditors of the Company* confirming the accounting treatment mentioned in the scheme of arrangement is in compliance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 are annexed herewith and marked as *Annexure - 2, Annexure - 3 and Annexure - 4.*
2. The Board of Directors of the Companies involved in the Scheme have passed a resolution approving the Scheme, at their respective meetings held, as per the below details:


SR. NO.	NAME OF THE COMPANY	DATE OF BOARD MEETING
1.	APM INDUSTRIES LIMITED (Demerged Company, Applicant No. 1)	11 th January, 2018
2.	APM FINVEST LIMITED (Resulting Company, Applicant No. 2)	11, January, 2018

The Board Meeting of Demerged Company/ Applicant Co. No. 1 held on 11th January, 2018 has been attended by Mr. Rajendra Kumar Rajgarhia (DIN: 00141766); Mr. Shri Gopal Rajgarhia (DIN: 00002245); Ms. Khushi Ram Gupta (DIN: 00027295); Mr. Hari Ram Sharma (DIN: 00178632) and Mr. Ram Ratan Bagri (DIN: 00275313). None of the Directors who attended the Meeting has voted against the Scheme. Thus, the scheme was approved unanimously by the directors who attended and voted at the meeting.

Further, the Board Meeting of Resulting Company/ Applicant Company No. 2 held on 11th January, 2018 has been attended by Ms. Anisha Mittal (DIN: 00002252), Mr. Sanjay Rajgarhia (DIN: 00154167) and Mr. Ajay Rajgarhia (DIN: 01065833). None of the Directors who attended the Meeting has voted against the Scheme. Thus, the scheme was approved unanimously by the directors who attended and voted at the meeting.

V. DESCRIPTION OF THE SCHEME

1. The Scheme of arrangement is offered among APM INDUSTRIES LIMITED (Demerged Company) and APM FINVEST LIMITED (Resulting Company) and their respective shareholders and creditors.
2. Further, the Scheme of Arrangement is presented under the provisions of Section 230 -232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 as may be applicable read with applicable rules of Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 for the demerger of Finance and Investment Undertaking of APM INDUSTRIES LIMITED and subsequent amalgamation with its wholly owned subsidiary APM FINVEST LIMITED.
3. The appointed date, effective date and share exchange ratio as pronounced in the Scheme are stated below:



- **APPOINTED DATE:** Means 1st April, 2018 or such other date as may be decided by the Board of Directors of the Demerged Company and The Resulting Company with the consent as per the direction by the Tribunal.
- **EFFECTIVE DATE:** Means the date on which the last of the conditions mentioned in Clause 3 of Part E of the Scheme is fulfilled. References in this Scheme to the date of "Upon the Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date.
- **SHARE EXCHANGE RATIO:** For every 1 (one) Equity Shares of face value of Rs. 2/- (Rupees Two only) each held in APM Industries Limited (i.e. Demerged Company/AIL) as on the record date, the equity shareholders of APM Industries Limited (i.e. Demerged Company) shall be issued 1 (One) Equity Shares of face value of Rs.2/- (Rupees Two only) each credited as fully-paid up in APM Finvest Limited (i.e. Resulting Company).

4. RATIONALE AND BENEFITS FOR THE ARRANGEMENT:

The arrangement is aimed at demerger of "Finance & Investments undertaking" (defined hereinafter) 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:

- 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.
- Pursuant to the proposed demerger, the Demerged Undertaking and the Remaining Business 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.
- 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 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 Finance & 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 Finance & 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.

The aforesaid are only the salient features of the Scheme. The equity shareholders are requested to read the entire text of the Scheme annexed hereto and get fully acquainted with the provisions thereof

VI. STATUTORY/ REGULATORY APPROVALS IN RELATION TO THE SCHEME

1. In Compliance with Regulation 37 of Listing Regulations read with the SEBI Circular No. CFD/ DIL3/ CIR/2017/21 dated 10th March, 2017, the Demerged Company ('AIL') has submitted the scheme of arrangement w.r.t. demerger to BSE Limited ('BSE') on 23rd February, 2018. Further, BSE vide letter no. DCS/AMAL/SD/R37/1198/2018-19 dated 29th June, 2018 has issued its Observation letter regarding draft scheme of arrangement between APM Industries Ltd. and APM Finvest Ltd.



SEBI issued the following observations/comments on the draft scheme of arrangement:

- (i) *Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange from the date of receipt of the observation letter is displayed on the website of the Listed Company.*
- (ii) *Company shall duly comply with various provisions of the circulars.*
- (iii) *Company is advised that the observations of SEBI/Stock Exchange shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the Company is obliged to bring the observations to the notice of NCLT.*
- (iv) *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of the comments/ observations on draft scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under Section 230 (5) of the Companies Act, 2013 to SEBI again for its comments/ observations/representations.*

Further, based on aforesaid comments of SEBI, BSE give the following advice:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (Company) website.
- To Duly Comply with various provisions of the circulars.

SEBI has also stated that they have no adverse observations with the limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enabling the Company to file the Scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the Notice to be sent by the Company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular dated 10th March, 2017. [The copy of the observation letter received from BSE bearing no. DCS/AMAL/SD/R37/1198/2018-19 dated 29th June, 2018 is annexed herewith and marked as Annexure - 5].

2. Being a non-deposit accepting Non-Banking Financial Company ('NBFC') APM Finvest Limited, Resulting Company (AFL) came under the purview of the regulations specified in the RBI circular no. RBI/2015-16/122 DNBR (PD) CC. No. 065/03.10.001/2015-16 dated July 09, 2015, wherein a NBFC company is mandatorily required to obtain prior written approval from the Reserve Bank of India wherein there is any change in the shareholding or management of the NBFC Company.

As a result of the proposed demerger, there will be an alteration in the total shareholding of the Resulting Company ('AFL'), without any change in the management, necessitating the company to obtain a prior written approval from the Regional office of Reserve Bank of India ('RBI'). Thus, the Resulting Company ('AFL') filed an application to seek prior approval from RBI on 8th March, 2018. Following which, the RBI vide Letter dated 14th May, 2018 has issued written approval regarding change in the shareholding of the Resulting Company ('AFL') as result of the said demerger. [Certified Copy of the written approval from RBI vide letter dated 14th May, 2018 is annexed herewith and marked as Annexure - 6]

3. The Demerged Company and Resulting Company or any of them would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, if so required. The applications along with the annexures thereto (which includes the Scheme) were filed with the NCLT, Jaipur Bench on 4th September, 2018.

VII. DISCLOSURES AS PER SEBI CIRCULAR NO. CFD/ DIL3/ CIR/2017/21 DATED 10TH MARCH, 2017

1. As per para IA(3) (a) of above mentioned SEBI Circular, information pertaining to APM Finvest Limited (unlisted company) involved in the scheme of arrangement is provided in the format specified for the abridged prospectus as provided in Part C of Schedule VIII of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable, which is certified by M/s Finshore Management Services Limited, SEBI Registered Category -1 Merchant Banker *annexed herewith and marked as Annexure - 7.*
2. As per para I A (8) (b) of above mentioned SEBI Circular, the pre and post arrangement capital structure and shareholding pattern of Demerged Company and Resulting Company *is annexed herewith and marked as Annexure - 8.*

VIII. OTHER DISCLOSURES:

1. Summary of the Valuation Report, including the basis of valuation and Summary of the Fairness Opinion received from SEBI registered Merchant Banker *are annexed herewith and marked as Annexure -9 and Annexure -10.*
2. Amount Due to the Unsecured Creditors of the Demerged Company as on 31st May, 2018 is Rs. 11,04,30,552 (Rupees Eleven Crore Four Lakh Thirty Thousand Five Hundred and Fifty Two). The amount due to the Unsecured Creditors of the Resulting Company as on 31st May, 2018 is NIL.
3. Effect of Arrangement on : -
 - a) The Scheme does not affect the material interests of the Directors or Key Managerial Personnel (KMP) of the Demerged Company and the Resulting Company.
 - b) Upon the Scheme becoming effective, the promoter and non-promoter shareholders of the Demerged Company will be allotted equity shares on a proportionate basis by the Resulting Company as consideration for transfer of Demerged Undertaking. Thus, there is no impact on the interest of the shareholders of the Demerged Company and the Resulting Company.
 - c) There shall be no change in the terms of employment of the employees of the Demerged Company, to their prejudice, and all employees of the Demerged Company shall be deemed to be employees of Resulting Company without any break in service,
 - d) The rights and interest of the creditors of the Demerged Company or Resulting Company will not be adversely affected by the Scheme since there would be no reduction or extinguishment in their claims/interest, and dues, if any, will be paid off in the ordinary course of Business.
 - e) There are no debenture trustee and no depositor or deposit trustee in the Demerged Company and Resulting Company and hence, there is no question of the Scheme affecting their interest.
4. APM Finvest Limited, Resulting Company (AFL) has obtained the Certificate from their statutory auditors Narendra Singhanian & Co. Chartered Accountants having registration no. 087931, confirming that the accounting treatment, proposed in the scheme of arrangement is in compliance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 dated 10th January, 2018 *is annexed herewith and marked as Annexure -11.*
5. As required by the SEBI Circular, the Demerged Company had filed the complaint report with BSE on 3rd April, 2018. This report indicate that the Demerged Company has received NIL complaints. Copy of the Complaint Report submitted by Demerged Company to BSE dated 3rd April, 2018 *is annexed herewith and marked as Annexure - 12*

6. Report adopted by the Board of Directors of APM Industries Limited pursuant to section 232(2)(c) of the Companies Act, 2013 *is annexed herewith and marked as Annexure – 13*
7. Accounting Statements of APM Industries Limited and APM Finvest Limited for the period ending 30th June, 2018 *is annexed herewith and marked as Annexure – 14*
8. No investigation or proceedings are pending under Sections 235 to 251 of the Companies Act, 1956 or the corresponding provisions of the Companies Act, 2013 against the Demerged Company and against the Resulting Company.
9. No winding up proceedings are pending against the Company.
10. The Copy of the proposed scheme has been filed by the company before the concerned Registrar of Companies on 29th October, 2018

IX. AVAILABILITY OF DOCUMENTS FOR INSPECTION:

The Following documents will be available for obtaining extract from or making or obtaining copies of or for inspection by the equity shareholders of the Demerged Company, at the registered office of the Company between 10:00 a.m. to 5:00 pm. on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting, namely:

- (a) Annual Report of the Demerged Company for financial year 2017-2018 including audited financial statement and consolidated financial statement.
- (b) Annual Report of the Resulting Company for financial year 2017-2018 including audited financial statement;
- (c) Copy of Order the Hon'ble National Company Law Tribunal – Jaipur Bench, dated 26th October, 2018, pursuant to which the meeting of Unsecured Creditors and Shareholders of the Demerged Company has been scheduled to be held on 8th December, 2018 and the meeting of secured creditors of the Demerged Company and the Meeting of Shareholders of Resulting Company has been dispensed with.
- (d) Copy of Scheme of Arrangement.
- (e) Certificate from Statutory Auditors of the Companies certifying that the accounting treatment in present scheme of arrangement is in conformity with the Accounting Standard.
- (f) Copy of accounting statement of the Demerged Company and Resulting Company for the period 30th June, 2018.
- (g) Copy of Memorandum and Article of Association of Demerged Company and Resulting Company
- (h) Share Entitlement Ratio Report viz. Valuation Report by M/s Bansal Abhinav & Co., Chartered Accountant dated 8th January, 2018
- (i) Fairness Opinion by M/s Finshore Management Services Limited, SEBI Registered Category -1 Merchant Banker, dated 9th January, 2018
- (j) Complaint report dated 3rd April, 2018 submitted to BSE
- (k) The copy of the observation letter received from BSE bearing no. DCS/AMAL/SD/R37/1198/2018-19 dated 29th June, 2018

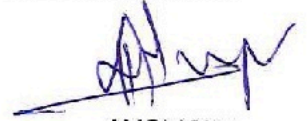


- (l) Certified Copy of the written approval from RBI vide letter dated 14th May, 2018
- (m) Copy of Board resolution dated 11th January, 2018 approving the Scheme.
- (n) Copy of information pertaining to APM Finvest Limited (unlisted company) involved in the scheme of arrangement as provided in the format specified for the abridged prospectus duly certified by M/s Finshore Management Services Limited, SEBI Registered Category -1 Merchant Banker.
- (o) Copy of the pre and post arrangement capital structure and shareholding pattern of Demerged Company and Resulting Company.
- (p) Copy of Report adopted by the Board of Directors of APM Industries Limited pursuant to section 232(2)(c) of the Companies Act, 2013

Place: Jaipur

Date: 01.11.2018

For and on Behalf of APM INDUSTRIES LIMITED



AMOL VYAS

Chairman appointed for the Meeting
E – 708, Ground Floor, Nakul Path, Lalkothi Scheme,
Jaipur, Rajasthan

BEFORE NATIONAL COMPANY LAW TRIBUNAL – JAIPUR BENCH
COMPANY APPLICATION NO. CA (CAA) 33/230-232/JPR/2018 of 2018

IN THE MATTER OF
Companies Act, 2013
Section 230 and 232 of Companies Act, 2013

AND

IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT OF:

APM Industries Limited
Having its registered office at:
SP - 147, RIICO Industrial Area,
Bhiwadi, Rajasthan – 301 019

DEMERGED COMPANY
(APPLICANT COMPANY 1)

AND

APM Finvest Limited
Having its registered office at:
SP-147, RIICO Industrial Area,
Bhiwadi, Rajasthan - 301019

RESULTING COMPANY
(APPLICANT COMPANY 2)

AND

Their respective shareholders and creditors

PROXY FORM

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

APM INDUSTRIES LIMITED

CIN: L21015RJ1973PLC015819

Regd. Office: SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Raj.) - 301019

Tel: 01493 – 662400 Fax: 01493 – 662413,

Email: bhiwadi@apmindustries.co.in, delhi@apmindustries.co.in Website: www.apmindustries.co.in

Name of the Equity Shareholder:

Registered Address:

E-mail id:

Folio No./Client Id:

DP ID:

I/We _____ being the Equity Shareholder(s) of APM INDUSTRIES LIMITED hereby appoint the following as my/our Proxy to attend and vote on ballot voting for me/us and on my/our behalf at meeting of the Equity Shareholders of the Company convened pursuant to the order of the Hon'ble National Company Law Tribunal, Jaipur Bench, to be held on 8th December, 2018 at 12:00 Noon in respect of the resolution as indicated below.

- Name:
Address:
E-mail id:

- Signature: or failing him
2. Name:
Address:
E-mail id:
Signature:, or failing him
3. Name:
Address:
E-mail id:
Signature:

I/We direct my/our Proxy to vote on the Resolution in the manner as indicated below:

SR. NO.	RESOLUTION	FOR	AGAINST
1.	To approve the Scheme of arrangement among APM Industries Limited and its wholly owned subsidiary APM Finvest Limited, and their respective shareholders and creditors, for the demerger of finance and investment undertaking of APM Industries Limited and subsequent amalgamation of Demerged Undertaking with and into its wholly owned subsidiary APM Finvest Limited		

Signed this..... day of2018.

Affix Revenue Stamp

Signature of Equity Shareholder.....

Signature of Proxy holder(s).....

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office or at Corporate Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the Meeting.
3. The Company reserves its right to ask for identification of the proxy.

ATTENDANCE SLIP

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF APM INDUSTRIES LIMITED, PURSUANT TO THE ORDER DATED 26th OCTOBER, 2018 BY HON'BLE NATIONAL COMPANY LAW TRIBUNAL, JAIPUR – BENCH

APM INDUSTRIES LIMITED

CIN: L21015RJ1973PLC015819

Regd. Office: SP-147, RIICO Industrial Area, Bhiwadi, Dist. Alwar (Raj.) - 301019

Tel: 01493 – 662400 Fax: 01493 – 662413,

Email: bhiwadi@apmindustries.co.in, delhi@apmindustries.co.in Website: www.apmindustries.co.in

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name and Address of the Equity Shareholder/Proxy holder/Authorised Representative Folio No./DP ID-Client ID No. of shares held	
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I/We hereby record my presence at the meeting of the Equity Shareholders of the Company convened pursuant to the order of the Hon'ble National Company Law Tribunal, Jaipur Bench, to be held on 8th December, 2018 at 12:00 Noon

Signature of the Equity Shareholder/Proxy holder /Authorized Representative

NOTE: Equity Shareholder/Proxy holder/Authorized Representative wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance of the venue duly filled and signed.

ROUTE MAP

