



APAR INDUSTRIES LTD.
(CIN : L91110GJ1989PLC012802)

COMPLIANCE REPORT ON CORPORATE GOVERNANCE FOR THE QUARTER ENDED 30TH JUNE, 2017

Name of listed entity : Apar Industries Limited (BSE CODE - 532259 & NSE SYMBOL - APARINDS)
Quarter ending : 30th June, 2017

I. Composition of Board of Directors

| Title (Mr. / Ms.) | Name of the Director | PAN [§] & 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. | N. K. Thingalaya | 00019226 | Non Executive - Independent Director | 27.07.2001 | Upto 2019 | 1 | 2 | 0 ⁽¹⁾ |
| Mr. | F. B. Virani | 00062278 | Non Executive - Independent Director | 27.07.2001 | Upto 2019 | 1 | 1 | -- |
| Mr. | Kushal N. Desai | 00008084 | Chairman & Managing Director - Executive | 08.11.2016 | -- | -- | 2 | -- |
| Mr. | Chaitanya N. Desai | 00008091 | Executive - Managing Director | 01.01.2015 | -- | -- | 1 | -- |
| Mr. | Rajesh N. Sehgal ⁽²⁾ | 00048482 | Non-Executive Independent Director | 24.04.2017 | Upto 2017 ⁽²⁾ | 1 | 1 | -- |
| Mr. | Suyash Saraogi | 00727967 | Non Executive - Independent Director | 30.05.2014 | Upto 2019 | 1 | 2 | 1 |
| Ms. | Nina Pradip Kapasi | 02856816 | Non Executive - Independent Director | 30.05.2014 | Upto 2019 | 1 | 1 | 1 ⁽³⁾ |

§ 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.

(1) Dr. N. K. Thingalaya had resigned as Chairman of the Audit Committee w.e.f. 23rd May, 2017.

(2) Mr. Rajesh Sehgal has been appointed as as Additional Director in the category of Independent Director by the Board of Directors w.e.f. 24th April, 2017. His appointment will be regularized at the ensuing Annual General Meeting of the Company to be held for the FY 2016-17.

(3) Mrs. Nina Kapasi has been appointed as the Chairman of the Audit Committee w.e.f. 30th May, 2017.

* 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) ^{&} |
|---|-------------------------------------|---|
| 1. Audit Committee | Dr. N. K. Thingalaya ⁽⁴⁾ | Chairman of the Committee - Non-Executive - Independent Director (upto 23.05.2017) |
| | Mr. F. B. Virani | Member - Non-Executive - Independent Director |
| | Mr. Kushal N. Desai | Member - Executive - Chairman & Managing Director |
| | Mr. Rajesh Sehgal ⁽⁵⁾ | Member - Non-Executive - Independent Director |
| | Mr. Suyash Saraogi | Member - Non-Executive - Independent Director |
| | Ms. Nina Kapasi ⁽⁶⁾ | Chairman - Non-Executive - Independent Director (w.e.f. 30.05.2017) |
| 2. Nomination and Compensation-cum-Remuneration Committee | Dr. N. K. Thingalaya ⁽⁷⁾ | Chairman - Non-Executive - Independent Director (upto 23.05.2017) |
| | Mr. F. B. Virani | Member - Non-Executive - Independent Director |

| | | | |
|---|---|---|--|
| | Mr. Rajesh Sehgal ⁽⁸⁾ | Chairman - Non-Executive - Independent Director (w.e.f. 30.05.2017) | |
| | Mr. Suyash Saraogi ⁽⁹⁾ | Member - Non-Executive - Independent Director | |
| 3. Risk Management Committee (if applicable) | | Not Applicable | |
| 4. Share Transfer & Shareholders Grievance-cum-Stakeholders Relationship Committee | Mr. Suyash Saraogi | Chairman - Non -Executive - Independent Director | |
| | Mr. C. N. Desai | Member - Executive - Managing Director | |
| | Mr. Kushal N. Desai | Member - Executive - Chairman & Managing Director | |
| (4) Dr. N. K. Thingalaya had resigned as Chairman of the Audit Committee w.e.f. 23rd May, 2017 & continued to act as Member of the Audit Committee. | | | |
| (5) Mr. Rajesh Sehgal has been appointed as an Additional Director in the category of Independent Director by the Board of Directors w.e.f. 24th April, 2017 and has been inducted as the Member of the Audit Committee w.e.f. 30th May, 2017. His appointment will be regularised at the ensuing Annual General Meeting to be held for FY 2016-17. | | | |
| (6) Mrs. Nina Kapasi has been appointed as the Chairman of the Audit Committee w.e.f. 30th May, 2017. | | | |
| (7) Dr. N. K. Thingalaya had resigned as Chairman of the Nomination and Compensation-cum-Remuneration Committee (NCRC) w.e.f. 23rd May, 2017 & continued to act as Member of the said Committee. | | | |
| (8) Mr. Rajesh Sehgal has been appointed as an Additional Director in the category of Independent Director by the Board of Directors w.e.f. 24th April, 2017 and nominated as Chairman of the NCRC w.e.f. 30th May, 2017. His appointment will be regularised at the ensuing Annual General Meeting to be held for FY 16-17. | | | |
| (9) Mr. Suyash Saraogi was inducted as the new member of the NCRC w.e.f. 30th May, 2017. | | | |
| & 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. | | | |
| III. Meeting of Board of Directors | | | |
| 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) | |
| 06.01.2017 | | 25 Days | |
| 01.02.2017 | 30.05.2017 | 117 Days | |
| IV. Meeting of Committees - Audit Committee | | | |
| 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 * |
| 30.05.2017 | Yes | 01.02.2017 | 117 Days |
| * This information has to be mandatorily be given for audit committee, for rest of the committees giving this information is optional. | | | |
| V. Related Party Transactions | | | |
| Subject | Compliance status (Yes/No/NA) ^{refer note below} | | |
| 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 | | |
| Note: | | | |
| 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. | | | |
| VI. Affirmations | | | |
| 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 - Not Applicable to the Company. | | | |
| 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: Nil | | | |
| Place: Mumbai | Sanjaya Kunder | | |
| Date: 10.07.2017 | (Company Secretary) | | |