

**ESG REPORT**  
**FY 2020-21**



◆ **Innovating** ◆ **Evolving** ◆ **Performing**



**APAR Industries Limited**



# Mission & Vision



## Mission

To design & manufacture building blocks for energy infrastructure, transportation & telecommunication sectors that contribute meaningfully to make this world more energy-efficient, environmentally sustainable and a safer place.



## Vision

To be a global leader in the energy infrastructure, transportation & telecommunication sectors by providing the best solutions & value creation for our stakeholders.



## Our Values



### Innovation

◆ We will go beyond obvious solutions



### Accountability

◆ We will take responsibility of outcomes



### Entrepreneurial Drive

◆ We will be self-driven



### Leadership

◆ We will inspire others

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# Chairman's Desk



Dear APAR Stakeholders,

It gives me immense pleasure to share with you our 1<sup>st</sup> Environmental, Social and Governance (ESG) report. While we have been addressing ESG aspects at APAR for many years, this is the first time we have compiled a comprehensive summary that outlines our progress and opportunities.

Over the past several years, we have made significant progress in the areas of environmental performance, energy conservation and improved safety considerations in our product design & features. In addition, we have remained focused on the health and safety of our employees & their families as well as strong corporate governance for the enterprise.

We understand that setting our own sustainable development goals in line with the relevant UN-SDGs (United Nations - Sustainability Development Goals) and making progress towards those is a must for sustained growth in our business as well as develop resilience towards climatic events. Towards that, we have:

- ◆ Formed an internal team of Sustainability Champions – 13 members representing all the relevant functions and locations of our businesses. They have gone through and continue to go through trainings for ESG competency enhancement.
- ◆ Conducted a current state analysis of the status of our ESG, set our targets, identified projects to be implemented, initiated the projects and we are monitoring their progress.
- ◆ Formed a Steering Committee, comprising of top leadership, to periodically review the progress & ensure that the initiatives are on track and remain aligned to our goals.
- ◆ Set ambitious ESG targets and decided to disclose them to all our stakeholders through periodic communication.

APAR has a tradition of leadership in the business sectors that we operate in and we would strive to retain the leadership position through the journey of ESG.

For more than a year, the world is passing through the worst of times with the Covid-19 virus. Within our capacity, we have done our best for the health and safety of our people and the society. I sincerely hope that the pandemic is over soon and we emerge from the pandemic stronger.

Wishing you the best of health and times,

Yours sincerely,

**Kushal Desai**

Chairman & Managing Director



“This report marks our first effort to summarize our work in ESG”

## Chaitanya Desai, MD

Dear APAR Stakeholders,

Setting the foundation for increased transparency, this report enhances our current ESG efforts with a public commitment to sustainability, social and governance practices and improved disclosures on annual progress to achieve ESG goals, focusing on three key areas:

- ◆ Commitment towards **Environment** to improve energy efficiencies and harness renewable energy options where available.
- ◆ **Social** responsibility to the people and communities we connect to and serve.
- ◆ Strong **Governance** structure with adherence to rigorous security and compliance standards.

The formal ESG journey started from the first quarter of FY 2021-22. Since then, we developed our approach to sustainability, and identified materiality parameters, in alignment with the UN-SDGs (United Nations - Sustainability Development Goals). These materiality parameters are our ESG priorities – which define our areas of action towards driving strategic initiatives on the path of our sustainability efforts, and also help us to address those issues that matter the most to our stakeholders.

As we all entered 2020, few could have predicted how different our world would be just a few months later. The COVID-19 pandemic affected every individual, company, village, city and country around the world. Suddenly, the digital infrastructure that often blended into the background in our society took centre stage. The world also better understood the importance of sustainability. Amid these extraordinary times, we remained committed as ever to our long-term strategy. We acted with determination and took concrete actions to ensure that we continue to do our best work to support our employees and meet customer's requirements.

This report is the first step in a long journey focused on excellence in sustainable business practices and ESG initiatives. I look forward to continuing to update you on our work and sharing our roadmap for the future.

Yours sincerely,

**Chaitanya Desai**  
Managing Director

# About Us

Founded in 1958, APAR has grown into a diversified \$1 billion company, and expanded to over 125 countries as a highly trusted manufacturer and supplier of conductors, cables, speciality oils, polymers and lubricants.



**Headquartered at Mumbai, we have plants at following locations:**

- ◆ Rabale (Maharashtra)
- ◆ Silvassa & Athola (Union Territory of Dadra and Nagar Haveli)
- ◆ Umbergaon & Khatalwada (Gujarat)
- ◆ Jharsuguda (Orissa)
- ◆ Lapanga (Orissa), and
- ◆ Hamriyah (Sharjah)

The overview of our company is as follows:

08

**Manufacturing plants**



125+

**Countries served**

1500+

**Employees**



63

**Years of Operation**

350+

**Types of products in our portfolio**



4000+

**Global clients**

Our main products are conductors, cables, speciality oils and lubricants. We are

- ◆ One among the top 3 global leaders in conductors.
- ◆ The 3<sup>rd</sup> largest global transformer oil manufacturer.
- ◆ The largest domestic cable manufacturer in the renewables sector.
- ◆ A leading player in auto lubricants.

We have strategic tie-ups with big global firms such as ENI S.p.A Italy and CTC Global USA.



# ESG Framework

## About the Report

- ◆ This Report sums up our strategy, management approach and performance - an effective confluence of aspects that drives our sustainability agenda.
- ◆ This report covers APAR's ESG performance between April 1, 2020 and March 31, 2021. However, this being our first ESG report, some of the relevant and necessary data from the previous two financial years have also found their place in this report.
- ◆ The reporting scope and boundary for our disclosures cover our operations in the three business groups – Conductor, Cable and Oil and across our manufacturing operations in India and the UAE.

## Approach to ESG Report

- ◆ To better serve our investors, customers, communities, people and other stakeholders and to help them make informed decisions, we have developed an environmental, social, governance report that presents information on Environment (E), Social (S) and Governance (G) pillars in a modular, uniform and consistent manner.
- ◆ The report is developed in line with our perception about our stakeholders' interests, based on stakeholder engagements and materiality.
- ◆ This report depicts the alignment of the Company's performance towards the United Nation's SDGs (Sustainable Development Goals) through strategy and actions.
- ◆ We realise that the biggest threat to our business could be from effects of climate change. We have discussed about these risks across our business value chain and how managing this risk is an integral part of our business risk management process.

## ESG Framework

- ◆ Our ESG framework is built around creating long-term value for our stakeholders. Our approach to ESG is based on the following principles:

### 1. Ensure the well-being and safety of employees

- ◆ Foster a positive work environment based on respect for individual rights, valuing diversity, and zero tolerance for workplace discrimination, violence or harassment.
- ◆ Operate with leading health and safety practices to support the goal of zero serious safety incidents.

### 2. Mitigate the impact of our operations on the environment to create a positive impact

- ◆ We operate our businesses in an environmentally sustainable way and strive for continuous improvement in our use of natural resources and reduction of waste and emissions.
- ◆ Influence the business value chain to adapt to sustainable business practices.

### 3. Uphold strong Governance practices

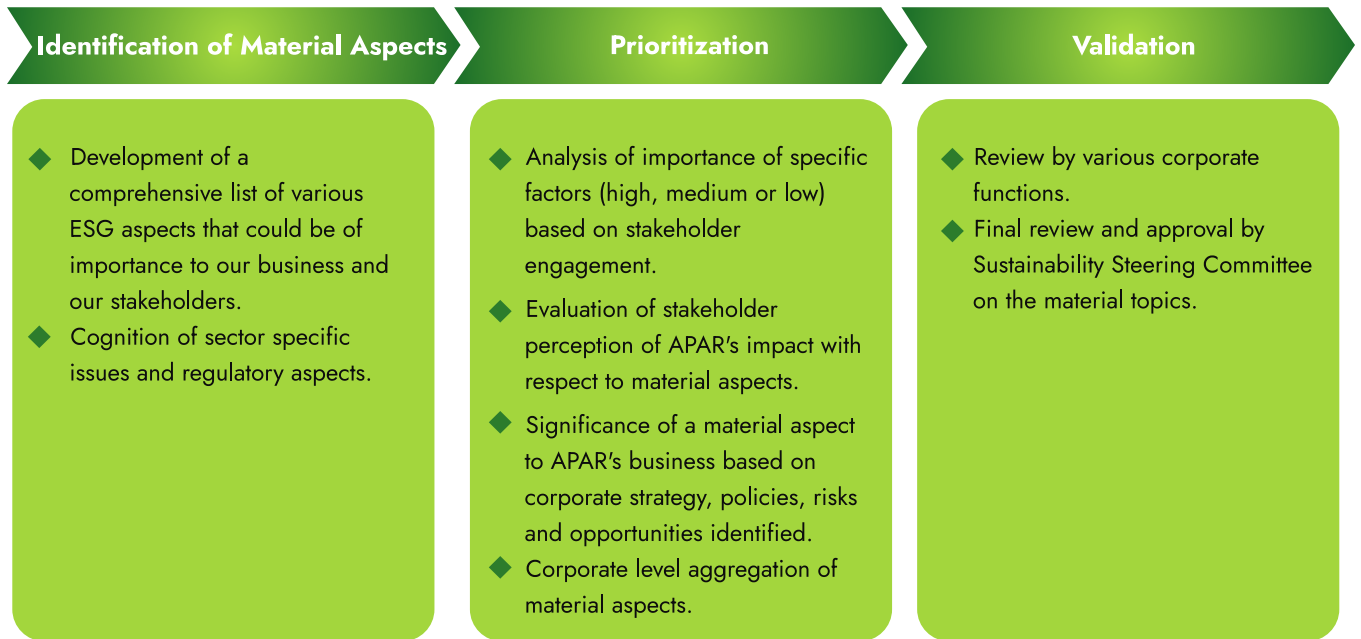
- ◆ Operate to the highest ethical standards by conducting business activities in accordance with our Code of Business Conduct and Ethics.
- ◆ Maintain strong stakeholder relationships through transparency and active engagement.
- ◆ Our Board of Directors, executive officers and managers are engaged and informed on the ESG matters that affect our company.

### 4. Be good corporate citizens

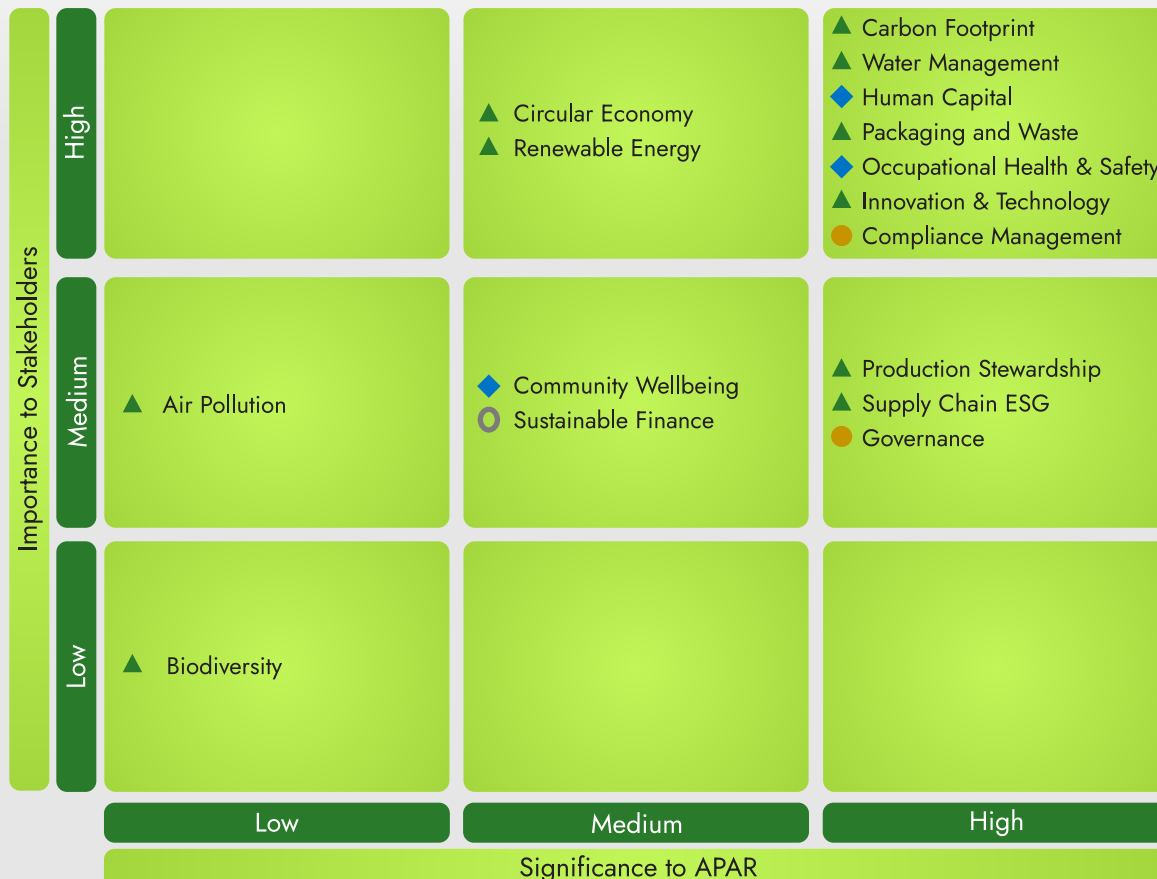
- ◆ Ensure the interests, safety and well-being of the communities in which we operate.

# Materiality

The materiality exercise has enabled us to focus on key ESG parameters which are most important to the stakeholders as well as to us. We plan to revisit the materiality every three years. The materiality analysis for the reporting period was done based upon the following three-pronged approach:



The outcome of the materiality analysis is presented below in the form of a matrix that depicts the material topics based on two dimensions - importance to stakeholders and significance to APAR's Business. **The topics have been categorised relative to each other and the placement of a topic under the 'low' importance category does not imply low importance in an absolute sense.**



- ▲ Environmental
- ◆ Social
- Governance
- Economic



The outcome of the materiality analysis is presented below in the form of 7 identified materiality parameters, which are also in alignment with the UN-SDG (United Nations - Sustainability Development Goals) as depicted below:

APAR's Materiality Parameters	Alignment with UN-SDGs
<ul style="list-style-type: none"> <li>◆ Carbon Footprint</li> <li>◆ Water Management</li> </ul>	
<ul style="list-style-type: none"> <li>◆ Human Capital</li> <li>◆ Occupational Health &amp; Safety</li> </ul>	  
<ul style="list-style-type: none"> <li>◆ Packaging and Waste</li> </ul>	
<ul style="list-style-type: none"> <li>◆ Innovation &amp; Technology</li> </ul>	  
<ul style="list-style-type: none"> <li>◆ Compliance Management</li> </ul>	

The above mentioned APAR's materiality parameters are our ESG priorities – which define our areas of action towards driving strategic initiatives on the path of our sustainability efforts. These priorities helps us to address those issues that matter the most to our stakeholders.





# Environmental

# Environmental

All manufacturing plants of APAR are certified for Environment Management System of ISO 14001:2015.



## Environmental Management

APAR nurtures a culture of conservation that emphasises meticulous monitoring of use of resources and encourages innovations that aid in reducing the dependence on natural resources. We are consistently striving to use technology in this journey of resource conservation and we are also inspiring our supply chain to do the same. This is our way of reducing the adverse environmental aspect of our products over their life cycle. We are also partnering with leading science and technology institutions in this journey.


We believe and practice the 3R policy of Reduce, Reuse and Recycle. We are in dialogue with other industries near our manufacturing plants as well as some social organisations to determine mutual benefits using the practices of Circular Economy.

Many of our plants are situated in places with high solar radiation and high duration of availability of sunlight. We have already started using solar energy and are exploring opportunities for further enhancements.

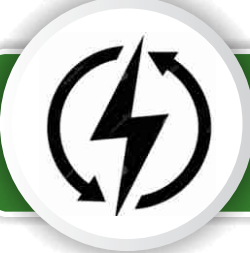
Some of our plants are located in regions of fast depleting groundwater. We have started rainwater harvesting projects within our factories and are committed to maximize utilization of the rainwater harvesting potential.

The following aspects of environment management are discussed  
in next section of the report:

**Climate Change**



**Energy – both demand side and supply side**



**GHG Emission**



**Water Conservation**



**Solid Waste reduction**



**Circularity**



**Innovation & Technology**



Key SDGs addressed:



# Climate Change

Through a series of internal discussions among our Sustainability Champions and Leadership, we were able to identify the climate change related risks and opportunities in our business across the product groups and locations where we operate.

Our intention has been to:

- ◆ Make our business, supply chain, people and communities more resilient to climate threats.
- ◆ Obtain inclusive business benefits from the opportunities.
- ◆ Align our actions with the UN SDGs, India's NDC and our net zero aspirations.

We have accordingly decided to develop our short, medium and long term goals and action plans. While we realize that we would need a lot of work and preparedness to achieve the same, we have detailed the following short term actionable goals to start our journey:

- a) We would reduce carbon footprint of our direct activities (scope 1 and 2) by about 15% by end of FY 22-23, considering a base year of FY 20-21.
- b) In the process of doing the above, we would reduce our overall electrical energy specific carbon intensity by 20% through extensive solar energy intakes – both through rooftop installations as well as purchase.
- c) We would reduce our reliance on groundwater by exploiting all opportunities of rainwater harvesting, recycling and reuse of waste water and imparting training to our people to conserve water. With a base year FY 20-21, we have set our goal to reduce our water footprint by 15% before the end of FY 22-23.

## Physical Risk

### Cyclones

Amplification of cyclone activity over the long term. Most of our factories are located close to the sea and we have seen sudden unexpected cyclonic activities and their frequency as well as impact increasing in the recent past.

### Floods

Coastal and inland flooding.

### Less predictable weather

Extreme heat and more severe weather/ rainfall can disrupt supply chains.

## Transition Risks

### Technology

Keeping pace with demand for low carbon technologies.

### Social, customer and financial preference

Expectations for low carbon products and operations.

### Carbon and energy cost and reliability

Increased cost of energy and carbon to our operations, customers, and suppliers.

### Less lubrication in EVs

Wide-scale introduction of EVs (Electric Vehicles) will have a reduced demand for lubricants.

## Strategic Opportunities

### Energy transition

Our focus on de-carbonization of energy supply side and enabling the transition to renewable energy.

### Electrification

Demand for our products that enable more electrification and thus, more grid connectivity and renewable power.

### Carbon Label

Customer preference for low carbon products is an opportunity for innovation. Introduction of new fuels like Hydrogen and better availability of natural gas will help in getting low carbon intensity raw materials.

Climate risk and opportunity analysis is a developing discipline and its application to industrial companies is a relatively new field. We view the assessment of climate risk and opportunity as an ongoing, iterative process. As our understanding of climate impacts continue to evolve, we will continue to update our understanding of climate action and assessment as appropriate.

## Climate Risk Management

Company risk is managed through our Enterprise Risk Management program, which is an enterprise-wide risk management framework. A wide range of risks faced by us, including the physical and transition risks of climate change, are evaluated and the top risks that could materially affect our financial condition or results of operations are typically identified each year, and on an ongoing basis as and when new relevant risks emerge. Plans for managing and mitigating material risks, including climate-related and other environmental topics as appropriate, are regularly reported to the Leadership. Our enterprise risk evaluation processes address a wide array of issues associated with climate change, including but not limited to customer requirements/ issues (e.g., need for energy efficient products to address climate change regulations, consumer demands, profitability, etc.); operational issues (including new climate-related regulations and voluntary actions and norms); and supply chain (including weather-related disruptions influenced by climate change).

## Biodiversity

All our plant locations are outside the buffer areas and eco-sensitive zones notified around biodiversity hotspots. This includes wildlife sanctuary, national park and world heritage sites declared under applicable regulations or international treaties ratified by India.

APAR, along with the Dharamsinh Desai Foundation and the Desai Family, has been actively contributing to Sri Chaitanya Seva Trust and Govardhan Eco Village (Palghar, Maharashtra). The following activities, among others, are being conducted:

- a) Horticulture
- b) Floriculture
- c) Organic farming
- d) Tree Plantation
- e) Water Conservation (including rain water harvesting)
- f) Propagation of desi breeds of cows along with products and medicines
- g) Geographical indexing (GI) for Wada Kolam rice which is indigenous seed & local characteristic of Wada block of Palghar district

There has been a significant greening of the area and various bird species have started migrating there.

## Enterprise Risk Management

Our Enterprise Risk Management (ERM) programme is the company's framework to identify, assess and mitigate the company's most significant risks. Businesses, regions and corporate functions participate in identifying and assessing enterprise-level risks and opportunities. A wide range of risks faced by us are included in this risk assessment process, including the physical and transition risks of climate change and other potential ESG risks. Risks identified as "top risks" to APAR (based on our risk rating criteria) are assigned to a senior leader to be the "risk owner(s)." Risk owners are responsible for overseeing the development and execution of detailed mitigation plans and providing ongoing reporting to the company's leadership. Approximately 8-10 risks are typically identified and managed as ERM "top risks" each year and on an ongoing basis as new relevant risks emerge. Our risk management requires a broad understanding of internal and external factors that can impact the Company's objectives, and the ability to adapt to an evolving risk landscape. As an example, Pandemic Planning was added as a "top risk" given the COVID-19 impact to our employees and business operations. Risks other than enterprise-level "top risks", are managed and mitigated under our ERM programme by the relevant function(s), region(s) and/ or business unit(s).

APAR's approach to governance for climate-related risks and opportunities aims to provide a comprehensive framework that can identify, manage, and respond to risks and opportunities in the most appropriate manner. We leverage our existing enterprise processes to manage these risks and opportunities.

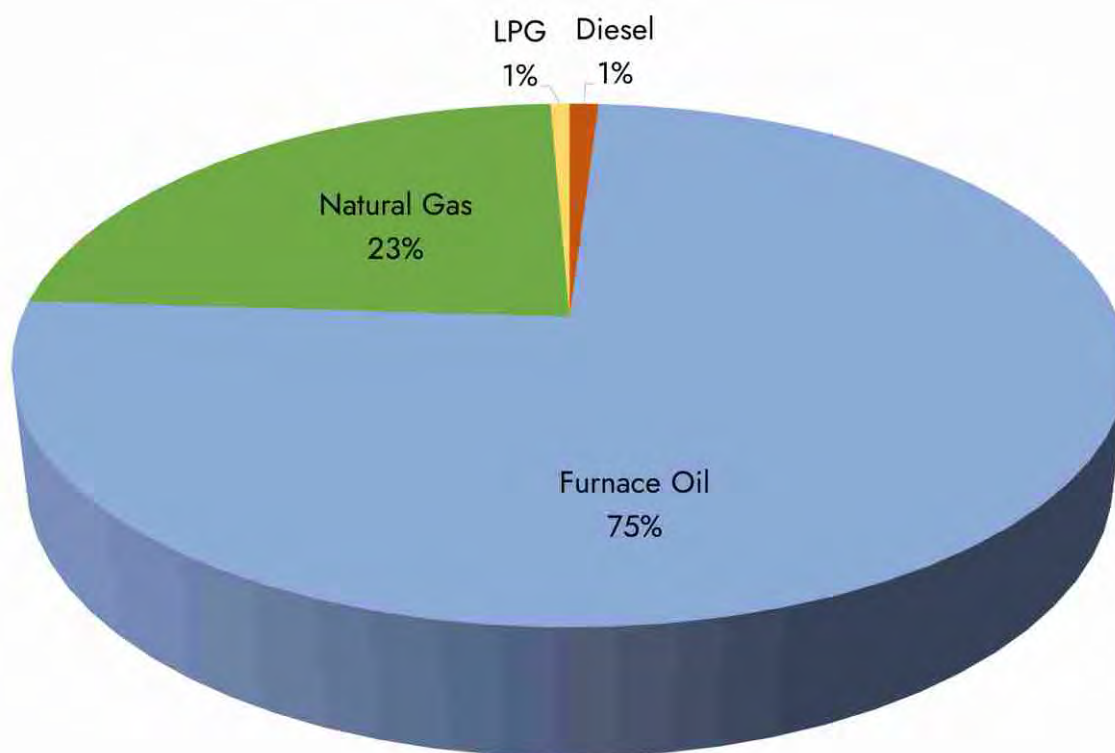
## Energy

We understand and acknowledge that the share of fossil-fuel based electricity needs to come down substantially and overall energy consumption has to go down. Hence our focus is on both the demand side as well as the supply side management of energy. While demand side management will reduce our energy consumption, the supply side management will decarbonise our energy intake.

## Fuel Consumption

Manufacturing of aluminium & copper conductors and cables are relatively energy intensive.

Our fuel consumption during the reporting year was 60,655 Giga Calorie.  
The break-up of the consumption is as below:



### Fuel Consumption in FY 2020-21

#### Some of the initiatives taken up by us to reduce fuel consumption:

- Furnace oil consumption reduction by improving the oil quality, better operational efficiencies and modifications in the furnaces. We have improved the thermal efficiencies of our furnaces and the process is ongoing.
- Improving the furnace controls using IOT/ SCADA/ Supervisory controls.
- Replacing the diesel forklifts by electric battery operated vehicles and/ or EOT cranes at our various plants. Primarily smaller forklifts are being targeted in the first phase. Most of these were old and fuel guzzlers. Further, there used to be fuel usage during idle running of the forklifts. These are being stopped by use of battery operated material handling equipment.

# Electricity Consumption

The electricity is sourced primarily from the electricity grid, and there is a small element of roof-top solar in the energy mix.

**Our electricity consumption during the reporting year was 80,000 MWh (equivalent to 69,000 Giga Calorie).**

**Some of the initiatives taken up by us to reduce electricity demand:**

- a) Replacing existing low efficiency motors with energy efficient motors, using IoT to obtain better line balancing, improving productivity and thus reducing specific energy usage.
- b) Installed auto temperature control by PLC of copper melting furnace.
- c) Copper melting furnaces - chimney drive panel prepared & installed. Automation done for copper cathode charging in furnaces.
- d) Compressed air leakages monitored regularly & maintained the leakages below 6%. We also reduced the compressor cut out pressure by 10% thus reducing energy wastage.
- e) Energy audits are in process at various units to identify possible action to reduce the energy consumption further.



## Supply side Management:

1. We expect to increase the existing solar rooftop capacity from 3.16 MWp to approximately 10.00 MWp during next year (subject to regulatory approvals). The feasibility and internal approvals are in place. In addition, we are exploring opportunities to further increase the usage of renewable energy.
2. We are also exploring the possibility of getting renewable energy through open access arrangements for our plants in Gujarat.



**Solar Panels on A&I Plant  
@ Rabale (Navi Mumbai)**



**Solar Panels on White Oil Plant  
@ Rabale (Navi Mumbai)**



## Energy Consumption trend

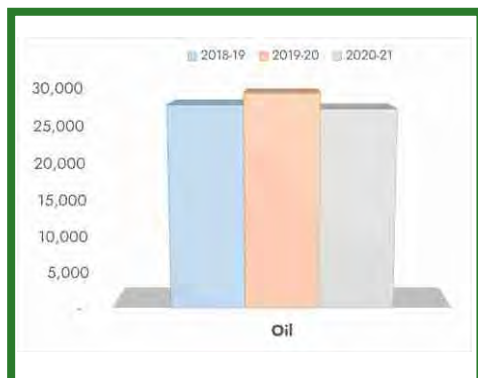
The total energy consumption trend at APAR for past 3 years is as follows:



The total energy consumption for last 3 year is provided in Giga Calorie. This includes Electricity & Fuel (Diesel, Furnace Oil, Natural Gas and LPG).

Figures exclude Hamriyah Plant in UAE

The specific energy consumption per unit of production for past 3 years is as follows:



**KCal per KL output of Oil**



**KCal per MT output of Aluminium/ Alloy Conductor**



**KCal per KM of Cable**

The increase in specific energy consumption trend in Conductor business is due to change in product mix and impact on production due to demand-supply imbalance during the period of Covid pandemic.

We are expecting the specific energy consumption per unit to come down in the coming years, through the following planned initiatives:

- a) Furnace oil is a major contributor in the energy requirements. We are planning to reduce its consumption by improving the oil quality, better operational efficiencies, modifications in the furnaces, and improving furnace controls. We are also exploring to replace furnace oil with more energy efficient fuel.
- b) Detailed energy audits are in progress at various units to identify possible action to reduce the energy consumption further.
- c) Process improvements to improve productivity are being undertaken.
- d) We are planning to implement extensive renewable energy intakes – both through rooftop installations as well as purchase.

The target is to reduce the overall electrical energy specific carbon intensity by 20% by FY 2022-23.

# GHG Emission

We are conscious about managing the carbon footprint of not only our direct operations but also the upstream and downstream activities. We follow the GHG Protocol for measuring our GHG emission. At present we are focused on measuring and managing our scope 1 and scope 2 emissions. Subsequently we will try to measure and manage our scope 3 emissions.

93,060 tCO<sub>2e</sub>



This is the GHG emission (Scope-1 & 2) during FY 2020-21 from our businesses.

Our **organisational boundary** covers all our manufacturing plants, offices, godowns, and all such emission sources under our **operational control**.

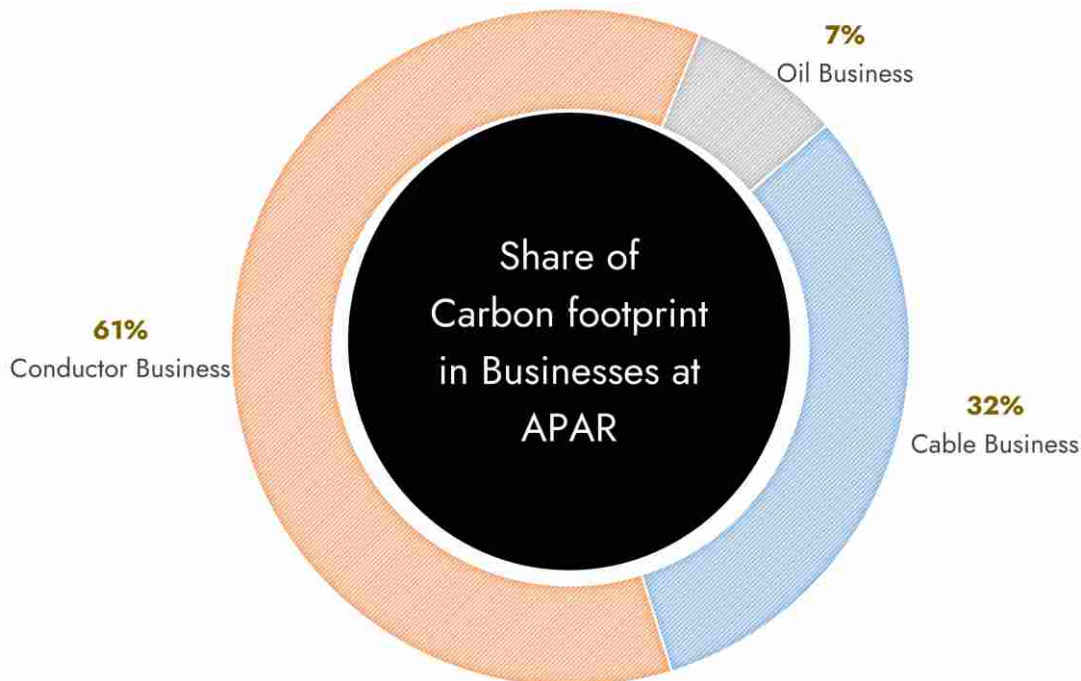
### Our manufacturing plants in India

- Gujarat : Khatalwada & Umbergam
- Maharashtra : Rabale
- Orissa : Jharsuguda & Sambalpur
- Dadra and Nagar Haveli : Silvassa & Athola

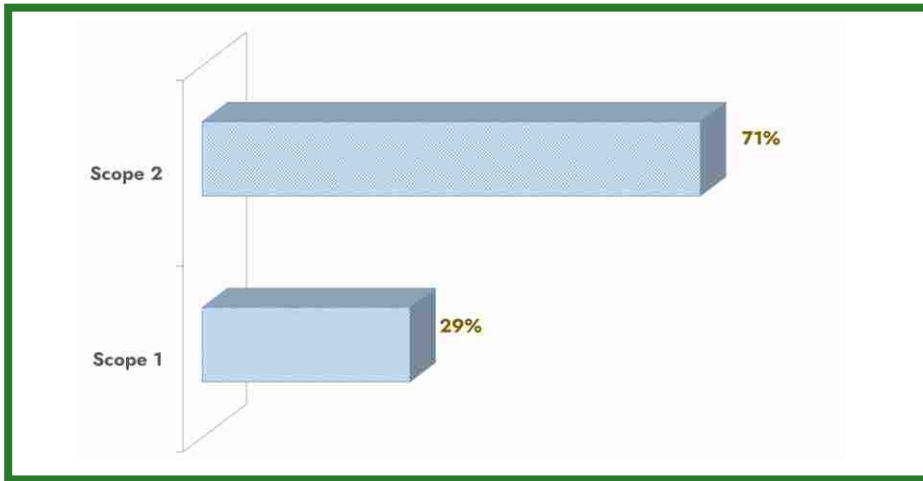
### Our manufacturing plant in UAE

- Sharjah : Hamriyah

The Business wise details are as provided below:



The high share of carbon footprint in conductor business is due to high energy intensive operations.



Through increase in share of renewable energy, fuel switching and by implementing energy conservation initiatives as discussed in the earlier section of the report, we are in the process of reducing our GHG emissions.

In 2020-21, our rooftop solar power generation helped to avoid approximately 3,600 tCO<sub>2e</sub>. With a strong pipeline of more solar projects, both rooftop and purchase, we expect to avoid an additional 9,500 tCO<sub>2e</sub> per year.

We have measured the life cycle carbon footprint for some of our major products, particularly the ones with significant emission during the usage phase. We are in constant discussion with our suppliers of major raw materials as well as logistic companies (both inwards and outwards) to reduce the upstream and downstream emissions for our products.

The reduction in carbon intensities of the three product groups over last three years is testimony of our efforts.

### Plan to improve the GHG emission:



We have set an ambitious internal target of overall GHG reduction (scope 1 and scope 2) by 15% across the organization for the FY 2022-23 (considering FY 20-21 as base year)



**Vijay Kumar Bajaj**

Chief Operating Officer (Cable Division)

// We understand our responsibilities towards the environment, and are excited about this journey. Various initiatives for GHG reduction have already been initiated, and many more are in the planning stage. We will make all efforts to move closer to our aspiration of achieving carbon neutrality.

ESG is no more just a compliance statement, rather it is now understood & practiced by all our colleagues at our manufacturing plants. //

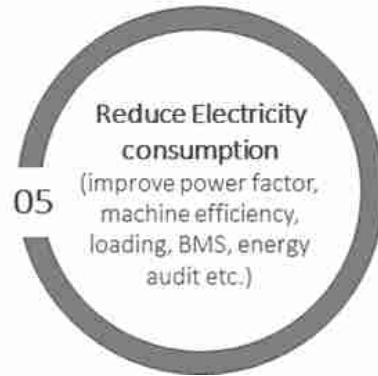
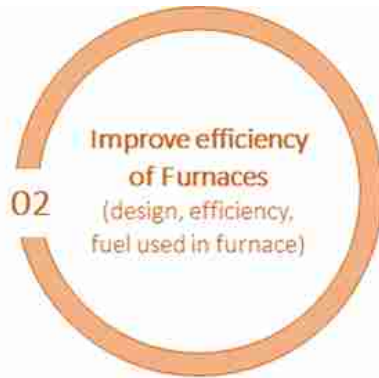
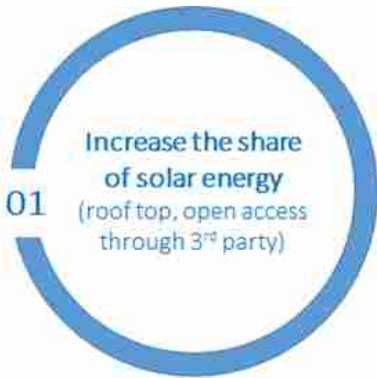


**AG Vohra**

Senior Vice President, Operations (Conductor Division)

// For us, operational excellence is about driving a vigour for innovation across the organization and embracing best in-class technologies. As a conductor manufacturer, achieving optimal operational efficiency is at the core of our GHG emissions reduction and climate-change mitigation strategy. //

We have started identifying various projects at our plants to reduce the extent of GHG emission, and feasibility study is being carried out.



## Target for Net Zero Carbon

How early we can achieve Net Zero will depend on several factors, some within our direct control and some on which we do not have control. We will aggressively pursue and implement all necessary actions to reduce the scope 1 and scope 2 carbon footprint. With favourable results like (a) Grid becoming less carbon intensive as a result of India's aggressive renewable energy targets of 450GW by 2030, (b) Green Hydrogen Fuel being available for our use and (c) Natural Gas being made available in all our plant locations, we should be able to achieve Net Zero Carbon status within a reasonable time.



## Science Based Target Initiative

We will set an ambitious climate action plan as per SBTi (<https://sciencebasedtargets.org/>) within two years to set our course towards Paris Agreement goals.



## CDP Climate Change

We intend to voluntarily disclose our GHG emissions information with CDP (<https://www.cdp.net/en>) and thus join the global club of responsible climate conscious businesses. It will also help investors and customers take informed decisions.



## Product Carbon Footprint

While we aspire to achieve carbon neutrality in our direct operations, our major suppliers of raw materials have also pledged to move in the same direction

Hindalco – <https://www.teriin.org/press-release/indian-industry-leaders-sign-near-zero-emissions-2050>

Vedanta - <https://www.vedantalimited.com/MediaDocuments/Press%20Release-%20on%20ESG%2022%20nd%20Dec.pdf>

We are in discussion with other supply chain partners around their carbon reduction plans and are sharing with them the knowledge and experience that we have gained from our own journey of ESG. We have arranged webinars and workshops on how to manage carbon footprint. We have even suggested certain actions for them and most of our supply chain partners are working towards a leaner carbon ecosystem. With such collective efforts, we would be able to reduce our product carbon footprint significantly.



# Water

Water is a fundamental human need and is essential for maintaining ecological balance. It being a scarce and invaluable natural resource, we are strongly committed to its conservation.



**244,409 KL**

Ground Water	194,967 KL
Surface Water	47,600 KL
Purchased Water	1,842 KL

This is the Water Footprint during FY 2020-21 from our plants.

## Our manufacturing plants in India

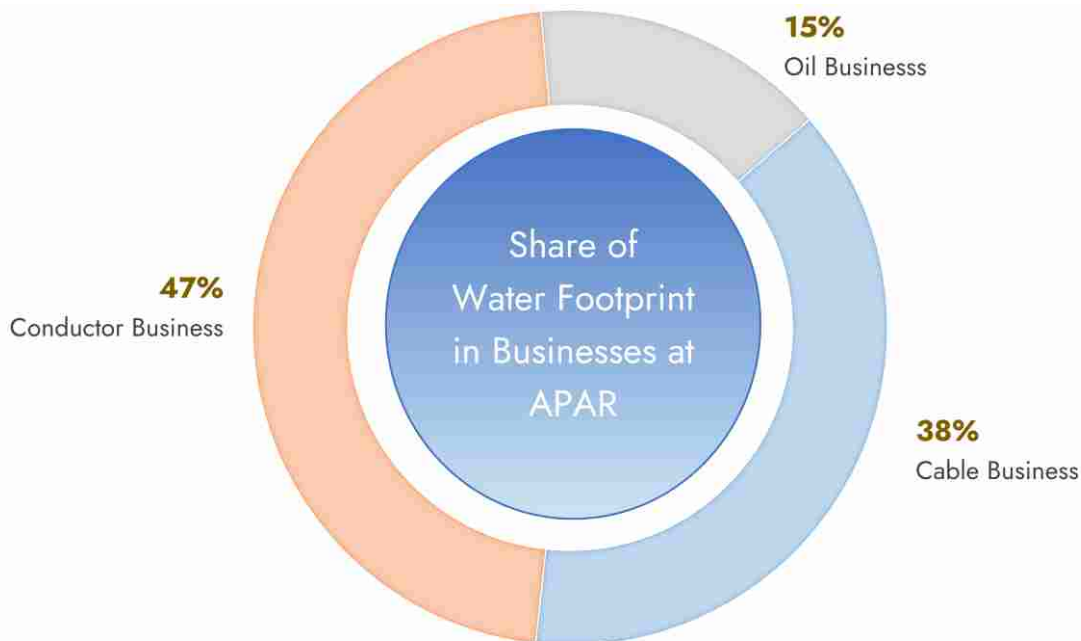
- Gujarat : Khatalwada & Umbergam
- Maharashtra : Rabale
- Orissa : Jharsuguda & Sambalpur
- Dadra and Nagar Haveli : Silvassa & Athola

## Our manufacturing plant in UAE

- Sharjah : Hamriyah

The business wise details of water footprint is provided below:

## Business wise Water Footprint during FY 2020-21



Over the last three years, we have taken the following steps to reduce our water footprint.

- ◆ Installed water meters in all water supply lines to record the water usage in as much detail as possible.
- ◆ Recycling and reuse of water. The cooling tower top up is done purely out of recycled treated water.
- ◆ Maximize rainwater harvesting as much as possible.

**All our plants in the Cable & Oil Businesses have Zero Liquid Discharge (ZLD).** We ensure that our plants **do not discharge any liquid effluent** into surface waters, in effect completely eliminating the environmental pollution. We are committed to make effective use of wastewater treatment, recycling, and reuse, thereby contributing to water conservation through reduced intake of fresh water.



ETP plant at Rabale,  
Navi Mumbai

ETP plant at Rabale,  
Navi Mumbai



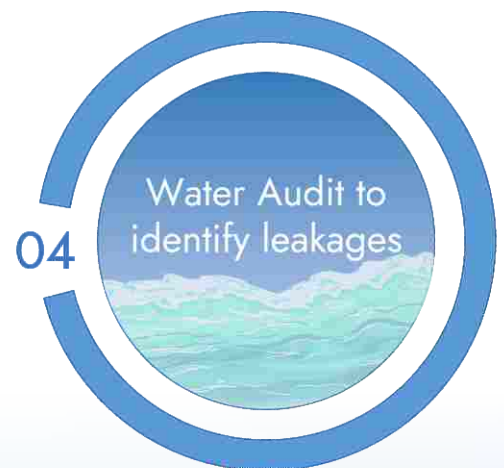
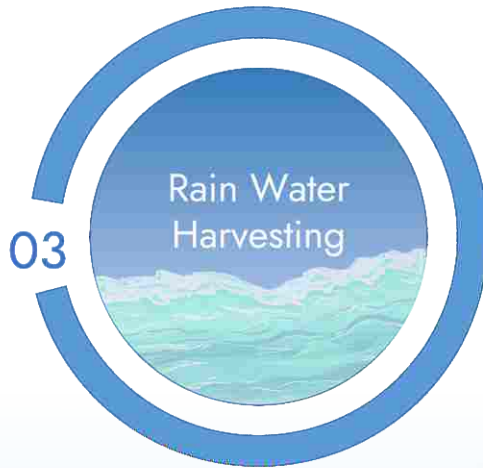
**Anand Misra**

Senior Vice President, Operations (Oil Division)

“ We ensure that our Rabale plant does not discharge any liquid effluent into surface waters, making it a Zero Liquid Discharge (ZLD) unit. Judicious use of water, water conservation through rain water harvesting, recharging the aquifers, water treatment and re-use are extensively practiced. ”

## Plan for reduce the water footprint in future:

We have set an ambitious internal target of water footprint reduction by 15% across the organization for the FY 2022-23 (considering FY 20-21 as base year)





# Packaging & Waste

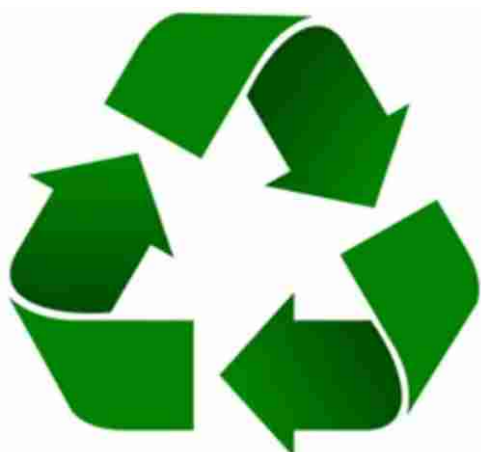
We aim to deliver our products in packaging that is safe and easy for customers to handle. We also work to make it as sustainable as possible. With more than 350 types of products in our portfolio, we face a variety of challenges when it comes to packaging.



We strive to improve the sustainability of these products packaging to help both us and our customers reduce their environmental impact.

Following initiatives were taken at APAR for reduction of packaging & waste:

## Maximize recycling



### Conductor Division

- ◆ 100% re-cycling of aluminium scrap

### Cable Division

- ◆ 100% of the plain copper scrap is directly recycled by the company, and the tinned copper scrap is sold to authorized recyclers for further processing
- ◆ Steel wastage is sold to scrap processors for recycling

# Shrink & Save



- ◆ Replacement of wooden laggings used for wooden drums with PP sheet for covering, thus reducing wood consumption.
- ◆ First one to have replaced the wooden drum/ reels with steel/ hybrid (made of steel frame & PP sheet) drums/ reels.
- ◆ These steel/ hybrid drums/ reels are re-used 6-7 times, before being sold as MS scrap for further re-cycling (at any point in time there are around 20,000 such steel drums/ reels in circulation).

Following initiatives are being taken at present:

CONDUCTOR Jharsuguda																		
Hazardous Waste disposed	Type of waste (solid / liquid)	Method of disposal	Report how the waste disposal method has been determined	Units	FY 2020-21												Records with your submitted records	
					Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		Total
Used Oil	Liquid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT											4.76	4.15	22.98	Form 10 Manifest
Waste Containing Oil	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT												0.07	0.07	Form 10 Manifest
Discarded Containers	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT											214.00		214.00	Form 10 Manifest
E-Waste	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	kg													7.00	Form 10 Manifest
Batteries waste	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT					1.00									Form 10 Manifest
Biomedical waste	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	kg	0.04				0.03	0.04	0.01	0.02	0.01	0.01	0.04	0.02	0.40	Recycler Bill

Non-Hazardous Waste disposed																			
Type of waste (solid / liquid)	Method of disposal	Report how the waste disposal method has been determined	Units	FY 2020-21												Suggest ways of recycling / reuse / use by other industry with or without any processing	Records with your submitted records		
				Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			Total	
MS Wire	Solid	Sold to Vendor	As per APAR Guidelines	MT	21.85	19.03	19.24	18.82	8.84		21.33	8.20					24.77	142.00	Recycling
Waste Barrel	Solid	Sold to Vendor	As per APAR Guidelines	MT	92.00			307.00									66.00	204.00	Reuse
MS Scrap	Solid	Sold to Vendor	As per APAR Guidelines	MT					10.54		6.29	11.29		2.17			6.37	117.00	Recycling
MS Barrel	Solid	Sold to Vendor	As per APAR Guidelines	MT	59.00	68.00		57.00									224.00	430.00	Recycle
Plastic Waste	Solid	Sold to Vendor	As per APAR Guidelines	MT	1.87	1.29		3.44			0.75	0.72		3.22	2.15		13.24		Recycling
Paper Waste	Solid	Sold to Vendor	As per APAR Guidelines	MT	1.19	0.42		7.07			1.15	0.63		1.57			8.20		Recycling
Wooden Scrap	Solid	Sold to Vendor	As per APAR Guidelines	MT		5.38		1.58	10.33					2.36	2.36		23.14		Use by other industries without

Rabale																			
Hazardous Waste disposed	Type of waste (solid / liquid)	Method of disposal	Report how the waste disposal method has been determined	Units	FY 2020-21												Suggest ways of recycling / reuse / use by other industry with or without any processing	Records with your submitted records	
					Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			Total
Used Oil	Liquid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT															
Waste Containing Oil	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT															
Discarded Containers	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT															
E-Waste	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	kg															
Batteries waste	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT															
Biomedical waste	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	kg															

Rabale (OIT)																			
Hazardous Waste disposed	Type of waste (solid / liquid)	Method of disposal	Report how the waste disposal method has been determined	Units	FY 2020-21												Suggest ways of recycling / reuse / use by other industry with or without any processing	Records with your submitted records	
					Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			Total
Used Oil	Liquid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT															
Waste Containing Oil	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT															
Discarded Containers	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT															
E-Waste	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	kg															
Batteries waste	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	MT															
Biomedical waste	Solid	Sold to CPCB authorized recyclers	As per MOEF guidelines	kg															

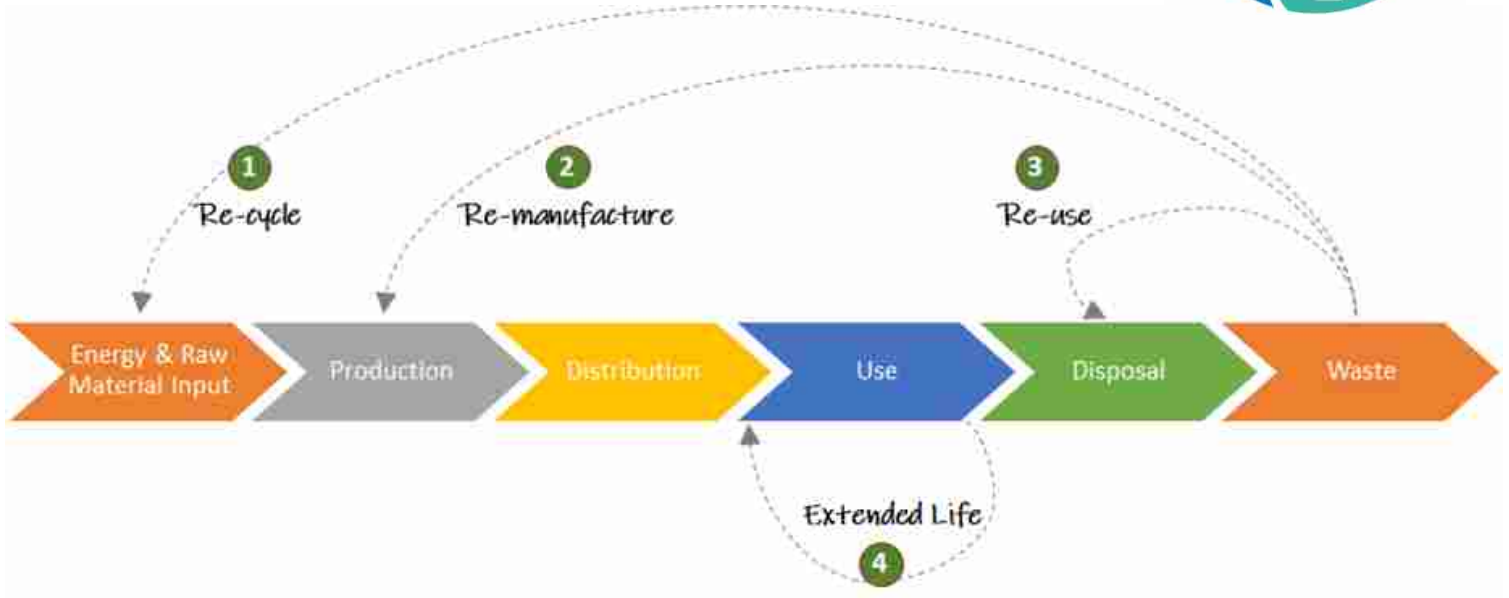
Solid waste inventory is prepared for all the plants. We are exploring better & effective ways to manage and minimize waste through the 3R principle of reduce, reuse and recycle.

## Plan for the future:

We are exploring better way to re-cycle/ dispose of MS scrap and plastic waste.

# Circularity

APAR understands that “scaling up circularity is vital to sustainability”. We practice the following:



**Re-cycle:** Our conductor division re-cycles 100% aluminium waste. 100% of the plain copper scrap is directly recycled by the company, and the tinned copper scrap is sold to authorized recyclers for further processing, in our Cable division.

1

**Re-manufacture:** The waste of GI wire/ aluminium wire or strip which is used as an armouring material for the cable, is directly used as a re-manufacturing armouring material for the new cable. The waste of copper tape which is used as a screening material for the MV/ HV cables is used as a re-manufacturing material for the new cable.

2

**Re-use:** We have replaced the packaging wooden drum/ reels with steel/ hybrid (made of steel frame & PP sheet) drums/ reels. These are re-used 6-7 times, before being sold as MS scrap for further rec-cycling.

3

**Extended Life:** We manufacture high quality cables (with highly improved insulation, incl. cross linking by electron beam radiation), which have extended life span (up to approx. 2 times of normal cable).

4

## Future Plan

We are exploring better way to re-cycle/ dispose of MS scrap and plastic waste. It will not only get the best value of the scrap, but will also be another step towards circular economy – where the waste of one industry is used as input for other industry.

In addition, we plan to engage with a premium academic institute (which has a focus on sustainability) to jointly evaluate and come up with innovative solutions.

# Innovation & Technology

## Product Stewardship

We demonstrate our concern about the environment through innovative product design which **minimizes the impact on the environment**. We have expanded our sustainability approach to our existing range of product portfolio. This is subject to regular review using specific sustainability criteria, which includes:

- ◆ Reduction of carbon emission during manufacturing as well as throughout the product life-cycle
- ◆ Ability of our product to sustain the extreme environmental and weather conditions
- ◆ Reduction of threat to human (and animal) life
- ◆ Compliance to RoHS (Restriction of Hazardous Substances Directive)
- ◆ Extended product life
- ◆ Development of biodegradable products

## Conductor Division

### Product Packaging – Circular Economy

- ◆ We are the first company in India to have replaced the wooden drum/ reels with steel/ hybrid (made of steel frame & PP sheet) drums/ reels. At any point in time there are around 20,000 such steel drums/ reels, which are in circulation. These are re-used 6-7 times, before being sold as MS scrap for further re-cycling.
- ◆ We pioneered, in the industry, to use PP sheets (recyclable) on the steel reels instead of wood. This process has been adopted by other players in our Industry.
- ◆ Over last 10 years we have played a pivotal role to convert wooden drums to recyclable steel drums (up to 2.1 meter diameter size).
- ◆ Currently we are using approx. 500-700 wooden reels for supplies to Railways. We are working with them to convert these into steel.

### Energy Conservation

- ◆ We also pioneered using molten aluminium by locating our Orissa plants close to the primary producers.

### High Temperature Low Sag Conductors (HTLS)

- ◆ These have higher current carrying capacity (CCC) compared to conventional ACSR or AAAC, and thereby upgrade transmission networks with minimal infrastructural impact.
- ◆ These are more energy efficient for power transmission as they generally have lower resistance (lower I<sup>2</sup>R losses).



## Cable Division

### Anushakti House wire

- ◆ APAR is the first Indian company to manufacture E-beam (Anushakti) wires which can take **40% + extra loading** for continuous use as compared to the competing products. **So in case of over-load during emergencies, APAR Anushakti wires are safer.**
- ◆ Anushakti cables have **improved fire-retardancy** due to high oxygen & temperature index, and also **self-extinguishing** and does not spread fire.
- ◆ The cables are provided with highly improved insulation, incl. cross linking by electron beam radiation, which causes our cables to have **extended life span, thereby future-proofing houses with 'fix and forget' for 50 years period** (up to approx. 2 times of normal cable).



### Apar UPS Interface Cables E Beam Cross linked

- ◆ These wires have high temperature withstand capability of up to 125°C, higher current carrying capacity & extended life.
- ◆ **Reduces stress on Battery and Inverter terminals, and extends life of system components.**

### APAR Solar Cables

- ◆ The electron beam cross-linked wires and cables offer superior performance in demanding applications and in **extreme environments**.
- ◆ Some of the properties include: high di-electric strength, UV and ozone resistance, halogen-free, flame retardancy, oil & chemical resistance, weather, impact, abrasion and crack resistance, good cold flexibility, long life cycle, compatibility with all popular connectors and **RoHS (Restriction of Hazardous Substances Directive) compliant**.



### APAR Wind Mill Cables (up to 33 KV)

- ◆ It offers stable electrical properties over a broad temperature range (-40°C to 90°C).
- ◆ Superior UV/ sunlight, oil and ozone resistance for use in a wind turbine generator and tower.
- ◆ Excellent flexibility and resistance to high-torsion stress, even in sub-zero conditions.
- ◆ Flame-retardant for maximum safety.
- ◆ 20-year service life.



## Medium Voltage Covered Conductors (MVCC)

- ◆ First Indian manufacturer to produce MVCC, which ensures no faults with short duration touching of phase conductors during wind conditions.
- ◆ Insulated by a covering made of specialty polymer insulating material(s) as **protection against accidental contacts** with grounded parts such as tree branches etc.
- ◆ Such covered conductors reduce interruptions by contact of tree branches or creepers, cause negligible leakage current on surface, provide increased safety in high density populated locations, **protect big birds and animals like peacocks, flamingos, elephants etc.**, increase the power distribution network reliability, reduce power interruptions and outages.



## APAR solution for Nuclear Power plant

- ◆ Apar's power cables for nuclear power plants meets 40 to 60 years of life expectancy.
- ◆ Apar cables having thermal ageing followed by radiation resistance tests, LOCA test, MSLB meeting IEEE-383, and associated Fire performance and environmental performance tests, are specially designed & approved by NPC.



## Oil Division

### Transformer Oils for HVDC Applications

- ◆ APAR is the only Indian company to offer high performance Transformer Oils for HVDC systems in the country which offer the advantage of **high oxidation stability** and **stable electrical properties**. Apar has been part of all HVDC projects in the country.

### High performance biodegradable transformer oil

- ◆ POWEROIL NE PREMIUM is a high performance **Natural Ester based biodegradable** Transformer Oil
- ◆ The product has **superior oxidation stability** and **stable electrical properties** compared to the competing natural ester based products in the market and offer the advantage of **lower carbon foot print** and **improved asset life**.

### PTFE Additives and PTFE Grease

- ◆ PTFE pre-sintered scrap is converted into low molecular type PTFE additives by molecular scissoring using in-house E-beam and ultrahigh speed pulverisers.
- ◆ The PTFE micronized powders are used as additives in ink and resin industry and in grease applications for **improving anti blocking** and **extreme pressure additives** respectively.

## Emission Reduction to conform to BS6 norms

- ◆ AdBlue – APAR is 1st company in India to obtain a VDA license which is used in the Selective Catalytic Reduction (SCR) system of vehicles to **convert the NO<sub>2</sub> emissions to nitrogen enabling vehicles to conform to BS6 emission norms.**

## Lubricants meeting the BS-VI emission norms and Environmentally Acceptable Lubricants (EAL) concept

- ◆ To meet the BS VI emission and Fuel Efficiency (FE) requirements in Passenger Car Motor Oils (PCMO) segment, APAR introduced API SN/ API SN Plus specifications in SAE viscometrics 10W-40, 10W-30, 5W-30 in semi-synthetic range and SAE 0W-40 and SAE 0W-20 in fully synthetic range
- ◆ In Heavy Duty Diesel Engine Oils (HDDEO), API CI-4 Plus, (mid SAPS product), API CJ-4 were introduced in SAE 15W-40) introduced to some Mining & OEM accounts.
- ◆ Recently API CK-4 15W-40 product with highest performance standards have been introduced in the market with low noack volatility
- ◆ In 2 wheeler segment "BS VI Compliant", API SN (SAE 10W- 30, 10W-40) & JASO MA2 have been introduced
- ◆ Introduced lighter viscosity grade transmission fluids in the drive line (SAE 75W-90) to meet fuel efficiency of power train systems
- ◆ Environmentally accepted lubricants (EAL) are under development for industrial and automotive applications which have better environmental foot print.
- ◆ Usage of fuel additives based on biodegradable polymers for improving the fuel efficiency of diesel vehicles in field operations with improved fuel economy of 3 to 7%.



## Research & Development Laboratory

We are deeply connected with all our customers, and understand their requirements. The ever changing customer demands spur innovation, as we devise solutions to meet their needs.

All our plants are equipped with state-of-the-art laboratories for testing and R&D. The R&D laboratory at our Rabale plant is well equipped with modern facilities providing support on product quality and providing innovative solutions to customers for over 500 types of products. The range of tests conducted and services provided include raw material characterization, bench marking, formulation optimization, safety and environmental impact evaluation, field trails and condition monitoring of lubricants.

### Salient features/ facilities include:

- ◆ Laboratory certified by National Accredited Board for Laboratories (NABL) as per ISO 17025.
- ◆ Department of Scientific and Industrial Research (DSIR) approved Research & Development Centre.
- ◆ Facilities for testing biodegradability as per OECD 301 B standards.
- ◆ Analytical facilities for Base Oil characterization such as carbon type, simulated distillation, Noack's volatility, FTIR, GC, SIM GC, HPLC, ICP, XRF, UV spectrophotometer.
- ◆ Performance testing facilities as per ASTM, BIS, IEC such as oxidation test, accelerated oxidation/ ageing tests, quenchometer, auto titrator for Total Acid Number (TAN), Total Base Number (TBN), Karl fischer titrator for moisture content, breakdown voltage, resistivity, tan delta, gassing tendency, stray gassing/ DGA, UV stability, load bearing characteristics of lubricants, corrosion tests etc.
- ◆ Physico-chemical tests and other performance parameters to ensure raw material characterization and rationalization, formulation optimization as per customers' requirements and specifications/ standards.

### State of the art Quality Control laboratory at our Rabale plant





# Social



# Social

## People, Diversity & Inclusion

One of our fundamental beliefs is that a group of passionate and empowered individuals can accomplish almost anything.

### APAR believes in 'The Extended family Principle'

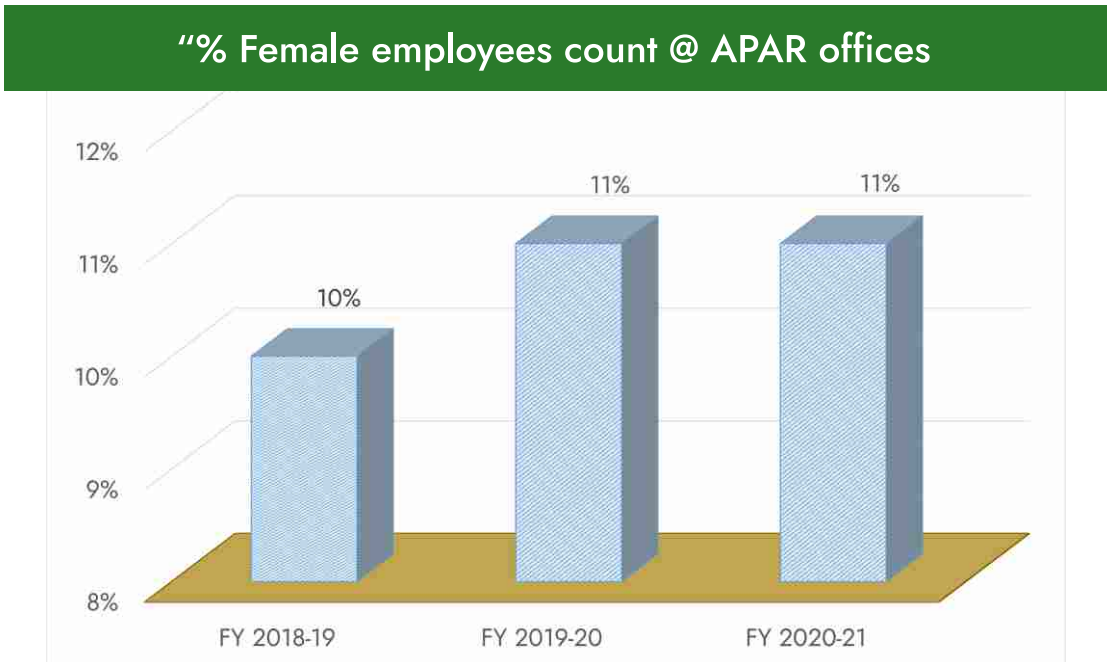
We cherish the mutual trust that ties together as a family, sharing the joys and sorrows of others as our own. This is the basis that connects all our employees and creates belongingness and ownership. This camaraderie is the basis of our working relationships.

### This 'Trust' creates ownership within the employees, and brings out the 'Entrepreneur' or rather 'Intrapreneur' spirit in him/ her.

Add to this, we facilitate the employees to take on different roles, and further undertake employees' skill building through various training & development programs to enhance the 'Entrepreneur' or 'Intrapreneur' spirit within the employee.

### For absolutely everyone - A proud equal opportunity employer

APAR is committed to advancing & growing inclusive culture with an ongoing focus on diversity. We are placing a growing emphasis on inclusion to leverage our diverse talent. Being inclusive lies at the core of our culture.



At APAR, we endeavour to get the best talent for the job. We believe in providing equal opportunities to all our employees and all qualified applicants for employment without regard to their race, caste, religion, ancestry, marital status, sex, age, nationality and disability. Opportunities are provided to everyone, fairly and openly. We believe that diversity of thought and approach amongst our employees enables us to be the world-class company we are today. We strive to foster a culture of respect, and are committed to making our workforce, workplace and marketplace diverse, inclusive and accessible for all our employees.

### Attrition at APAR

The Company nurtures a work environment that enables superior performance and mitigates attrition in the organization.

In FY 2020-21, the overall voluntary separation across the organization was 7.77%.

# Engagement

In fiscal 2020, we launched our new mission and vision and revisited our core values which will guide us as a company and keep employees engaged in the company's long-term strategy.



## Our Mission

To design & manufacture building blocks for energy infrastructure, transportation & telecommunication sectors that contribute meaningfully to make this world more efficient, environmentally sustainable and a safer place.



## Our Vision

To be a global leader in the energy infrastructure, transportation & telecommunication sectors by providing the best solutions & value creation for our stakeholders.



## Our Values

**Innovation** - We will go beyond obvious solutions

**Accountability** - We will take responsibility of outcomes

**Entrepreneurial Drive** - We will be self-driven

**Leadership** - We will inspire others



## Learning & Development

For our company to grow, our employees must grow and develop continuously. We offer learning and development opportunities for employees across levels.

We conducted 244 of training programs (behavioural and technical trainings) across the organization during FY 2020-21.

Technical Training	Business	Nos.	Participants	Hours
	Oil	69	431	187
	Conductor	44	431	55.5
	Cable	73	667	95
	Total	186	1529	337.5

Soft Skill Training	APAR	Nos.	Participants	Hours
	Total	58	1250	104



**244**  
Trainings



**2779**  
Participants



**442**  
Hours of Training

## In addition, following workshops were conducted during FY 2020-21:

Apr 14, 2020	 Franklin Covey - 7 Habits of Highly Effective People
May 02, 2020	 Why Conflicts & How to Resolve Them
Aug 21 - Dec 01, 2020	 Leadership by Mr. Shubha Vilas Session 1 : Becoming an Invisible Leader Session 2 : Self-Growth and Self-Management Session 3 : Enriching the Emotional Quotient (EQ) Session 4 : Leading is about Creating Leaders
Oct 09, 2020	 APAR Values Workshop by Chlorophyll (across divisions)
Oct 12-19, 2020	 Leadership & self Deception by Mr. Avatar Lila Session 1 : Rebound – the art of risking back Session 2 : Dealing with Change Session 3 : Mindfulness Session 4 : Leadership & Self Deception
Oct 06 - Nov 26, 2020	 Training on POSH for Committee Members + Employees (across Divisions)
Jan 08, 2021	 Virtual HR Conclave
Feb 24 - Mar 01, 2021	 Conflict Management by Mr. Avatar Lila
Feb 20-25, 2021	 Workshop on Leadership Coaching bases on Franklin Covey (Conductor Division)
Mar 08, 2021	 Women's Day Workshop
Mar 05-16, 2021	 Workshop on APAR Values by Manish Advani (4 Sessions)
Mar 22-24, 2021	 4 Personality Traits (for Employees & their Spouse) by Mr. Shubha Vilas

APAR organized the 'Mind Celebration' workshop on Women's Day (March 8, 2021) with the aim to recognize, respect & appreciate the women employees for their economic, political and social contribution and achievements.



## Continuing Education Assistance Policy

Our leadership and training models help identify areas of improvement, and proactively help employees become their best. We also invest heavily in identifying and training future leaders. Continuing Education Assistance Policy for employees at APAR provides framework for continuing education of the

**20** seats approved each year



## Performance Appraisal, Incentives & Rewards

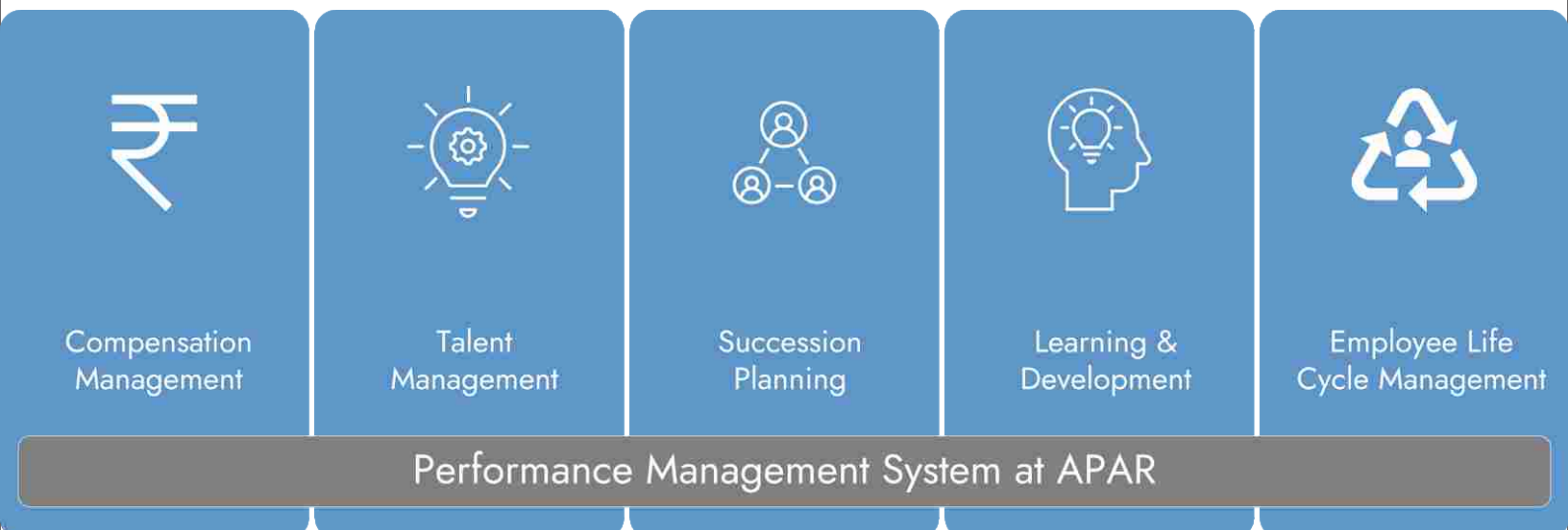
APAR practices PMS (Performance Management System) that is helping us find and develop talent as a source of competitive advantage and not just a way to ensure compliance. Our appraisal system, which is transparent in nature has the power to motivate our employees.

### Objectives of our Performance Appraisal System

- ◆ Link business objectives to the annual operating plans of various business units and in turn to individual targets
- ◆ Driving transparency & clarity on roles, performance expectations and performance outcomes and ensure that targets are aligned to the role
- ◆ Objectively measuring performance against defined targets
- ◆ Understanding & managing employee expectations
- ◆ Enable a culture conducive to coaching and counselling through regular communication & feedback
- ◆ Encourage desirable behaviour through behaviour assessment

### Integrated with other Talent Management Processes

Outcomes like PMS ratings, training needs identified thru PMS process are used as inputs for the following processes >>



## Smart KRA (Key Result Areas)

KRAs at APAR are a set of activities on which performances are rated. Our appraisal process is based on SMART KRAs. It has been linked to annual business plan which is cascaded down to the HOD's KRAs and their teams.



## Coaching

Periodic performance reviews serve as an ideal tool for identifying coaching needs of an employee. Continuous feedback on targets are coupled with coaching. Coaching comprises of multiple activities that a manager at APAR may carry out to help an employee improve his/ her performance.

## Behaviour

Behaviour in the performance management system ensures that our employees conform to the behavioural norms expected to be followed.

Behaviour	Traits
<b>Respect</b>	<ul style="list-style-type: none"> <li>◆ Treating all colleagues with integrity and dignity</li> <li>◆ Treating people fairly and celebrating success</li> </ul>
<b>Transparency</b>	<ul style="list-style-type: none"> <li>◆ Being open and transparent about decisions</li> <li>◆ Sharing information and ideas with colleagues</li> </ul>
<b>Teaming</b>	<ul style="list-style-type: none"> <li>◆ Working together to achieve better results faster</li> <li>◆ Reaching across organizational boundaries when</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>◆ Taking accountability for own actions and decisions</li> <li>◆ Supporting the team on matters of collective</li> </ul>
<b>Ownership</b>	<ul style="list-style-type: none"> <li>◆ Behaving like an owner when making decisions</li> <li>◆ Self-starting attitude</li> <li>◆ Delivering value for the Organization</li> </ul>

## APAR Mentorship Program

48 HiPo identified (22 Mentors identified 48 Mentees during FY 2020-21)

Our mentorship program is designed to facilitate the senior leaders (identified as Mentors) in the company to pass on their experience and expertise to the Mentees (**High Potential** – HiPo employees) and develop them into the future leaders of the company. This is a great opportunity for the senior leaders to pass on their legacy and give back to the company in terms of knowledge & skills and strengthen the organization further in the long run. Unlike similar learning initiatives like training programs or online courses, mentoring utilizes the current available resources that company already has in order to upgrade its workforce.

## Reward & Recognition:

APAR encourages the recognition of excellent performance and achievement through the use of rewards and recognition that are meaningful to reinforce the behaviors of collaboration, accountability and build a growth mindset and safety engagement. This is to create the culture of appreciation and give an opportunity to value each other.

- ◆ Motivates employees to perform to the fullest extent of their capabilities.
- ◆ Encourages employees to follow workplace rules and undertake special behaviours beneficial to the organizations.
- ◆ Instantly and innovatively recognize and reward employees for exemplary individual and team behaviour

### APAR Spot Recognition Award

Contribution beyond expected deliverables

### APAR Employee of the Month

Contribution beyond expected deliverables and execute the thing innovatively

### APAR Employee of the Quarter

Innovative ideas, must demonstrate a positive and dedicated- attitude last quarter

### APAR Star Performer/ Employee of the year

Innovative ideas, must demonstrate a positive and dedicated- attitude throughout the year

### APAR Innovative Idea/ Suggestion & Implementation Award

Any Innovative Idea/ suggestion & its implementation which resulted into adding value to the business and reduce the cost





## Long Tenure Service Recognition:

We value & appreciate our employees' dedicated service, their excellent work and the positive results they achieve. We are committed to recognizing their significant contributions to the organization. APAR formally recognizes specific milestones of employment services that are characterized by an on-going commitment between APAR and the employees.

Tenure with APAR	Award
5 Years	Letter of Appreciation + Trophy
10 Years	Letter of Appreciation + Trophy + Monetary Award 
15 Years	
20 Years	
25 Years	

Long Tenure Service Recognition Milestones & Award



## Health & Safety

All of APAR's manufacturing locations are certified on :

- ISO 9001:2015 (Quality)
- ISO 14001:2015 (Environmental)
- ISO 45001:2018 (OHS)

APAR is committed to providing a safe and healthy workplace across campuses and project sites. It is our endeavour as an organisation to ensure that every task, job or assignment is performed in a safe manner. Our safety systems are extended to contractors working at our premises, and we encourage our suppliers to establish safety management at their premises.

The corporate EHS (Environment, Health and Safety) policy demonstrates our commitment to an accident-free workplace along with the management framework to be deployed across businesses. To stay relevant, the policy is periodically reviewed by the senior management.

We have dedicated qualified EHS professional and are empowered to work for meeting the EHS goals. We are continually improving our EHS performance through adoption of tools including Engineering Control based solution for reduction of personal injury, identifying unsafe acts/ conditions and compliances, internal EHS audit, work permit system, incident investigation, safety inspection, improved SOPs (Safe Operating Procedures), risk assessment to reflect changing work methods, EHS motivational programmes across our facilities.

**The ultimate goal is to maintain healthy surroundings and safe working conditions for prevention of injury and occupational ill health by identifying hazards & minimizing risk arising from our activities.**

**APAR maintains one of the lowest injury rates in the industry. In FY 2020-21, there were no fatalities or major incidents. We had an injury rate of 0.03 and a case rate of 0.03 days away from work.**

## Future Plan

In order to further improve our EHS performance, we are planning to develop software based EHS Management System for energy conservation and reduction of waste and personal injuries, to enable improved tracking and reporting of our key metrics and incidents at each location. We will use this information:

- ◆ To establish new environmental goals to drive additional Improvements in the future
- ◆ To rank the EHS performance of all locations as part of our annual EHS compliance program

## Certification and Audits

APAR is committed to ensuring that working conditions at all our manufacturing locations and supply chains are safe; workers are treated with respect and dignity; operations are environmentally sound; and business operations are conducted responsibly and ethically.

Our manufacturing locations continually undergo health, safety or environmental audits. Some examples include corporate internal audits, ISO certification audits, customer requested audits, and industry standard audits such as RBA audits.

- ◆ Rabale & Silvassa (Oil Plant) laboratories are certified for ISO/ IEC 17025:2017 (NABL)
- ◆ Rabale (Oil Plant) is certified for IATF 16949:2016, FDA GMP
- ◆ PSF, Sharjah the White Oil plant is certified by EFCI GMP

## Hazard Identification and Risk Assessment

We use a hazard and risk identification-based approach to assess potential hazards and risks in our daily operations and projects. When there is a change in the workplace, such as to a production line layout, equipment, applicable legal requirements, we conduct hazard identification and risk assessments to prevent new hazards and reduce risks.

Each manufacturing location conducts hazard and risk assessments annually to determine if additional precautions are needed for health and safety management. We engage employees and encourage participation in health and safety management. This program enables employees to understand how to identify potential risks and hazards in their daily work environment. Through this and other programs, we are able to increase awareness and implement a sense of ownership in maintaining a safe workplace for everyone.

## Incident Investigation and Corrective Action

When a work-related injury, illness or near-miss incident occurs, managers and the OHS team quickly initiate an investigation of the incident, develop corrective action plans, and track the actions to closure. A Safety Bulletin alert is distributed to all manufacturing locations to ensure corrective actions are in place. This enables other locations to benefit from information sharing and data statistics and analysis, which contribute to continuous improvement and reduces repeated incidents.

## Prevention and Control

The OHS team has adopted a proactive prevention strategy approach to manage identified hazards with the objective to prevent work-related injuries, illness and fatalities. We integrate occupational health and safety requirements at the earliest stage in the life cycle of the facility; the equipment; the planning process; or non-routine activities and projects.

## Health and Safety Culture and Training

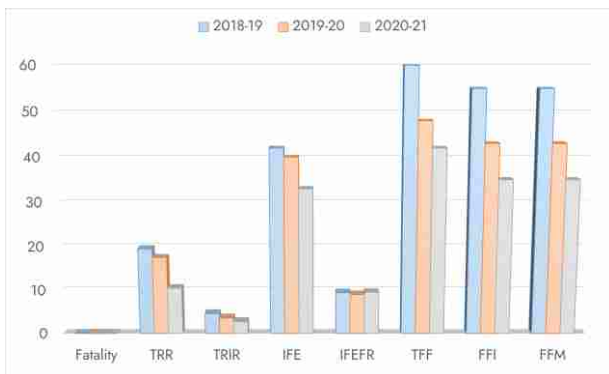
APAR believes in the principle of “People First” and places high importance on promoting a strong health and safety culture. Employee participation is essential to the success of OHS management as we develop processes to expand the awareness of all employees with training as well as site-specific safety information. Safety Committees at our manufacturing and selected field locations meet regularly and cover a range of safety topics, giving all participants the opportunity to engage and be a part of the company’s corrective action process. Each year APAR manufacturing sites promote Health and Safety week which include various activities to reinforce awareness.

## Safety Performance

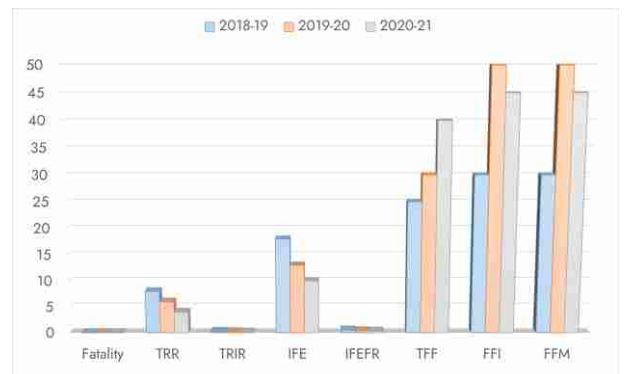
We rigorously monitor & record our safety performance & check where we are faltering so that corrective measures are taken immediately.

Our safety performance in the last three fiscals are reflected in the data provided below:

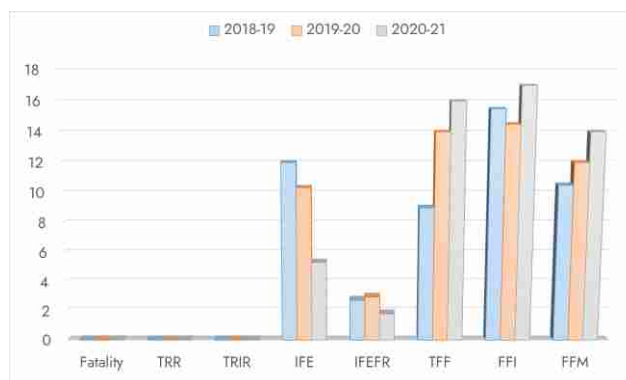
### Conductor Business (Orissa Plants)



### Cable Business



### Oil Business



TRR - Total Recordable Incident, TRIR - Total Recordable Incident Rate, IFE - Injury Free Event, IFEFR - Injury Free Event Frequency Rate, TFF - Target Find and Fixed, FFI - Find and Fixed Identified, FFM - Find and Fixed Mitigated

# Supply Chain

As COVID-19 spread in 2020, we mobilized quickly to safeguard the health and well-being of our employees; maintain the continuity and safety of our production and delivery operations; ensure resiliency of our supply chain, assist customers, and support communities.



## Inventory Management

- ◆ Covid-19 pandemic has revealed the fragility of JIT (Just-In-Time) inventory management, because of production & logistics issues. APAR has quickly responded to this. We maintain a safety stock (small surplus) to help offset supplies disruptions and unexpected spikes in customer demand.

## Sustainable Sourcing

- ◆ **Strategic location of our plant:** Two of the APAR's conductor plants are strategically located in Jharsuguda and Lapanga, which is eastern part of India in Orissa. We can source the raw material (molten aluminium) easily as our plants are situated almost adjacent to the primary producer. Similarly, the finished goods, viz. different kinds of conductors can also be supplied more easily to the eastern parts of India.
- ◆ **Supplies Assurance through long term partnership with supplier:** Aluminium accounts for about 70% of the conventional finished product value, where we have entered into strategic alliances with key suppliers on long-term basis.
- ◆ **Proximity to Port:** Our conductor plants are located in Silvassa. The close proximity to Mumbai port enables us to save both on inwards as well as outwards freight.
- ◆ Our oil units are located in Rabale (Navi Mumbai) & Silvassa. Also our cable units are located in Umbergam & Khatalwada (Taluka Umbergam). All these units are located very near to the Mumbai port. Hence, procurement/ transportation of raw material as well as finished goods can be exported very easily thereby saving on both inward as well as outward freight.

- ◆ We have redesigned the lubricant cans with triple extrusion process to reduce pinholes, thereby eliminating the chances of oil leakage/ spillage by 100%.
- ◆ **Reduced dependence on surface transportation:** Our oil division plant at Sharjah, UAE has direct pipeline transfer of oil from the port reducing dependence on surface transportation.

### Focus on local suppliers

- ◆ We procure goods from local suppliers including MSMEs (Micro, Small and Medium Enterprises) and materials are imported under advance license scheme to the extent possible.
- ◆ We also support vendors for improving their productivity and technical capability to reduce their operation costs.
- ◆ In addition, APAR procures goods and services like security, housekeeping, gardening, and such other services from the suppliers located near our factories.
- ◆ Majority of our workforce is employed from the surroundings of the manufacturing unit across all the locations.
- ◆ APAR ensures right quality production at suppliers' end as well to ensure the desired quality levels of the end product, resulting into enhanced capability of suppliers to produce right quality material for elevated volumes.
- ◆ We are consistently putting efforts for vendor development locally for high quality premium grade products (ultra-high strength steel, export quality packaging material, specially designed tools and spares).



## Community Engagement

**CSR – We call it Community Support Responsibility, and we've been doing it since 1958.** APAR engages with the community through Education, Healthcare, Nutrition, Children Welfare, and focus on environment & sustainability.

**APAR's spent on CSR for the past three years has been as follows:**

FY 2020-21 : Rs. 4.14 Cr

FY 2019-20 : Rs. 4.82 Cr

FY 2018-19 : Rs. 4.48 Cr

### Education

Our founders were big believers in the idea that everyone, regardless of religion, gender, caste or class received a quality education. APAR has been an active participant in the educational spaces in Mumbai and Gujarat.



We supported the Technical High School and Boys High School at Nadiad, as well as the Dharmsinh Desai University set up in Nadiad, which provides education in technical and other areas (diploma and degree courses) to more than 6,000 students annually at a nominal cost.

**Dharmsinh Desai University**  
(intake capacity of 150 MBBS students)

Dr. N. D. Desai Faculty of Medical Science and Research also has a 350 bedded (plan to increase to 750 beds) multispecialty hospital that is providing free health care to the people of Kheda District (Nadiad, Gujarat) and the surrounding under-served areas.



## Healthcare

In order to provide quality healthcare to all sections of society, APAR has been involved in setting up hospitals and supporting accessible healthcare all across India.

### Dharmsinh Desai Methodist Memorial Heart Hospital



Set-up in 1996, Dharmsinh Desai Memorial Methodist Institute of Cardiology and Cardiovascular surgery has benefited about 400,000 patients mainly from rural Gujarat. The institute carries out open heart surgeries, angiographies and angioplasties with a prolific success rate, and a focus to treating patients who are below the poverty line. The last two years statistics is provided below:

Year	2019	2020
Total Out-Patients seen in OPD	14,085	10,666
BPL/ Free	6,828 (48%)	4,165 (39%)
Total In-Patients admitted for procedures	1,843	1,567
BPL/ Free	1,010 (54%)	666 (42%)

A 24x7 Blood Bank with component therapy, running on voluntary blood donations, ensures that the needs of the entire district are met – be it for elective surgeries, child birth, accidents or even during dengue outbreaks. As part of preventive care and heart disease risk mapping of the district, community research programs to include measurements of Blood Pressure, Diabetes and Lipid profile are undertaken regularly. The financial support of APAR has ensured that the Institute keeps abreast with latest technologies like the CathLab, 4-D Echo, Modular Operation Theatres to ensure quality patient care even though a majority of patients treated here are from the economically backward sections of society and are unable to pay for their treatment.

We have also contributed to setting up the Bhaktivedanta Hospital Mira Road, Thane District and a fully-equipped Hospice in Vrindavan, Uttar Pradesh to provide high-quality healthcare to the poorer sections of society. Our late Chairman, Dr. Narendra Desai, was passionate about medical education and extending healthcare in an affordable manner. APAR helped set up a faculty of Medical Science and Research, a 750-bed hospital and Institute of Medical Science along with a student hostel at Nadiad where treatment is given free. Since inception (May 2018), over 590000 OPD cases have been handled and 15000 surgeries performed completely free of charge. Also 37000 Indoor patients were given free treatment. The hospital also serves 600 free meals daily to patients.

The Dental School which is part of Dharmsinh Desai University, has since its inception in 2006, provided highly subsidised dental care to 15 lakhs patients at an average of one lakh patients a year. All patients are treated at a token case fee of Rs 5 and Dentures at Rs. 50. The dental school also runs an oral cancer centre of excellence where oral cancer surgeries are done for Rs. 15,000 to Rs. 25,000 against a market price of Rs. 100,000 to Rs. 300,000. Since its inception the oral cancer centre has done 700 such cancer treatments.

The Dr. ND Desai Faculty of Medical Science and Research was the only COVID treatment facility (Govt. or Private) in the district during the first wave i.e. during the period from April 2020 to January 2021. 6500 outdoor and 2500 Indoor patients were treated also during the second wave.

At its peak during Covid times the hospital provided 3500 to 4000 litres of oxygen every 24 hours. None of the above patients were charged any money for treatment, stay, medicine, oxygen or food. Only certain help from Government was received for the above services. Also the Medical centre has provided blood (whole/ plasma/ platelet) to 2000 patients completely free of cost.

## Activities conducted by Sri Chaitanya Seva Trust with the support of APAR Industries Limited

We support the following community services initiatives:

**1** Healthcare Initiatives – The healthcare initiatives are rendered through Bhaktivedanta Hospital & Research Institute.

### Bhaktivedanta Hospital

- ◆ Set up in 1998 at Mira Road, Thane District (serves a population of approx. 1.50 million).
- ◆ Provides comprehensive state-of-the-art healthcare facilities for all varieties of diagnostic, medical, surgical, and critical cases using the latest hi-tech equipment.



**2** Dental services at Hamrapur healthcare centre, Palghar (Maharashtra)

**3** Women Empowerment incl. skill development and formation of SHG



**4** Homeopathy Project – Door step clinic rendering Homeopathy services to 15 villages in and around Wada region (Maharashtra)

Patients waiting outside the homoeopathy van





## 5 Rural Development



Organic Farming



Alternative Energy



Soil Bio-Technology

### Outreach program at Govardhan Eco Village

APAR provides support to the community through skill development program, at Bhakti Vedanta Kaushal Vikas Kendra, Govardhan Eco Village (Palghar, Maharashtra).

Support Diploma in Basic Rural Technology (DBRT) program consisting of

#### 1<sup>st</sup> year full time skill training in

- ◆ Engineering – construction (metal fabrication, civil construction, carpentry etc.)
- ◆ Energy – environment (electrification, motor re-winding, survey techniques etc.)
- ◆ Home & Health (personal health & hygiene, food processing etc.), and
- ◆ Agriculture & Animal Husbandry (modern agriculture techniques, diary-goat-poultry farming etc.)

#### 2<sup>nd</sup> year – on the job internship



Repairing of E-Rickshaw



Fabrication of air cooler



Civil Work at Anganwadi



Vegetable cultivation



Cooking



Taking care of cows

## Environment & Sustainability

In addition to our extensive efforts to make APAR a more sustainable company, we help communities live in harmony with the planet.

Over the years, we've helped train farmers to adopt organic farming techniques, which are less harmful to the environment. We also ensured that better techniques for water resource development were taught.



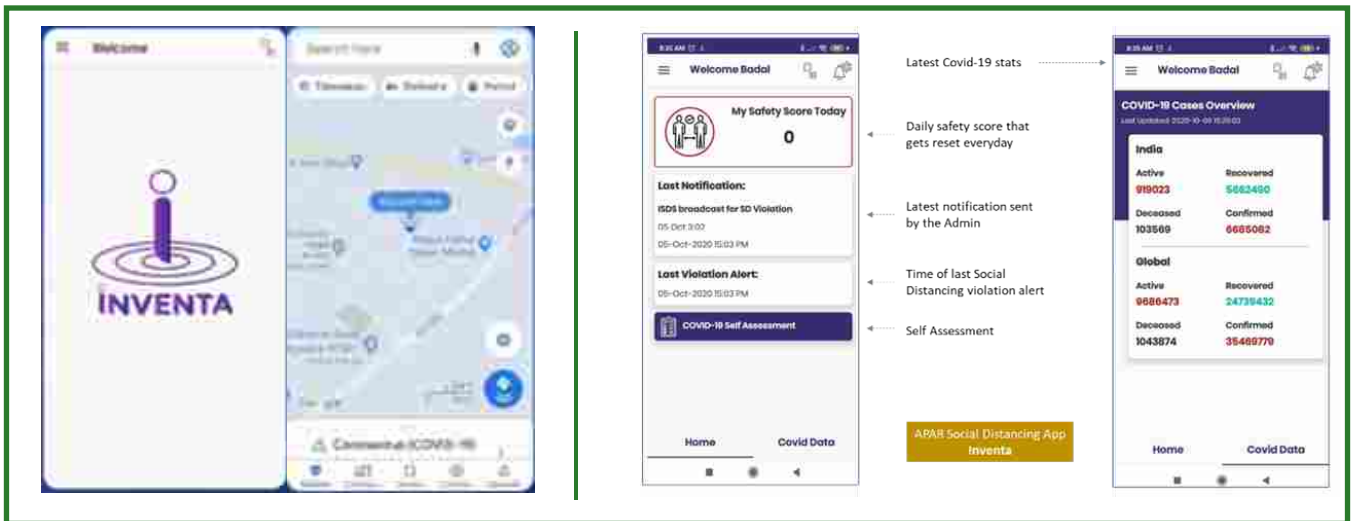
# Covid-19 Response

APAR responded swiftly to the Covid-19 pandemic at all factories & offices. All offices remained closed until such time that local authorities deemed it safe to resume operations. Employees were equipped with necessary IT infrastructure enabling them for Work-From-Home.

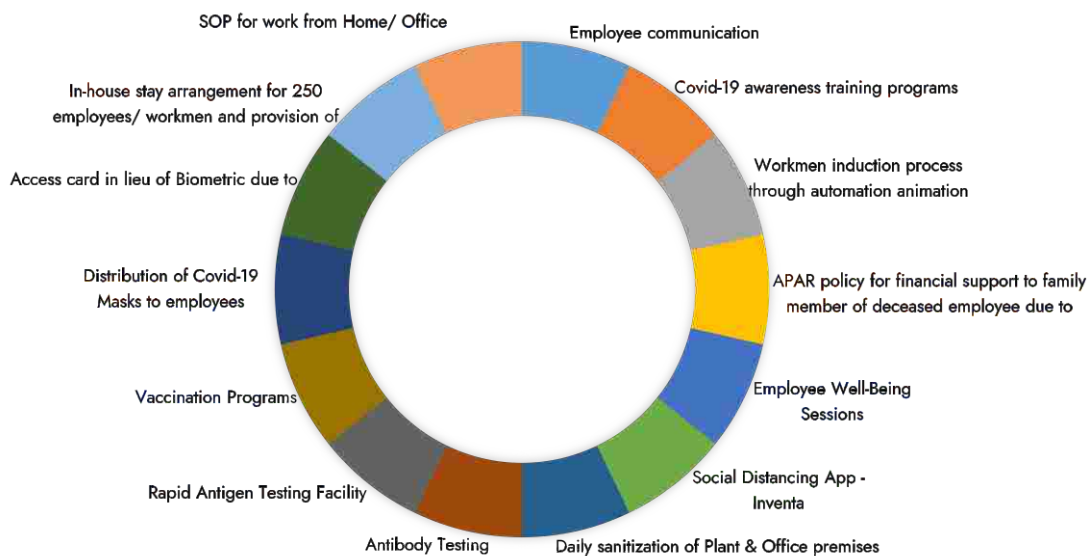
Employee awareness was vital to the containment of the pandemic's impact on APAR and our employees. APAR immediately implemented numerous response actions at all facilities & offices.

We developed online learning and skill building sessions to help managers support their teams and helped employees successfully work remotely while balancing the needs of family caregiving, home schooling and career progression.

APAR implemented mobile application, **Inventa Safe Distancing Solution**, developed by Cutting Chai Technologies, to send alert notifications for maintaining social distancing amongst employees across all the APAR group facilities and offices.



In addition, following initiatives were taken at APAR in response to the Covid-19 pandemic:



APAR had conducted a free vaccination drive (1<sup>st</sup> dose) at its Corporate Office in Mumbai for all the employees and their spouses, aged 45 years or above (in line with the government directives), in association with a leading private hospital in Mumbai. In addition, paid vaccination for other family members were also conducted.

Photographs of some of the initiatives taken at APAR:



Vaccination Drive @ APAR



RT PCR Testing done @ APAR

APAR would ensure free vaccination for all the employees and their spouses, below 45 years of age, and the 2<sup>nd</sup> dose for all the employees and their spouses, in FY 2021-22, in accordance with the mandatory prescribed gap between the two doses of vaccine, and as per government guidelines.

## Photographs of the initiatives taken at APAR:



Social Distancing Marking at Entrance and Shop Floor @ APAR



Training and Awareness program at Shop Floor @ APAR

## Covid Warriors:

When the pandemic hit, SOPs were no longer applicable. There was no rulebook for a global pandemic. Yet, we saw extraordinary leadership emerge at all levels!

### Redefining 'above & beyond'

Mr. Bhandari continuously worked 12 hours daily in the plant without taking any off during lockdown. He's been a Senior Security Officer with APAR for last 30 years.



**Performance under pressure**

Mr. Pritam Jadhav, AGM-Logistics had been very active throughout the lockdown period. He had attended every working day even when Section 144 was imposed in Thane. In spite of all challenges, he was able to manage the entire logistics activities single-handedly. No dispatches at any time were affected.



Our focus is on keeping our employees safe and maintaining our business continuity so that we can help our employees' community and our customers and suppliers.

**Our plan for the future:**

While 2020 dealt with plenty of challenges in form of Covid-19 pandemic, we met them head-on by taking suitable actions. We will continue to keep our various initiatives on to tackle Covid-19 pandemic. Some of these are:

- ◆ Hybrid work model (Work From Office & Work From Home)
- ◆ Quick Covid-19 testing kit – Rapid Antigen
- ◆ Frequent testing on Antibody
- ◆ Ensuring workforce & their families are fully vaccinated
- ◆ Digital Transformation
- ◆ Psychological counselling sessions in context of Work From Home
- ◆ On-going community support

**Key SDGs addressed:**





# Governance

# Governance

Over the past several years, we have made significant progress in the areas of environmental performance and energy-reduction through innovation and efficiency.

## 3 Tier Governance Architecture

We started our formal sustainability journey with effect from 1<sup>st</sup> April 2021, and have formed:

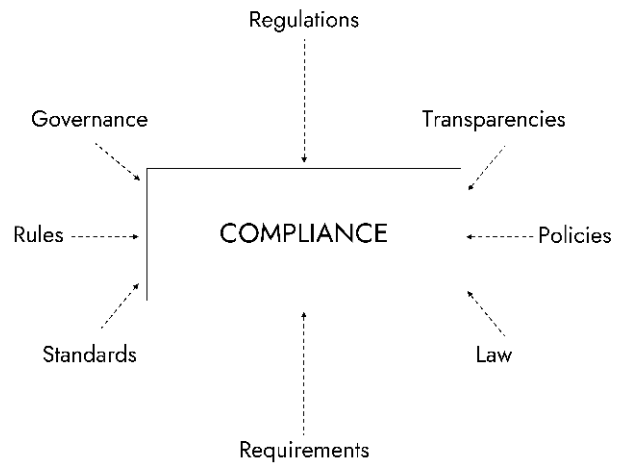
- ◆ A team of internal Sustainability Champions
- ◆ A Sustainability Steering Committee of senior personnel



Sustainability Champions are supervised by the Steering Committee, who in turn are accountable to the APAR Board of Directors.

## Ethics & Compliance

Ethical business conduct is not compromised at APAR. The key constituents of ethical business principles followed at APAR are enshrined in the Employee Code of Conduct.





## Code of Conduct

The APAR Code of Conduct applies to APAR Directors, all the employees, suppliers/ vendors/ business associates and any other third party representing APAR, and subsidiaries and controlled affiliates of APAR. It defines how we win with integrity, and it is our roadmap for making good decisions that will serve us well over the long term. The code defines the values and principles upon which we operate our business, compete in the marketplace and serve our customers around the world.

The APAR Code of Conduct is uploaded here:

<https://apar.com/wp-content/uploads/2021/03/Apar-Code-of-Conduct.pdf>

## Whistle Blower helpline

We maintain a robust whistle blower reporting system called the **Whistle Blower policy**, to enable anyone within the company and those dealing with the company to voice their concern to the ombudsmen of the company, if they discover any information which he/ she believes shows serious malpractice, impropriety, abuse of power and authority, financial wrongdoing or unethical conduct/ practices, without fear of reprisal or victimization, subsequent discrimination or disadvantage.

The details including the mobile number and email id of the APAR ombudsmen are provided in the APAR Whistle Blower policy, which is uploaded here:

<https://apar.com/wp-content/uploads/2021/05/Whistle-Blower-Policy-APAR.pdf>

All complaints lodged under the purview of this policy and the action taken thereon, is reported to the Board of Directors.

## Human Rights

Training on  
**POSH**

# 13

Number of hours

# 450

Number of employees covered

APAR is committed to conducting its business in an ethical and responsible manner, including by carrying out our own business activities in a way that respects and supports the protection of human rights through striving for the:

- ◆ Elimination of discrimination in employment;
- ◆ Prohibition of modern slavery, including child and forced labour; and
- ◆ Eradication of harassment and physical or mental abuse in the workplace.

We embed these standards into our core business activities, including contracts, due diligence processes, training and communications, as appropriate. We expect our key suppliers to adhere to these standards. We continue to evolve our approach and processes with respect to protecting human rights.

## Modern Slavery

APAR has several policies and guidelines that support the identification of modern slavery risks and the steps to be taken to mitigate these risks. These include our

- ◆ Flexible Working Hours Policy
- ◆ Policy for Employee Welfare Trust for Medical Assistance
- ◆ Policy on POSH
- ◆ Code of Conduct
- ◆ Vendor Management Guidelines etc.



# Board Governance

## Board Structure & Composition

Our current Board of Directors consists of six Directors who are eminent individuals with exceptional qualifications, professional expertise and extensive experience and they have made outstanding contributions to the industry.

The Board has a combination of independent, executive as well as non- executive directors.

All Directors are elected to a one-year term. They are selected to serve based on their independence, integrity, diversity and experience. Other selection criteria include sound judgment in areas relevant to our businesses and willingness to commit sufficient time to the Board.

Name of Director	Category	Qualifications	Expertise
Mr. Kushal N. Desai	Chairman and Managing Director & CEO (Executive)	Bachelor of Science degree in Electrical Engineering from Moore School of Electrical Engineering, USA and Business degree from the Wharton School, USA both are part of University of Pennsylvania	Business & Strategic Management and Engineering
Mr. Chaitanya N. Desai	Managing Director (Executive)	Bachelor of Science (Hons.) in Chemical Engineering from University of Pennsylvania, USA and a Bachelor of Science in Economics (Hons.) from the Wharton Business School, USA	Business & Strategic Management and Engineering
Mr. F. B. Virani	Non-Executive & Independent Director	B.E. (Chemical Eng.), M.S. (Chemical Eng.) USA, M.B.A. (USA)	Chemical Engineering & Business Management
Mr. Rajesh Sehgal	Non-Executive & Independent Director	Chartered Financial Analyst, Master of Business Administration in Business Management with specialisation in Finance and Marketing, XLRI (India) and Bachelor of Science with specialisation in Physics, Mumbai University	Finance, Investment and Business Management
Mrs. Nina Kapasi	Non-Executive & Independent Director	Chartered Accountant	Taxation, Audit and Managing Consultancy
Mr. Rishabh K. Desai	Non-Executive & Non-Independent Director	Bachelor of Science in Business Management & Entrepreneurship from Babson College, USA	Business Management, Finance & Strategic Management

Post the global crisis of 2020, the APAR Board Directors have now increased their focus on Corporate Resilience, including external risks.



## Independent Director & their roles

Role of the Independent Directors inter-alia includes to ascertain and assess the quality, quantity and timeliness of flow of information between the company management and the board of directors. The detailed role and functions are given below:

### Role and functions:

- ◆ Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- ◆ Bring an objective view in the evaluation of the performance of board and management;
- ◆ Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- ◆ Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- ◆ Safeguard the interests of all stakeholders, particularly the minority shareholders;
- ◆ Balance the conflicting interest of the stakeholders;

- ◆ Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- ◆ Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

**Duties:**

- ◆ Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- ◆ Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- ◆ Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- ◆ Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- ◆ Strive to attend the general meetings of the company;
- ◆ Where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- ◆ Keep themselves well informed about the company and the external environment in which it operates;
- ◆ Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ◆ Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- ◆ Ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- ◆ Report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- ◆ Assist in protecting the legitimate interests of the company, shareholders and its employees;
- ◆ Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.



# Board Committees

We have five Board Committees – to assist the Board in discharging its duties. These include:

### 5 Board Committees to assist the Board

- ◆ Audit Committee
- ◆ Nomination and Compensation-Cum-Remuneration Committee
- ◆ Share Transfer & Shareholders Grievance-Cum Stakeholders Relationship Committee
- ◆ Corporate Social Responsibility (CSR) Committee, and
- ◆ Risk Management Committee.

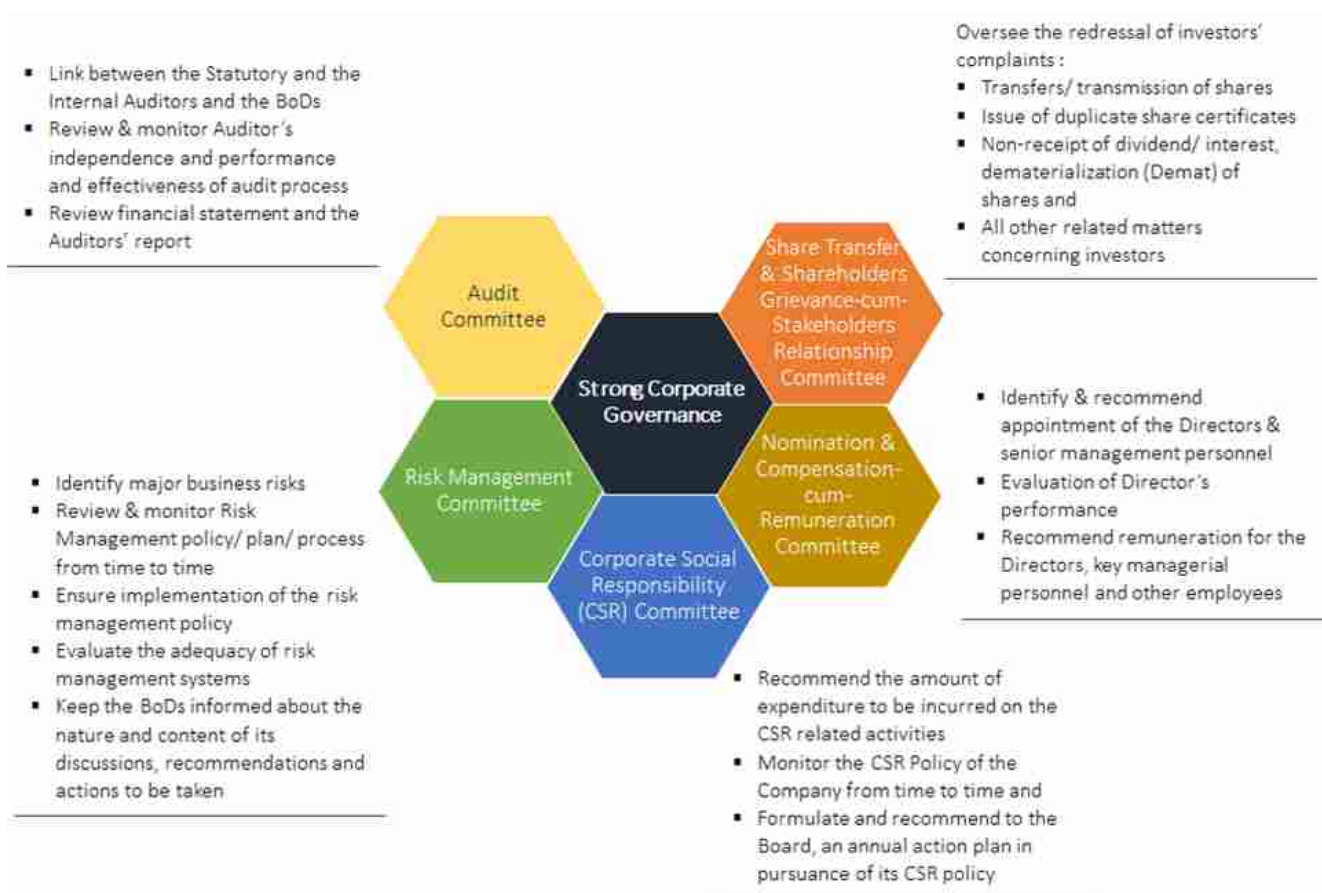
The composition of these committees are as under:

Directors	Audit Committee	Nomination and Compensation-Cum-Remuneration Committee	Share Transfer & Shareholders Grievance-Cum-Stakeholders Relationship Committee	Corporate Social Responsibility (CSR) Committee	Risk Management Committee
Mr. Kushal N. Desai	✓		✓	✓**	✓**
Mr. Chaitanya N. Desai			✓	✓	✓
Mr. F. B. Virani	✓	✓	✓**	✓	
Mr. Rajesh Sehgal	✓	✓**			✓
Mrs. Nina Kapasi	✓**	✓			✓
Other Committee Members from the Management					✓

## \*\* Chairperson of the Committee

Each of the Committee has a clearly defined charter including the terms of reference. The details are provided below:

### Details of various Committees of Board of Directors:



The Board of Directors takes responsibility for the implementation of corporate governance practices with appropriate checks and balances.

APAR believes in conducting its affairs in a fair, transparent and professional manner and maintaining good ethical standards in its dealings with all its constituents.

We are committed to follow good Corporate Governance practices, which include having professional Directors on the Board, adopting pragmatic policies, effective systems and procedures and subjecting business processes to audits and checks, compliant with the required standards.

In today's VUCA (Volatile, Uncertain, Complex, Ambiguous) world with dynamic competition, APAR relies on high performing committees. We believe that the committees outperform individuals when performance requires multiple skills, judgement & experiences.

#### APAR's principles for committee formation are:

- ◆ Performance outcomes are the primary objectives of the committee with a clearly defined charters
- ◆ The committee's constituent need to have complimentary skills - e.g., technical & functional expertise, problem solving & decision making skills & interpersonal skills.
- ◆ Committee members hold one another mutually accountable for their performance

## Board Remuneration

### Key highlights:

- ◆ Independent directors are paid only sitting fees
- ◆ The percentage increase in the median remuneration of employees for the financial year 2020-21 was around 3.27 %
- ◆ During the financial year 2020-21, both the CMD and the Managing Director of the Company had voluntarily foregone their monthly gross salaries due to Covid 19 pandemic situation

Sn	Name of Director/ KMP and Designation	% increase/ decrease in Remuneration	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Kushal N. Desai Chairman & Managing Director	-34%	32.98 : 1
2	Mr. Chaitanya N. Desai Managing Director	-36%	32.35 : 1
3	Mr. F. B. Virani Independent Director	-13%	00.60 : 1
4	Mr. Rajesh Sehgal Independent Director	4%	00.48 : 1
5	Mrs. Nina Kapasi Independent Director	-15%	00.48 : 1
6	Mr. Rishabh K. Desai Non-Executive – Non Independent Director	0%	00.27 : 1



## Shareholder Relations

**Share Transfer & Shareholders Grievance-Cum Stakeholders Relationship Committee** is in place to look after the shareholders relations & interests. The main purpose of this committee is to oversee the redressal of investors' complaints, including:

- ◆ Transfers/ transmission of shares
- ◆ Issue of duplicate share certificates
- ◆ Non-receipt of dividend/ interest, dematerialization (Demat) of shares and
- ◆ All other related matters concerning investors



To support the "Green Initiative" undertaken by the Ministry of Corporate Affairs (MCA), to contribute towards a greener environment, we ensure delivery of notices, documents, annual reports etc. to the shareholders via electronic mode (to those Members whose email addresses are registered with the Company/ Depositories).

Please visit <https://apar.com/investor/#> for all the documents including quarterly & annual accounts, corporate presentations, shareholding patterns, annual general meetings, notices of board meetings, postal ballots, annual returns, investor education & protection fund, important events and all the policies (including Business Responsibility policy, policy on Dividend Distribution, Whistle Blower policy, Insider Trading policy etc.).

Notice and Annual Reports of APAR are also available on websites of the BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com)

There were 4 complaints received by the Company from BSE Limited (BSE) on behalf of the Shareholder of the Company through email and the said complaints were pertaining to the SEBI SCORES (<https://scores.gov.in/scores/Welcome.html>) which were re-directed to the Company by BSE instead by SCORES site, all of which (100 %) were promptly attended to and redressed suitably to the satisfaction of shareholder and replied to the Statutory Authority also viz. BSE.



## Disclosure Practices

We take care of all the disclosure requirements as mandated by SEBI and other regulators, including financial position/performance of the company, shareholding pattern, corporate governance, as well as event-based disclosures including material developments in the business, changes in shareholding pattern, etc. by way of announcements on the stock exchange(s) on an as and when basis and depend on the company's judgment with respect to materiality.

The additional disclosures as required by SEBI for a listed company, are made through the annual report of the Company.

Please visit <https://apar.com/investor/> and click <View our Policies> to view the following policies at APAR:

- ◆ Remuneration and Diversity Policy
- ◆ Business Responsibility Policies
- ◆ Policy on Preservation of Documents
- ◆ Policy on Dividend Distribution
- ◆ Policy on Corporate Social Responsibility
- ◆ Policy on Related Party Transaction
- ◆ Whistle Blower Policy
- ◆ Code of Conduct (SEBI (REG) 2015) Policy for Leak of UPSI
- ◆ Code of Conduct (SEBI (REG) 2015) Revised Code for Fair Disclosure
- ◆ Code of Conduct (SEBI (REG) 2015) Revised Code of Conduct for Insider Trading
- ◆ Apar Code of Conduct
- ◆ SEBI (Listing Regulation), 2015 Policy on Materiality of Events and its Disclosure
- ◆ Apar's Policy on Material Subsidiaries


Key SDGs addressed:





Tomorrow's solutions today

**Registered Office:**

 **APAR Industries Limited**  
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