

**APAR INDUSTRIES LTD.**  
(CIN : L91110GJ1989PLC012802)

**COMPLIANCE REPORT ON CORPORATE GOVERNANCE FOR THE QUARTER ENDED 31<sup>ST</sup> DECEMBER, 2015**

Name of listed entity : Apar Industries Limited (BSE CODE - 532259 & NSE SYMBOL - APARINDS)

Quarter ending : 31<sup>st</sup> December, 2015

| <b>I. Composition of Board of Directors</b> |                      |                        |  |   |           |   |  |  |
|---|----------------------|------------------------|--|---|-----------|---|--|--|
| Title (Mr. / Ms.)                           | Name of the Director | PAN <sup>s</sup> & DIN | Category (Chairperson / Executive / Non-Executive / Independent / Nominee) * | Date of Appointment in the current term / cessation | Tenure *  | No. of Directorship in listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulations) | Number of memberships in Audit / Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations) | No. of post of Chairperson in Audit / Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations) |
| Dr.   | Narendra D. Desai    | 00005285               | Chairman - Non Executive Director  | 28.09.1989  | --        | --  | --   | 1  |
| Dr.   | N. K. Thingalaya     | 00019226               | Non Executive - Independent Director   | 27.07.2001  | Upto 2019 | 1   | --   | 1  |
| Mr.   | F. B. Virani         | 00062278               | Non Executive - Independent Director   | 27.07.2001  | Upto 2019 | 1   | 1  | --   |
| Mr.   | Kushal N. Desai      | 00008084               | Executive - Managing Director  | 01.01.2015  | --        | --  | 1  | --   |
| Mr.   | Chaitanya N. Desai   | 00008091               | Executive - Managing Director  | 01.01.2015  | --        | --  | 1  | --   |
| Mr.   | Rajesh N. Sehgal     | 00048482               | Non-executive Investor Director  | 27.06.2011  | --        | --  | 2  | --   |
| Mr.   | Suyash Saraogi       | 00727967               | Non Executive - Independent Director   | 30.05.2014  | Upto 2019 | 1   | 2  | --   |
| Ms.   | Nina Pradip Kapasi   | 02856816               | Non Executive - Independent Director   | 30.05.2014  | Upto 2019 | 1   | 1  | --   |

\$ PAN number of any director would not be displayed on the website of Stock Exchange

& Category of directors means executive / Non-executive / Independent / Nominee. if a director fits into more than one category write all categories separating them with hyphen.

\* to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of Directors of the listed entity in continuity without any cooling off period.

| <b>II. Composition of Committees</b>   |                           |   |
|--|---------------------------|---|
| Name of Committee  | Name of Committee members | Category (Chairperson / Executive / Non-executive / Independent / nominee) <sup>s</sup> |
| 1. Audit Committee   | Dr. N. K. Thingalaya      | Chairman - Non-Executive - Independent Director   |
|  | Mr. F. B. Virani          | Member - Non-Executive - Independent Director   |
|  | Mr. K. N. Desai           | Member - Executive - Managing Director  |
|  | Mr. Rajesh Sehgal         | Member - Non-Executive - Investor Director  |
|  | Mr. Suyash Saraogi        | Member - Non-Executive - Independent Director   |
|  | Ms. Nina Kapasi           | Member - Non-Executive - Independent Director   |
| 2. Nomination and Compensation-cum-Remuneration Committee                          | Dr. N. K.Thingalaya       | Chairman - Non-Executive - Independent Director   |
|  | Mr. F. B. Virani          | Member - Non-Executive - Independent Director   |
|  | Mr. Rajesh Sehgal         | Member - Non-Executive - Investor Director  |
| 3. Risk Management Committee (if applicable)                                       | Not Applicable            |   |
| 4. Share Transfer & Shareholders Grievance-cum-Stakeholders Relationship Committee | Dr. N. D. Desai           | Chairman - Non-Executive Director   |
|  | Mr. C. N. Desai           | Member - Executive - Managing Director  |
|  | Mr. Suyash Saraogi        | Member - Non-Executive - Independent Director   |

& Category of directors means Executive / Non-executive / Independent / Nominee, if a director fits into more than one category write all categories separating them with hyphen.

| <b>III. Meeting of Board of Directors</b>           |   |   |
|---|---|---|
| Date(s) of Meeting (if any) in the previous quarter | Date(s) of Meeting (if any) in the relevant quarter | Maximum gap between any two consecutive (in number of days) |
| 07.08.2015  | 05.11.2015  | 89 days   |

| <b>IV. Meeting of Committees - Audit Committee</b>   |   |  |  |
|--|---|--|--|
| Date(s) of meeting of the committee in the relevant quarter  | Whether requirement of Quorum met (details) | Date(s) of meeting of the Committee in the previous quarter          | Maximum gap between any two consecutive meetings in number of days * |
| 05.11.2015   | Yes - Full Quorum                           | 07.08.2015   | 89 days  |
| * This information has to be mandatorily be given for audit committee, for rest of the committees giving this information is optional  |   |  |  |
| <b>V. Related Party Transactions</b>   |   |  |  |
| <b>Subject</b>   |   | <b>Compliance status (Yes/No/NA)</b> <small>refer note below</small> |  |
| Whether prior approval of audit committee obtained   |   | Yes  |  |
| Whether shareholder approval obtained for material RPT   |   | N.A.   |  |
| Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee   |   | Yes  |  |
| <b>Note:</b>   |   |  |  |
| 1 In the column "Compliance Status", Compliance or non-compliance may be indicated by Yes/No/NA. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transaction, the words "N.A." may be indicated. |   |  |  |
| 2 If status is "No" details of non-compliance may be given here.   |   |  |  |
| <b>VI. Affirmations</b>  |   |  |  |
| 1 The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015  |   |  |  |
| 2 The composition of the following committees is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015  |   |  |  |
| a. Audit Committee   |   |  |  |
| b. Nomination and Compensation-cum-Remuneration Committee  |   |  |  |
| c. Share Transfer & Shareholders Grievance-cum-Stakeholders Relationship Committee   |   |  |  |
| d. Risk Management Committee (applicable to the 100 listed entities)   |   |  |  |
| 3 The Committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.  |   |  |  |
| 4 The meetings of the Board of Directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.  |   |  |  |
| 5 This report and / or the report submitted in the previous quarter has been placed before Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here:   |   |  |  |
| <b>Place: Mumbai</b>   |   | <b>Sanjaya Kunder</b>  |  |
| <b>Date: 11.01.2016</b>  |   | <b>(Company Secretary)</b>   |  |
| <b>Note:</b>   |   |  |  |
| Information at Table I and II above need to be necessarily given in 1st quarter of each Financial Year. However if there is no change of information in subsequent quarter (s) of that financial year, this information may not be given by Listed entity and instead a statement "same as previous quarter" may be given.                 |   |  |  |