

## APAR INDUSTRIES LTD.

(CIN : L91110GJ1989PLC012802)

COMPLIANCE REPORT ON CORPORATE GOVERNANCE FOR THE QUARTER ENDED 31<sup>ST</sup> MARCH, 2016

Name of listed entity : Apar Industries Limited (BSE CODE - 532259 & NSE SYMBOL - APARINDS)  
 Quarter ending : 31st March, 2016

I. Composition of Board of Directors								
Title (Mr. / Ms.)	Name of the Director	PAN <sup>§</sup> & DIN	Category (Chairperson / Executive / Non-Executive / Independent / Nominee) <sup>&amp;</sup>	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.

II. Composition of Committees		
Name of Committee	Name of Committee members	Category (Chairperson / Executive / Non-executive / Independent / nominee) <sup>§</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)
<b>05.11.2015</b>	<b>28.01.2016</b>		<b>83 days</b>
	<b>16.03.2016</b>		<b>47 days</b>
<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 *
<b>28.01.2016</b>	<b>Yes - Full Quorum</b>	<b>05.11.2015</b>	<b>83 days</b>
* 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		<b>Yes</b>	
Whether shareholder approval obtained for material RPT		<b>N.A.</b>	
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee		<b>Yes</b>	
<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: 11.04.2016</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.			

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

**COMPLIANCE REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

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

**I. Disclosure on website in terms of Listing Regulations**

<b>Item</b>	<b>Compliance status (Yes/No/NA)</b> <small>refer note below</small>
Details of business	Yes
Terms and conditions of appointment of Independent directors	Yes
Composition of various committees of Board of Directors	Yes
Code of Conduct of Board of Directors and Senior Management personnel	Yes
Details of establishment of vigil mechanism / Whistle Blower Policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding Pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Yes
New name and the old name of the listed entity	N.A.

**II. Annual Affirmations**

<b>Particulars</b>	<b>Regulation Number</b>	<b>Compliance status (Yes/No/NA)</b> <small>refer note below</small>
Independent director(s) have been appointed in terms of specified criteria of 'Independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of Directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees / compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration Committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1), (2), (3), (4)	N.A.
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	N.A.

Composition of Board of Directors of unlisted material Subsidiary	24(1)	N.A.
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2), (3), (4), (5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to Code of Conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

**Note:**

- 1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. 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 transactions, the words, "N.A." may be indicated.
- 2 If status is "No" details of non-compliance may be given here.
- 3 If the Listed Entity would like to provide any other information the same may be indicated here.

**III. Affirmations :**

The Listed Entity has approved Material Subsidiary Policy and the Corporate Governance requirements with respect to subsidiary of Listed Entity have been complied.

Mumbai, 11<sup>th</sup> April, 2016

**SANJAYA KUNDER**  
(COMPANY SECRETARY)