ANNUAL REPORT
2021 - 2022

GLOBALISATION
THROUGH INNOVATION

APAR
Tomorrow's solutions today

APAR Industries Limited

FY22 HIGHLIGHTS

Financials (₹ in crore)

Revenue from Operations	EBITDA	PAT
9,320	574	257

Operational (₹ in crore)

Exports Business	Domestic Business	CAPEX
3,550	5,770	130

#1 Largest global aluminium & alloy **conductor manufacturer**

3rd Largest global manufacturer of **transformer oils**

#1 Largest manufacturer in India for special application **cables**

Contents

APAR
Tomorrow's solutions today

GLOBALISATION THROUGH INNOVATION

Since inception in 1958, APAR has always focused on developing a deeper understanding to address the needs of the customers and provide complete custom-made solutions. Over the years we have combined our experience with the right mix of innovative products and execution skills to deliver **tomorrow's solutions today**.

With a growing interdependence between all the industries, we have ventured into different business verticals to offer holistic solutions to our customers. Today, we operate our business in cables solutions, conductors, speciality oils, lubricants, speciality automotive and polymers.

In FY 2022, we clocked the highest recorded sales and export revenue by stretching our horizon to more than **140 countries and serving 10+ industries**. All these achievements are backed by our innovative products, cross selling and seamless service that meets the stringent requirements and global standards of customers from USA, Europe, Australia, etc. All our verticals and sub verticals have contributed to achieve this export milestone.

With the government's initiative of Atmanirbhar Bharat we are locally manufacturing to substitute high performance products which were earlier imported. We have become a trusted brand among major transformer OEMs, power utilities, EPC majors, automotive OEMs and telecommunication companies globally to deliver cost-effective, high-quality products and services.

Even after the accomplishment of **38% export business**, India remains as our home market where we deliver products of global standards. Our annual report 21-22 showcases our innovations and company highlights enabling us to **lead the innovation curve globally**.

OUR CATALYST FOR INNOVATION

Corporate

- Experience of 6+ decades
- Present in 140+ countries
- Innovative product mix across the globe

Cables

- Largest manufacturer in India for special application and renewable cables
- Largest e-beam facility in India
- 18 UL approvals in US for cables

Oils & Lubricants

- Worlds 3rd largest transformer oil manufacturer
- Among top 10 lubricant players in India
- Hamriyah plant's capacity utilisation at 104%

Conductors

- Worlds largest aluminium & alloy conductor manufacturer
- Completed 100+ turnkey solutions projects till date
- New geographies in North America added for conductor exports

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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OUR HOUSE OF BRANDS THAT BRINGS **INNOVATION** TO YOU

In past six decades, we have developed our brands and product portfolios which are recognised globally in over 140 countries. With our ever growing **house of brands** we look forward to serve our customers with the same zeal and spirit of innovation.

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BUSINESS VERTICALS

- APAR CABLE SOLUTIONS
  - APAR Anushakti
  - APAR Mahashakti
  - APAR Shakti
  - APAR Alum Shakti
  - APAR Fire Protekt
  - APAR Tarang Shakti
- APAR CONDUCTORS
- APAR SPECIALITY OILS
  - POWEROIL® Powering Ahead
- APAR LUBRICANTS
  - POWEROIL® Powering Ahead
  - eni
- APAR SPECIALITY AUTOMOTIVE
  - ARKOS
  - ARKOS BOLT VRLA BATTERY MAINTENANCE FREE
  - POWEROIL AdBlue®
- APAR POLYMERS
  - APARPRENE

Sonu Sood appointed as brand ambassador

Read more on page 7

*Eni - Under a license agreement with Eni S.p.A., Italy
*ARKOS - Tie-up with PSPL, Singapore
*POWEROIL AdBlue® - Agreement with VDA Germany

INNOVATION IN CABLES

APAR entered the cables business in 2008 and has been steadily growing at about 19% CAGR over the last 10 years. This is the result of our extensive investments in new technologies, product innovations and a wide product range.

As India's No.1 cable manufacturer for renewables, we also cater to various speciality sectors like railway locomotives, coaches, naval ships, submarines, solar and windmills to supply hybrid cables, harnesses, telecommunication as well as general purpose LV, MV XLPE cables, fixed and flexible wires & cables.

APAR's cable division is a pioneer in manufacturing of LV/MV/HV XLPE power cables up to 66 kV, building and flexible house wires & cables, elastomeric cables, e-beam irradiated cables, optical fibre cables and speciality hybrid cables. We have two world-class manufacturing facilities at Umbergaon and Katalawada, in Gujarat, India, about 150 km from Mumbai, which are equipped to produce e-beam cables amongst other advanced and specialised products.

We are the largest & most innovative Indian supplier to the nuclear power industry. We offer one of the widest ranges of medium-voltage & low-voltage XLPE cables, elastomeric cables, fibre optic cables and speciality cables. As one of the largest cable exporters, a leader in CATV/ broadband fibre optic cables, we also provide specialist technical services, cable design and other value-added services gained from our extensive experience over the years.

FY22 highlights

Revenue

Rs. 1,993 crore

Up 57.0% YoY

EBITDA

Rs. 110 crore

Up 82% YoY,
Margin at 5.5%, up 77 bps YoY

EBITDA post adj*

Rs. 106 crore

Up 76.8% YoY
Margin at 5.3%, up 59 bps YoY

Consolidated financials
* After adjusting open period forex

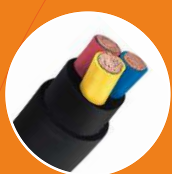
Rs 309 crore invested in FY16-FY22

- Launched India's most advanced e-beam facility, having 1.5/2.5/3.0 MeV accelerators
- Increased focus on light duty cables business.
- Representation on India Mart and online sales channels improving visibility and access to new distribution.
- Complying 100% of UL norms and quality, enabling us to sell into the US markets where there is increased demand from renewables and other segments.
- New CCV lines & a new 2.5 MeV e-beam under construction at Khatalwada Factory
- Expanding rubber cable capacity especially for green power segment.
- Exports contributed 29% to revenue in FY22, up from 20% in FY21.
- Exploring new opportunities in MVCC, harnesses, more products for railways, pressure tight cables, 66KV cables & contracts.

PRODUCTS UNDER CABLE DIVISION

LV/MV/HV XLPE power cables up to 66 kV
for power distribution

Building and flexible house wires & cables



Elastomeric cables
for flexible applications

E-beam irradiated cables
for railways, shipping & renewables

Optic fibre cables
for telecommunication

Speciality hybrid cables
for defence applications

OUR GROWTH DRIVERS

500+ range of cables

•

18 UL approvals for US market

•

Major presence in **America, East Africa, Australia and Europe**

•

Increased demands from **railway, defence and non-conventional energy**

•

Reaching ₹**2,000 Cr** in cables business in FY 2022

•

₹**572 Cr** of export business

Market leader for rubber cable and cables for solar, wind, railway & defence.

Serving

Defence surveillance

Power distribution infrastructure

Navy shipping

Railways

Solar & windmill

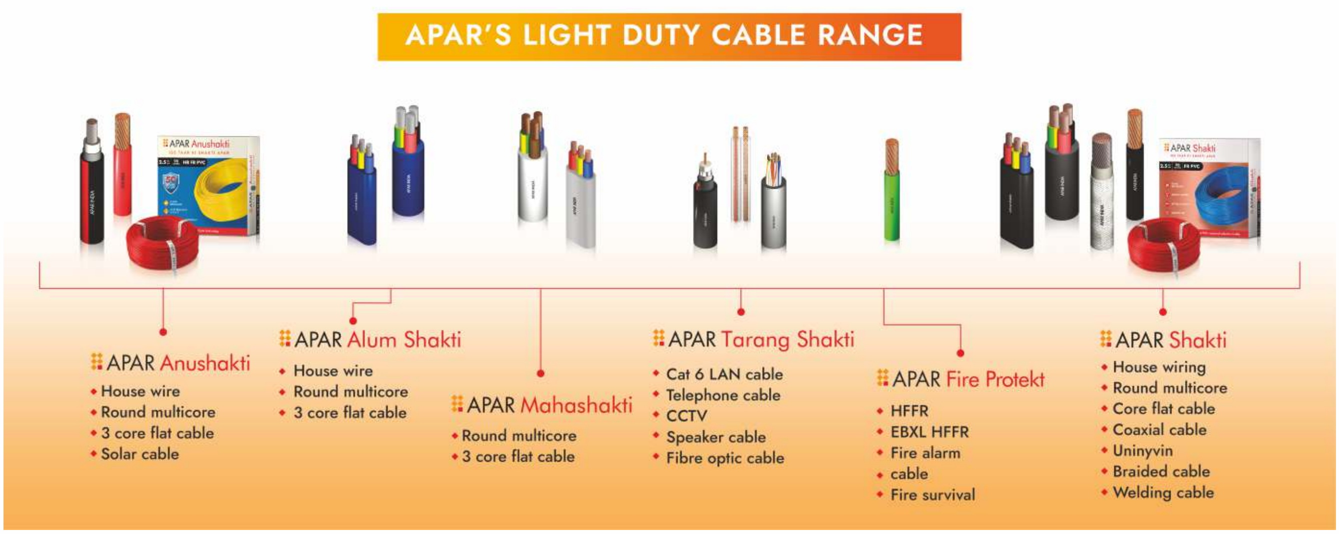
Nuclear power

MULTIPLE INNOVATIVE SOLUTIONS IN **LIGHT DUTY CABLES**

In FY 2022 our light duty cables (LDC) business saw a sharp growth and crossed 100 cr. benchmark. For FY 2023 the LDC business sets an eye to achieve 250 cr business with the support of basket of innovative products, a new brand ambassador and growing trust and network expansion across India.

To cater to multiple cable solutions needs, we have introduced a range of innovative products which are trusted by 15,000+ electricians, 1,000+ retailers in Kerala and Gujarat. In FY 2023 we will further expand our business in the other states of Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Maharashtra, Delhi, Haryana and UP

Our flagship house wire brand APAR Anushakti, powered by e-beam technology, has gained huge popularity as it can with stand high temperatures with an increased current carrying capacity.



Our marketing team have been working diligently to create awareness of our innovative LDC range among all the stakeholders through BTL and digital routes. Our strong on field sales team is constantly interacting with all the influencers groups of electricians, retailers, dealers, consultants, contractors, interior designers, architects, industries and government departments. We frequently organise local meets, webinars and live product demonstration to create mass awareness of our products and its unique solutions. To enhance our product visibility and retain the mind space of our customers, we have been participating in various globally renowned domestic and overseas exhibitions such as – Elecrama, Buildelec, Cable & Wire, IEEE and others.

We have also taken the digital route to promote the EBXL products, especially, on the social media platforms i.e. LinkedIn, YouTube, Twitter, and Facebook, where our brand is growing its footprints and is gaining good reach. Similarly, we are also planning to further strengthen our presence by enhancing our digital touchpoints with our target audiences.

@APARLDC

@aparldc

@APAR Light Duty Cables & Wires

@APAR Light Duty Cables & Wires

@AparLdc

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A PARTNERSHIP THAT'S ABOUT TO BRING A LOT MORE

Sonu Sood appointed as brand ambassador

At APAR, the route to do good in all our businesses has always been by being good.

It is a simple philosophy that has stood strong for the 64 years we have been in existence.

Actor Sonu Sood known for his philanthropy and for being a trustworthy human being, matches perfectly with our ethos making him the right fit to become the new face of APAR, as our first Brand Ambassador. He will reinforce the goodness and reliability of our brands to customers which will help us further win the hearts of the nation and allow us to serve them with our unique products.

The Sonu Sood Foundation and Sonu Ji's generous contributions toward the welfare of society and the common man during the pandemic are commendable. At APAR we have a strong tradition of giving back to society through our various CSR initiatives such as the Dr. N.D. Desai multi-speciality hospital offering 400 beds and free services to thousands of patients daily. Mr. Kushal Desai is the President of the Dharmsinh Desai University, Dr. NDD Heart Hospital, both in Nadiad and the Annamrita Foundation, a midday meal that distributes over 1.2 million meals to children across the country amongst other notable contributions.

It is the mindset of philanthropy and giving back to the society that makes APAR Industries and Sonu Sood aligned. Various campaigns like television, print, radio, digital and outdoor advertisements featuring Sonu Sood are soon going to be rolled out in targeted markets.

INNOVATION IN CONDUCTORS

APAR's journey in becoming the largest global manufacturer of conductors and serving customers in 100+ countries spans six decades. With over 1,80,000 MT* capacity today, we are a leading global supplier and offer a full range of both conventional and new-generation speciality conductors.

APAR is the first Indian company to develop, manufacture & supply indigenous copper-silver contact wire and flexible dropper wire for fast trains as per R.D.S.O. specification. Our commitment to lead the innovation curve has propelled us to pioneer turnkey solutions for reconductoring with HEC and live line installation with OPGW.

To maintain total control over the entire process, from design to manufacturing and testing, we've set up world-class manufacturing and ILAC MRA accredited testing facilities at Silvassa and Odisha in India. This enables us to guarantee innovation and quality while maintaining cost competitiveness.

FY22 highlights

Revenue
Rs. 4,200 crore
Up 44.4% YoY

Volume
1,07,357 MT

EBITDA
Rs. 195 crore
Up 95.2% YoY
Margin at 4.6%, up 121 bps

EBITDA per MT
Rs. 18,131
Up 133.5% YoY

EBITDA post adj*
Rs. 184 crore
Up 80.2% YoY
Margin at 4.4%, down 87 bps

EBITDA* per MT
Rs. 17,095
Up 115.7% YoY

Consolidated financials
* After adjusting open period forex

Rs 343 crore invested in FY16-FY22

- Pioneer in aluminium alloy rod conductors.
- Aluminium rod facility from molten metal at Lapanga, Odisha.
- Jharsuguda, Odisha plant offers logistical benefits with proximity to smelters, captures growing generation capacity in eastern India.
- Agreement with Hindalco for sourcing molten metal, cost saving of Rs 1,000 / MT.
- Technology tie-up with CTC-Global, USA, for ACCC conductors.
- One of the first to successfully test 765KV & 800KV conductors in India.
- New products launched - copper conductor for railways, optical ground wire (OPGW) & CTC for transformer industry.
- Copper bus bars on commercial sale in India
- Developed aluminium CTC, aluminium PICC & aluminium enamel PICC on commercial sale in India

*our capacity is variable as per demand of product mix

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OUR HIGHER VALUE ADDED PRODUCTS

Aluminium conductor composite core (ACCC®)
– Best in HTLS category

Optical ground wire (OPGW)

Copper railway conductor

Continuously transposed conductors (CTC)

Turnkey solutions

OUR GROWTH DRIVERS

Completed **100+** turkey solution projects

•

Delivered **1,07,000 MT** of conductors

•

Delivered **22,000+ km** of OPGW cables

•

More focus on **higher value products**

•

Higher value added products contribution **49%**

•

New order inflow **123%**

•

Serving **100+** countries

•

Product solutions for **customised demand**

•

Green initiatives to **reduce carbon intensity** in operations

•

Highest **record revenue** in FY 22

INNOVATION IN SPECIALITY OILS

As a leader in the oil industry for more than five decades today, we are renowned for our product quality and timely service. The complete range of oils have been developed through our in-house R&D efforts and is recognised under the globally recognised brand name "POWEROIL".

In the speciality oils segment, our comprehensive product range includes transformer oils, white and pharmaceutical oils, petroleum jelly, industrial process oils, industrial lubricants, automotive lubricants and greases. All our oils undergo extensive quality checks at every stage of production for all oil characteristics by test methods specified in the latest standards at NABL accredited ISO/IEC 17025 : 2017 certified quality control laboratories.

APAR POWEROIL is the first choice for millions of transformers worldwide, as it exacts customers' specifications and complies with all the latest national and international standards. APAR was the first company to offer and supply the entire range of transformer oils compliant with new corrosive sulphur standards. We are the first Indian company to have transformer oils approved for ultra-high voltage transformers.

FY22 highlights

Revenue
Rs. 3,560 crore
Up 51% YoY

Volume
4,61,589 KL
Up 16% YoY

EBITDA
Rs. 291 crore
Up 3% YoY
Margin at 8.2%,
(11.9% in FY21)

EBITDA per KL
Rs. 6,298

EBITDA post adj*
Rs. 293 crore
Up 4% YoY
Margin at 8.2%
(11.9% in FY21)

EBITDA* per MT
Rs. 6,347

Consolidated financials
* After adjusting open period forex

Rs 229 crore invested in FY16-FY22

- Pioneer in transformer oils in India; 60% market share in power transformer oil and 40% in distribution transformer oil in India.
- Preferred supplier to all leading power transformer manufacturers in India
- Petroleum Specialties FZE plant in Hamriyah Free Zone, Sharjah (UAE) (1 lakh KL capacity) provides proximity to customers in Middle East & East Africa. It also opens new avenues for bulk exports.
- Expanded transformer oils capacity and range (including 765KV & 800KV HVDC).
- Doubling industrial & automotive blending and automated blending and packing capacity.

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SPECIALITY OILS UNDER THE POWEROIL BRAND

Transformer oil

White & pharmaceutical oils

Industrial & process oils

Industrial lubricants automotive lubricants & solutions

POWEROIL petroleum jelly

POWEROIL TO NE premium long life natural ester transformer oil

OUR GROWTH DRIVERS

Hamriyah plant capacity at **104%**

•

350+ grade oils

•

Exported **~2,00,000 KL** of speciality oils during the year

•

Transformer oil volumes up **10%** vs FY 21

•

White oil sales up **16%** vs FY 21

•

Serving **125+ countries**

To know more about our products visit https://apar.com/apar_oils_brochures/

INNOVATION IN LUBRICANTS

Today APAR is a leading domestic player in the lubricant industry, supplying both a high-quality range of automotive and industrial lubricants. APAR manufactures and markets 3 lubricants brands i.e. POWEROIL, Eni & ARKOS.

POWEROIL lubricants is exported to 30+ countries and primarily caters to industrial customers and retail auto lube markets through local channel partners. In order to provide the best solutions to meet the complex needs of modern engines, our team works closely with major automotive manufacturers from across the world.

To meet the international needs, we also have a licensing agreement with Eni, a world-renowned Italian lubricant brand since 2008. We've ensured that our range of over 150 grades meet the latest BIS and other international standards.

APAR is the first in India to create affordable, high-quality industrial lubricants under the POWEROIL brand which is approved by world leaders like Milacron for the injection moulding industry. Our expertise in manufacturing enables us to deliver high-quality products that have delighted customers all over the world. We undertake stringent testing to ensure our products provide optimum machine performance in all environmental conditions.

FY22 highlights

Revenue

Rs. 780 crore

Up 28% YoY

Volume

63,305 KL

Consolidated financials

Steady and consistent growth

- A new more automated mega warehouse has been commissioned at Bhiwandi from where Industrial & Automotive oils will be redistributed across the country to improve the velocity of inventory in the system.
- New geographies of Bangladesh and Sri Lanka added to the Eni brand.
- Major focus on agricultural sector. We currently service the 2nd, 3rd and 4th largest tractor manufacturers in India.
- Product profile updated keeping in mind the BS VI requirement in heavy duty diesel.
- BS VI compliant products for MCO and PCMO segments.
- Strategic focus on the agri lube segment helped deliver a resilient performance despite COVID-19 lockdowns.
- Premiumisation of product mix continues to progress.
- Licensing agreement for auto lubes from Eni, Italy for Eni brand.
- New R&D facility at Rabale.
- Lubricants (auto lubes & industrial oils) contributed 8.4% to total FY22 revenue.

OUR GROWTH DRIVERS

Among top **10 lube players** in India

•

Industrial oil volumes up **20%** (all time high)

•

1,200+ products on the shelf

•

450+ distributors in India

•

22,000+ loyal mechanics

INNOVATION IN EVERYTHING WE DO

In 2018 APAR launched ARKOS a brand of PSPL, Singapore with a vision to offer world-class, technically advanced, innovative and affordable mobility solutions. Under this brand we have launched 2 wheeler batteries, oils and lubricants for 2 wheelers, 3 wheelers, cars, LCVs, HCVs, earthmoving equipment, etc. Soon we will be launching 3 wheeler batteries, 2 wheeler tyres, car care products, etc.

To drive India towards a greener tomorrow APAR was India's first company to get an official approval by VDA, an internationally-acclaimed German association that certifies AdBlue. AdBlue is now mandatory for all new diesel engine vehicles as per the latest emission norms in India and we are ready to meet the growing requirements through our POWEROIL AdBlue.

Under speciality automotive we are committed to evolve our product range to suit the mobility needs of the future.

OUR GROWTH DRIVERS

First Indian company to get an AdBlue certification

•

Signed up with renowned OEM automobile companies to supply Adblue

•

Tie up with retail outlets for Adblue sales

•

ARKOS Bolt batteries come with **10-15%** more cranking

•

ARKOS: India's first battery brand to offer **online warranty registration**

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APAR POLYMER BUSINESS

Technical experts at our polymer plant in Umbergaon, Gujarat have constantly been searching for new higher-quality polymer compounds. Our search for 'better' is relentless and that's why clients have trusted us since 2014. Today APAR Polymers offers a range of products that have various applications and serves multiple industries, including products found in every household.

We are a leading manufacturer of ISO certified thermoplastic elastomers, thermoplastic vulcanizates, zero halogen flame-retardant materials, various other polymer compounds and customisable products under the brand APARPRENE®.

Tested as per ASTM standard, our innovative APARPRENE® grades:


Thermoplastic elastomers


Thermoplastic vulcanizates


Low smoke zero halogen


Polypropylene bondable


EPDM bondable


ABS bondable


Polycarbonate bondable

FY22 highlights

Sales Growth
28% in FY2022

73% growth in last 2 years

Total Capacity
10,000 MT

Added 5,000 MT in FY 2022

Applications
100+ range of product applications

Industries Served
Automotive, electrical, irrigation, plumbing, food, pharma, fitness, construction, etc.

OUR GROWTH DRIVERS

One of India's leading thermoplastic elastomers (TPE) manufacturers

•

Exporting to **Bangladesh, UAE & Sri Lanka**

•

Offering products that are **eco-friendly & recyclable**

•

Introduced products having **low density & chemical resistance**

•

Innovative range of **new bondable grades**

•

Custom made solutions to meet customer's needs

•

Offering **ROHS & REACH** compliant material

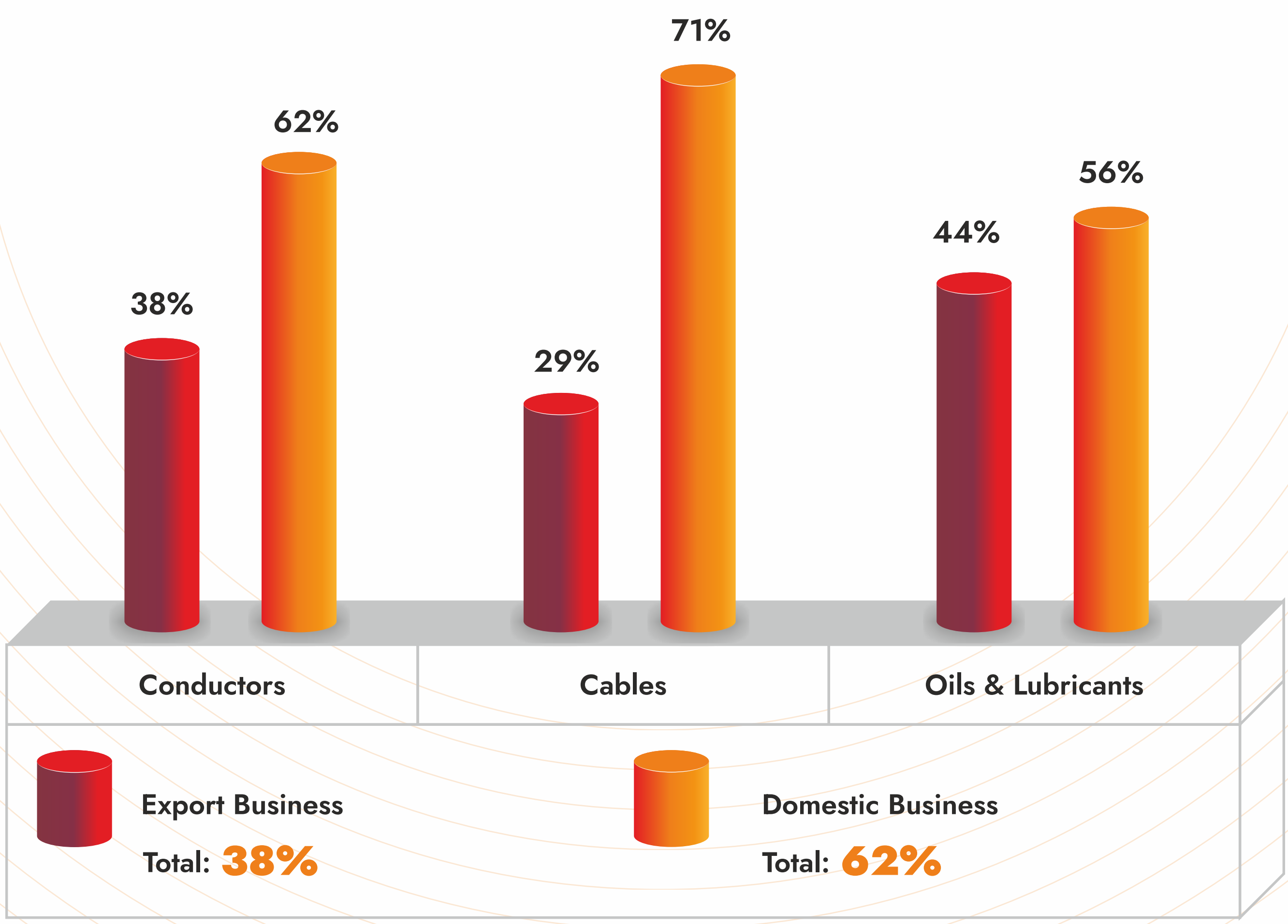
GLOBALISATION THROUGH **INNOVATION** A CONTINOUS CYCLE

By innovating new products, we have become a preferred brand in global markets. With strong experience in global markets, we are further raising our standards. This continuous cycle of globalisation and innovation have smoothly paved the way to design products and services that best suit customers' needs, deliver world class quality products every time, anywhere and raise the industry standards by exploring the endless potential.

Today APAR is a significant contributor to the global power and energy sector by indigenously manufacturing and supplying a complete range of power transmission conductors, cables, transformer oils and lubricants. This makes us the first Indian manufacturer to develop and commercially supply very niche products for specific applications around the globe.

4 engines which propel us to be a global player:

- Capabilities to understand and deliver the right products to meet the customer's needs
- Increase in number of approvals in each country and segment
- Timely investment in manpower & training
- Client referencing and cross-selling, especially in the electric, transmission & distribution industry



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CREATING NEW GLOBAL STANDARDS

NORTH AMERICA

Supplying conductors & cables for non-conventional utilities & building

- A major supplier of building wires & solar DC feeders
- Among top 3 cable solutions suppliers from India to US market
- Launched air expanded conductors and ACSS in US

SOUTH & CENTRAL AMERICA

Growing presence with consistent quality products

- Approved vendor to supply transformer oil to major utility companies
- Growing our market share in speciality oil business
- Regularly exporting white oils and petroleum jelly
- Supplying custom made unique OPGW cables in Latin America

EUROPE

Meeting stringent standards and getting approvals

- Launched special z-shaped alloy conductors
- Trusted partner to supply white oils to leading cosmetic manufacturers
- Won various global approvals for supply of cables

AFRICA

Innovating products which customers need

- Supplying specially designed cables & conductors meeting requirements of global multilateral funding agencies
- Supplying anti theft cables for private utilities
- Hamriyah plant at Sharjah fulfills majority transformer oil and white oil orders

MIDDLE EAST

Supporting localisation of products

- Highest market share of transformer oil in GCC
- Signed an MOU with Saudi Aramco Base Oil Company – Lubref to examine building a transformer oil/white oil plant in Saudi Arabia
- Supplying CTC/PICC products to major transformer OEMs

REST OF ASIA

Growing presence in automotive retail and industrial products

- Supplying conductors to all 25 global turnkey operators and leading utilities in Asia
- Increase in supply of higher safety, all weather covered conductors in South Asia
- HTLS break-through in distribution 33 KV segment in South Asia
- Supplying Adblue to major automotive OEMs in South Asia
- Leading lubricant player in automotive retail & industrial products

AUSTRALIA

Supporting Australia's vision to switch to energy-efficient transition

- Innovated and supplied special dull finish conductors upto 500 KV
- Major supplier of cables to solar installations
- Innovated and supplied fire survival optic fibre cables for Sydney metro

INNOVATING FOR INDIA, **MAKING IN INDIA**

India is our strongest market, which we are serving for over 6 decades by leading the innovation curve. At our technologically advanced R&D centers, and total of 8 manufacturing locations in India, we have continuously developed new products. Here are a few innovation stories of the year.

Water-based rust preventive fluid

Introducing a water-based rust preventive Industrial Oil "POWEROIL RP Aqua 3050". Designed to be diluted with water as per the requirements, to become a water-based rust preventive fluid.

Technologically advanced PV wires for the solar industry

After extensive research APAR innovated a special PV copper wire that is economical and ideal for the solar industry. These PV wires are manufactured using specially formulated high-end eco-friendly hazard-free polyolefin polymer alloy insulation with electron beam technology.

Developing special air expanded conductors

We have indigenously designed and developed special conductors using larger diameters of individual strands with a filler of air in between. The outer aluminium strands are created using a skeletal type of stranding to inner layers which increases the overall diameter of the conductor.

Super grease for the mining industry

ENI Mining Grease (XL96) a super grease that brings down grease cost by 25% & increases equipment life by 30%. It helps deliver premium performance in high-duty applications such as industrial, mining, earthmoving and quarrying heavy machinery.

Supply for e-beam and LFH cables for building India's latest warship

We are proud to be a nominated partner of the Indian Navy for supplying e-beam cables and low fire hazardous (LFH) cables for Destroyer INS Surat and Frigate INS Udyagiri.

APAR's specialised cables were used in building the ship's power control and major instruments. These two new frontline warships were built indigenously at Mazgaon shipyard and were recently launched to further enhance India's maritime capabilities.

CHAIRMAN & MD MESSAGE

Kushal Desai
Chairman and MD

Dear Shareholders,

Your company has steered steadily through another year of challenges and uncertainty. The company continues to forge ahead on a long-term strategic growth path. Each of the business divisions has been proactive in developing and marketing their products and service offerings which are relevant in today's markets and each of the segments has the possibility to grow in the future.

At APAR, since inception, over our six decades journey, we have always been focused on doing what is right – doing what is sustainable in the world we live in. This year, we have gone a step further, aligning our sustainable development goals with the United Nations Sustainable Development Goals (UN-SDGs). We have already documented this in our first Environment, Social and Governance (ESG) report released during the year and are committed to transparently share the progress going forward. The aim is that everything we build in APAR helps build a world that works for tomorrow – as we live our motto , to deliver: 'Tomorrow's solutions today'.

Prolonged headwinds continued this year:

The financial year gone by, started with global upheavals due to a relapse of COVID-19 in many countries, supply chain disruptions and a continuous rise in commodity prices and logistics costs. The situation showed some signs of improvement with the softening of commodity prices in Q4FY22. However, the ongoing tension between Russia and Ukraine created fresh geopolitical uncertainties and another surge in already-elevated commodity prices.

At APAR, we have been able to register a smart recovery post-pandemic shock by diversifying our revenue base, focusing on execution with cost controls and consciously improving the business mix towards premium offerings.

We ended the year with consolidated revenue up 46% YoY to ₹9,346 crore in FY22. The contribution from exports came in at 38% versus 41% in FY21. The oil business recorded all-time high volumes at 4,61,589 kL in FY22, up 16% YoY. Our EBITDA grew by 36% YoY, with steady EBITDA margins at 6.1% despite severely elevated freight prices and global inflationary pressure in commodity prices and packing materials. The PAT base grew 60% YoY to reach ₹257 crore with 2.7% margin versus 2.5% in FY21 resulting from lower interest costs and strict financial discipline.

We were able to achieve this feat as a result of strong and strategic decisions, strengthening our core product portfolio, prioritising per-unit margins and investing in talent and process.

Progress that is strategic

Over the past decade, we have consciously been focussing on growing our higher-value added product portfolio across our businesses. We have put in place a growing range of new-generation products across our businesses, i.e. technologically advanced range of high-efficiency conductors, transformer oils for higher-voltage DC transformers, natural ester based bio degradable insulating oils and e-beam cables for railways, defence and renewable energy. All these products are targeted towards segments that will exhibit strong demand both domestically in India and in overseas markets.

This year our two youngest verticals, Polymers and Speciality Automotives, also made progress. In Polymers, APAR is successfully manufacturing ISO-certified thermoplastic elastomers, thermoplastic vulcanizates, zero halogen flame-retardant materials, various other polymer compounds and customisable products under the brand APARPRENE®. In our, Speciality Automotives, we are again leading the innovation curve as the first Indian company to manufacture the environmentally friendly diesel emission fluid with an AdBlue license.

Well-poised for growth:

The Conductors business saw 44% YoY growth in revenue with an increase in commodity prices. The export revenue remained flat at FY21 levels due to multiple headwinds throughout the year. Our focus on profitable execution and premiumisation meant that the share of higher-value products increased to 49% from 33% in FY21, and the EBITDA per MT, post forex adjustment, came in at historic high levels of ₹17,000. New order inflow was up 123% YoY at ₹5,409 crore. The order book remains healthy at ₹3,079 crore, with 53% share from higher-value products

The oil business recorded all-time high volumes in FY22 at 4,61,589 KL, driving a 51% YoY revenue growth to ₹3,560 crore. Lubricants revenue came in at ₹780 crore, up 28% YoY, impacted by the lower OEM and retail sales in automotives. The EBITDA per KL post forex adjustment came in at ₹6,347, above the target threshold level of ₹5,000. The recent impact of the Russian-Ukraine conflict could result in hydrocarbon sanctions and may impact the volumes in FY23. The focus would remain on unit profitability versus volume sales.

The cables division saw some of the strategic focus playing out, with 57% YoY growth in revenue to ₹1,993 crore, driven by 129% YoY jump in exports, resulting from growing demand and appreciation for our products in the international markets. Revenue from elastomeric cables was up 64% YoY with improved demand from solar, windmill, railways, and defence segments. EBITDA post forex adjustment was up 77% YoY at ₹106 crore and margin improved to 5.3%. New CCV lines and a new 2.5 MeV e-beam are under installation to expand the rubber cable capacity, especially for the wind power segment. Major focus on LDC business is planned with our new brand ambassador and significant thrust in network expansion. The outlook for the cables business in FY23 is strong with key strategic initiatives and multiple growth opportunities, both domestically and for exports.

Strong industry growth drivers:

Coming to industry highlights, there were several government policies and initiatives to support the development and expansion of the economy, with thrust upon being 'Atmanirbhar'. The government launched reform-based results-linked scheme with an outlay of ₹3.03 lakh crore, with the objective of achieving institutional capabilities for DISCOMs and reduce the gap between the cost of electricity and revenue generated from supply power to zero by FY25. Around 14,895 circuit kilometres (ckm) of new transmission lines were added in FY22, down 9.52%. FY22 saw the completion of eight new power transmission schemes under TBCB and 10 such new projects were awarded, taking the total number of completed or under-construction schemes to 60. Indian Railways electrified more than 6,366 route kilometres (rkm) in FY22, up 5.84% YoY, achieving 80.2% railway electrification by FY22 end, and targets 100% by December 2023. The Union Budget of FY23 allocated a record ₹2.45 tn to the defence sector, up 10% YoY. Taking a step towards being 'Aatmanirbhar', 68% of the allocation is earmarked for procurements from indigenous companies. As investments happen based on these allocations, Apar's product range fits well into building this infrastructure.

Future is bright:

In conclusion, FY22 has been a year which will be known for its challenges, yet at APAR, we delivered our all time highest top line and net profit. Along with our loyal APAR Parivar, we remain resilient enough to take on challenges and opportunities that may arise.

Warm Regards,

Kushal Desai

DOING GOOD FOR SOCIETY

We at APAR are grounded with a firm belief in doing good for society and bringing sustainable transformations to the people's lives. Every year we align our social activities with these values in mind and undertake major initiatives to bring healthcare and educational benefits to the needy and provide overall rural development. Some of our top CSR projects are:

Dharmsinh Desai Foundation, Nadiad

Dr. N. D. Desai hospital and medical college (located in Nadiad, Gujarat) is the dream project of our late chairman "Dr. Narendra D. Desai". In this institute, we have been focusing on supporting both healthcare needs of the society through the Dharmsinh Desai Foundation.

Last year we added 750 bed facility in the hospital with an ultra-modern unit of medical services. Every day we have been treating, on an average, 1,000 to 1,100 OPD patients at the hospital. Our skilled doctors carry out 30 to 35 operations daily with 100% success. All these facilities are provided to the needy people free of cost. Through the foundation, free three meals a day are also offered to the patients who have come for treatment at the hospital.

Gujarat Methodist Church Cardiac Care & Research Society, Nadiad

Other healthcare projects in Gujarat include:

- Up-gradation of ICU centre at DDMM Heart Institute
- Civil modifications for proper air conditioning with adequate recycling of air
- Modified oxygen delivery system at patient's bed
- Built additional isolation ICU and pediatric ICU facilities
- Added ICU beds for adults and pediatric sections
- Provided necessary equipment like nebulisers, ECG machines, syringe pumps, etc.
- Over 70% operations are conducted on below poverty line patients

Sri Nityanand Education Trust, Thane (Govardhan Skill Centre, Wada)

Our rural development programme through Sri Nityanand Educational Trust has been operational since April 2009 to mitigate the distress of the downtrodden sections of the society through various holistic interventions. This initiative has impacted 1,00,000+ lives across 50+ villages in Maharashtra's Palghar and Thane districts.

In survey of 9 villages in the Palghar district, we found that 39.25% of children are either primary or secondary school dropouts. Due to a lack of educational facilities to acquire alternative skills, youths were migrating to cities. Govardhan Skill Centre (GSC) is one of the projects initiated by APAR to foster social entrepreneurship and address the requirements and needs of the villagers at the grassroot level. Under this initiative, we have set up a skill development & education centre of 70,000 sq ft where last year, 100+ students were certified with Diploma in Basic Rural Technology (DBRT) and provided 100% placement after internship. Other courses are related to the manufacturing, construction, agricultural and infrastructure sectors. By "Way of Learning, While Doing", youth are trained in 75+ basic skills through real-life projects. Every year we create a confident youth skilled enough to handle self-employment and tertiary level employers.

GSC also focuses on improving the social & economic well-being of children and women in the deprived areas of Wada Taluka. Quality education for rural students is provided through science workshops on the wheels, free coaching classes, and a library facility to support quality education.

Various self-help group courses, skill development courses, and teacher training programmes are organised to support rural women's development.

Vishwani-dam Public Charitable Trust, Rajkot

Funded setting up of hall from natural resources for education and skill development of children/ students/teachers from schools, colleges and NGOs.

Sister Nivedita Foundation, Rajkot

Through the foundation, we provided scholarships to economically challenged rural girl students. Organised reading workshops to raise awareness on environmental protection, health care and education for students through School On Wheels (SOW).

Anganwadi building at Manekpur Village, Valsad

Undertook complete construction of Anganwadi building of 1,000+ Sq.ft area at Manekpur Village, Dist. Valsad. Through Anganwadi, APAR will support pre-schooling education, supplementary nutrition, health check-up etc., to the little kids of the village. We undertook this project under the Integrated Child Development Services (ICDS) Scheme, which is one of the flagship programmes of the Government of India.

Covid Treatment Centers in Maharashtra and Gujarat

During the year, APAR contributed to the renovation & modernisation of health institutions, infrastructure equipment and increased bed capacity to fight against COVID -19 Pandemic. 2 Major covid treatment centres were established at Umbergaon Primary Health Centre and at Vidarbha Relief Society, Nagpur.

MAKING THIS WORLD A BETTER PLACE

We understand that the well-being of Mother Earth depends on the preservation and sustenance of the environment. The Covid-19 pandemic has been a reminder for us all to act with urgency.

At APAR, we have always believed in working in harmony with our environment and take conscious efforts to reduce the impact of our business on the society and environment. Accordingly, we have been addressing Environmental, Social and Governance (ESG) aspects for years. We have also been setting our sustainable development goals in line with the United Nations Sustainable Development Goals (UN-SDGs).

For the first time in FY 2021 we compiled a comprehensive summary that outlines our progress and opportunities. **Click here** to view our ESG report for FY 2021.

In one of the CRISIL's ESG rating report released recently, we are ranked 3rd among industrial sector for our ESG initiatives in FY 2021. We are committed to further improve our rating and responsibility year on year.

This year in FY 2022, 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. All these initiatives were presented to management at APAR's first-ever Sustainability Summit held on 5th May, 2022 at our corporate office in Mumbai. The report will be released soon and will be available at - https://apar.com/apar-esg-report/

APAR
Tomorrow's solutions today

ESG champions at APAR's first-ever sustainability summit

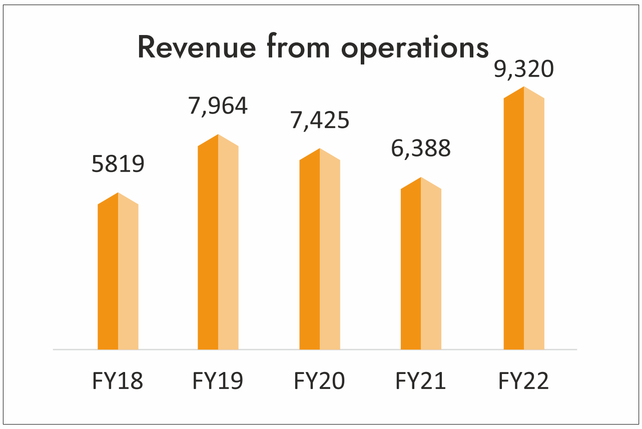
Steady steps towards zero carbon neutrality

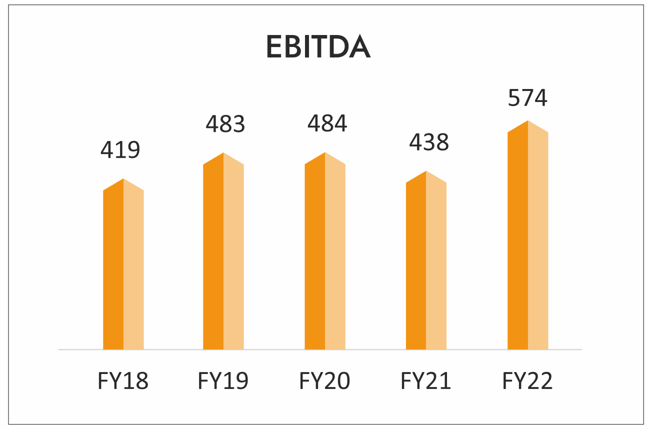
Zero liquid discharge facility

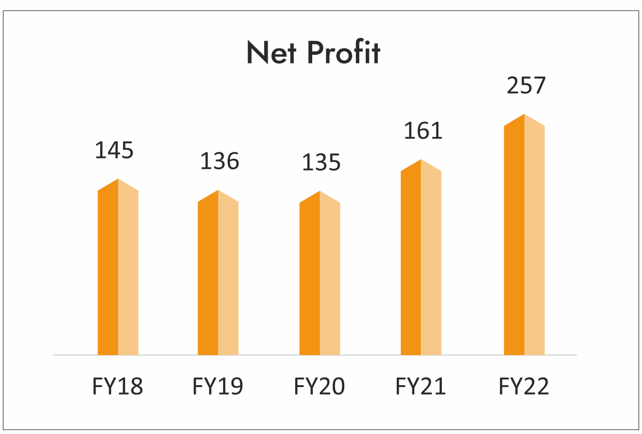
Work life balance

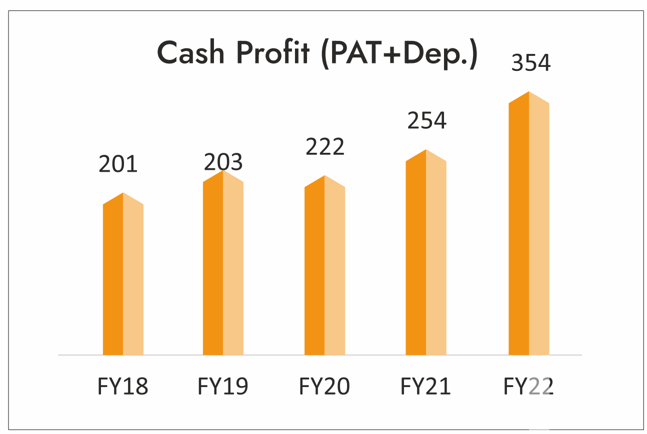
CONTINUOUSLY IMPROVING **FINANCIAL METRICS**

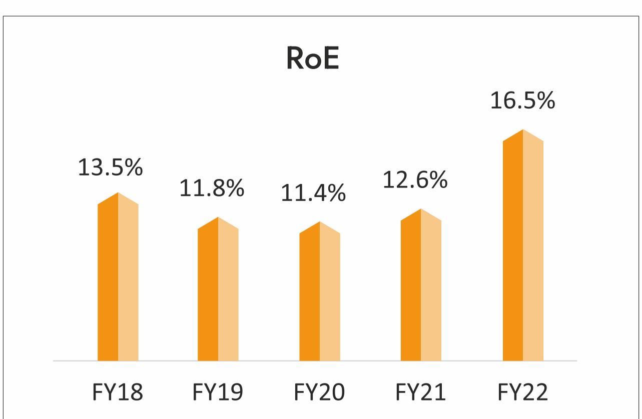
Consolidated financials, in ₹ crore

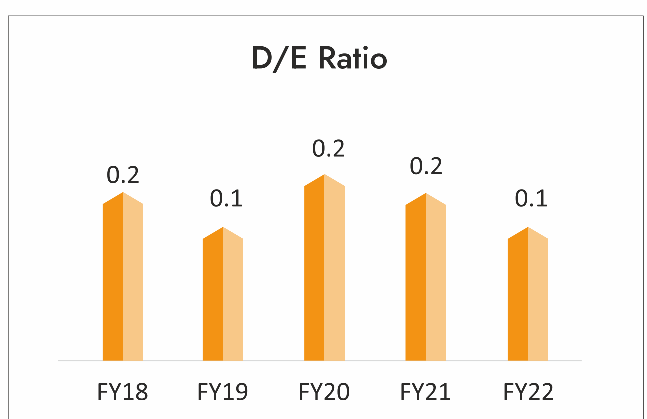












Corporate Information

BOARD OF DIRECTORS

Mr. Kushal N. Desai	Chairman & Managing Director (Executive)
Mrs. Nina Kapasi	Independent Director (Non Executive)
Mr. F. B. Virani	Independent Director (Non Executive)
Mr. C. N. Desai	Managing Director (Executive)
Mr. Rajesh Sehgal	Independent Director (Non Executive)
Mr. Rishabh K. Desai	Non Executive and Non Independent Director
Mr. Kaushal J. Sampat	Independent Director (Non Executive) w.e.f. January 31, 2022.

BOARD COMMITTEES

Audit Committee	Corporate Social Responsibility Committee	Nomination and Compensation-cum-Remuneration Committee	Share Transfer & Shareholders Grievance-cum-Stakeholders Relationship Committee	Risk Management Committee
Mrs. Nina Kapasi - Chairperson	Mr. Kushal N. Desai – Chairman	Mr. Rajesh Sehgal – Chairman	Mr. F. B. Virani - Chairman	Mr. Kushal N. Desai – Chairman
Mr. F. B. Virani	Mr. F. B. Virani	Mr. F. B. Virani	Mr. Kushal N. Desai	Mr. Chaitanya N. Desai
Mr. Rajesh Sehgal	Mr. Chaitanya N. Desai	Mrs. Nina Kapasi	Mr. Chaitanya N. Desai	Mr. Rajesh Sehgal
Mr. Kushal N. Desai				Mrs. Nina Kapasi
				Mr. Kaushal J. Sampat w.e.f. February 1, 2022
				Other Committee Members from the Management.

STATUTORY AUDITORS

M/s. C N K & Associate LLP
Chartered Accountants, Mumbai.

CHIEF FINANCIAL OFFICER

Mr. V. C. Diwadkar – Upto February 2, 2022
Mr. Ramesh Seshan Iyer – w.e.f. February 3, 2022

COMPANY SECRETARY

Mr. Sanjaya Kunder

BANKERS

- Union Bank of India
- IDBI Bank Limited
- IDFC Bank Limited
- Credit Agricole – Corporate & Investment Bank
- RBL Bank Ltd.
- Emirates NBD Bank (P.J.S.C)
- Canara Bank
- ICICI Bank Ltd.
- Axis Bank Ltd.
- YES Bank Limited
- DBS Bank Ltd.
- Kotak Mahindra Bank Ltd.
- State Bank of India
- Bank of India
- Societe Generale
- Indusind Bank Ltd.

REGISTERED OFFICE

301, Panorama Complex,
R. C. Dutt Road, Vadodara,
- 390 007 (Gujarat), India.
Tel: (+91) (0265) 2339906,
E-mail: com.sec@apar.com
Website: www.apar.com
CIN: L91110GJ1989PLC012802

CORPORATE OFFICE

APAR House, Bldg. No. 5, Corporate Park,
Sion – Trombay Road, Chembur,
Mumbai – 400 071 (Maharashtra), India.
Tel: (+91) (022) 25263400, 67800400
Fax: (+91) (022) 25246326
E-mail: corporate@apar.com
Website: www.apar.com

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Private Limited
B-102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char Rasta,
Akota, Vadodara – 390 020, Gujarat, India.
Tel: (+91) (0265) 2356573, 2356794, 6136000, 6136001
Tele Fax: (+91) (0265) 2356791
E-mail: vadodara@linkintime.co.in
Website: www.linkintime.co.in
CIN: U67190MH1999PTC118368

Financial Highlights for last five years (Consolidated)

(₹ in crore)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
PROFIT AND LOSS ACCOUNT DATA:					
Revenue from Operations	9,320	6,388	7,425	7,964	5,819
% of Growth	46	(14)	(7)	37	20
Exports	3,608	2,558	2,469	2,443	2,023
Materials, Operating and other costs	8,600	5,812	6,790	7,351	5,288
Employee cost	172	160	169	148	126
Depreciation	98	93	87	67	56
Finance Cost	141	136	228	200	140
Profit before tax, exceptional & Extraordinary Items	342	208	169	216	223
% of Growth	64	23	(22)	(3)	(19)
Taxation	85	48	34	80	78
Profit after tax (PAT)	257	161	135	136	145
Exceptional items	-	-	-	-	-
Other Comprehensive Income	95	82	(83)	2	(27)
Joint Venture profit/(loss)	0	(0)	-	-	-
Minority Interest (Profit)/loss	-	-	-	-	-
Balance of Profit	352	243	52	138	118
% of Growth	45	370	(63)	17	(40)
BALANCE SHEET DATA:-					
Share Capital	38	38	38	38	38
Reserves & Surplus	1,677	1,361	1,118	1,164	1,070
Net worth	1,715	1,400	1,157	1,202	1,108
Minority interest	-	-	-	-	(0)
Loan Funds	253	264	317	253	273
Defferred Tax (Net)	52	20	1	40	35
Total Liabilities	**2,020**	**1,684**	**1,475**	**1,496**	**1,416**
Net Block	920	907	939	810	663
Investments including Goodwill on Consolidation/amalgamation	0	0	-	2	5
Net Current assets	1,101	777	535	684	748
Miscellaneous Expenditure (to the extent not written off or adjusted)					
Total Assets	**2,020**	**1,684**	**1,475**	**1,496**	**1,416**
KEY RATIOS:					
PAT to Sales (%)	2.75	2.51	1.82	1.71	2.49
Return on Net Worth (%)	16.48	12.56	11.46	11.78	13.50
Asset Turns (Revenue to total Assets)	1.61	1.33	1.54	1.72	1.51
Return on Capital Employed (%)	18.92	13.80	12.23	15.92	16.73
Debt to Equity Ratio	0.15	0.17	0.19	0.14	0.17
Earning per Equity Share (Basic) ₹	67.09	41.94	35.32	35.55	37.82
Rate of dividend % p.a.	150%	95%	95%	95%	95%
Book value per Equity Share ₹	448.20	365.71	302.27	314.19	289.59
Share Price as on 31st March (BSE)	650.40	474.15	287.75	674.05	728.00

APAR
Tomorrow's solutions today

NOTICE

NOTICE is hereby given that the **33rd (Thirty-Third)** Annual General Meeting **(AGM)** of the Equity Shareholders of **APAR INDUSTRIES LIMITED** ('the Company') will be held on **Friday, August 12, 2022 at 2:30 P.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")** to transact the following business:

Ordinary Business:

1. To receive, consider and adopt:
   a. the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and
   b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Auditors thereon.

2. To declare dividend at the rate of ₹15/- (150%) per Equity Share of face Value of ₹10/- each, fully paid up, for the financial year 2021-22.

3. To appoint a Director in place of Mr. Kushal N. Desai (DIN: 00008084), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

4. **Re-appointment of Mr. Rajesh Sehgal (DIN: 00048482) as Independent Director (Non-Executive) of the Company.**

   To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rajesh Sehgal (DIN: 00048482), who was appointed as an Independent Director (Non Executive) of the Company and who holds office as an Independent Director upto August 12, 2022 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, being eligible, be and is hereby re-appointed as an Independent Director (Non-Executive) of the Company, not liable to retire by rotation and to hold office for second term of upto 5 (five) consecutive years, with effect from August 12, 2022 to August 11, 2027.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **Re-appointment of Mr. Kushal N. Desai (DIN - 00008084) as Managing Director and Chief Executive Officer of the Company for a further period of 5 years with effect from January 1, 2023 to December 31, 2027 (both days inclusive).**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Section 152, 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 ('the Act"), if any, read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Act and the Articles of Association of the Company and as approved and recommended by the Nomination and Compensation-cum-Remuneration Committee and by the Board of Directors of the Company and subject to such other approvals, permissions and sanctions including from Central Government, if any, as may be required, **Mr. Kushal N. Desai (DIN - 00008084)** be and is hereby re-appointed as Managing Director and Chief Executive Officer (CEO) of the Company to act as such, for a further period of five years from January 1, 2023 to December 31, 2027 (both days inclusive), liable to retire by rotation, with substantial powers of management as of a Managing Director, as defined under Section 2(54) of the said Act, but subject to the superintendence, direction and control of the Board of Directors of the Company; on same terms as to salary, perquisites and commission as laid down below with power to the Board of Directors / Committee authorised by the Board to vary, alter or determine the remuneration, terms of appointment thereon, from time to time:

1. **Salary:**

   ₹7,50,257/- per month effective from January 1, 2023 with annual increase of 10% each following year calculated on salary previously drawn.

2. **Perquisites:**

   In addition to the above salary, he will be entitled to the following perquisites.

   Unless the context otherwise requires, perquisites are classified into three categories as follows:-

Category "A"

(i) House Rent Allowance upto 100 % of basic salary in lieu of housing accommodation or Unfurnished residential accommodation, expenditure for taxes, levies, repairs, maintenance, society charges, security charges etc. incurred by the Company as tenant of the residential premises hired by the Company and provided to the director.

(ii) The Company will pay for utilities like power, gas, water, staff, etc. used / availed by the said director at his residence, as may be permissible under law from time to time.

(iii) The Company shall give / provide, leave travel assistance for self and family, medical reimbursement for self and family, club fees, personal accident insurance, and any other allowance or reimbursement as may be agreed upon between the Director and the Company, from time to time.

Provided that the above perquisites shall be valued as per the Income-tax norms / rules, wherever applicable. In the absence of any such rules, the perquisites and allowances shall be evaluated at actual cost.

Category "B"

(i) Contribution to provident fund in accordance with the rules of the Company to the extent that these are not taxable under the Income Tax Act, 1961.

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service as per the Company's rules at the end of the tenure.

(iii) Encashment of unutilised leave as per Company's rules.

However, the above will not be included in the computation of ceiling on remuneration as specified in Section II and Section III of Schedule V of the Companies Act, 2013.

Category "C"

Motor Vehicle with driver for use on Company's business and telephone / mobile phones / other communication facility at residence will not be considered as perquisites.

In accordance with the provisions of Section 192(1A) read with Section 17 of the Income Tax Act, 1961, the Company shall bear and pay due income tax at applicable rates on the perquisite value as per the Income Tax Act / Rules in respect of non-monetary perquisites provided to the above Director.

3. Commission:

   In addition to the above salary and perquisites, he shall also be entitled to annually receive Commission upto 1 % of Net Profit of the Company in a particular financial year as may be determined under the provisions of Section 198 and other applicable provisions of the Act and be paid such commission pursuant to the recommendation of Nomination and Compensation-cum-Remuneration Committee of Directors of the Company.

   Provided the aggregate amount of remuneration covering basic salary, perquisites, and commission payable to the said director and in aggregate to all such Directors should not exceed the prescribed percentages of the Net Profit of the Company in each year as provided under Section 197 read with Schedule V of the Companies Act, 2013 as may be in force from time to time.

   RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any financial year during the currency of tenure, he shall be paid remuneration by way of salary, perquisites and other allowances as specified above as Minimum Remuneration restricted, however, to the ceiling specified in the amended Section II of Part II of Schedule V of the Act as may be in force from time to time or alternatively, pay remuneration by way of salary, perquisites and other allowances subject to the approval of the Central Government exceeding the ceiling limits prescribed in the amended Section II of Part II of Schedule V of the Act.

   RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company, be and are, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. **Re-appointment of Mr. Chaitanya N. Desai (DIN - 00008091) as Managing Director of the Company for a further period of 5 years with effect from January 1, 2023 to December 31, 2027 (both days inclusive).**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** in accordance with the provisions of Section 152, 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 ('the Act"), if any, read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Act and the Articles of Association of the Company and as approved and recommended by the Nomination and Compensation-cum-Remuneration Committee and by the Board of Directors of the Company and subject to such other approvals, permissions and sanctions, including from Central Government, if any, **Mr. Chaitanya N. Desai (DIN - 00008091)** be and is hereby re-appointed as Managing Director of the Company to act as such, for a further period of five years from January 1, 2023 to December 31, 2027 (both days inclusive), liable to retire by rotation, with substantial powers of management as of a Managing Director, as defined under Section 2(54) of the said Act, but subject to the superintendence, direction and control of the Board of Directors of the Company; on same terms as to salary, perquisites and commission as laid down below with power to the Board of Directors / Committee authorised by the Board to vary, alter or determine the remuneration, terms of appointment thereon, from time to time :

   1. Salary:

      ₹7,50,257/- per month effective from January 1, 2023 with annual increase of 10% each following year calculated on salary previously drawn.

   2. Perquisites:

      In addition to the above salary, he will be entitled to the following perquisites.

      Unless the context otherwise requires, perquisites are classified into three categories as follows:-

   Category "A"

   (i) House Rent Allowance upto 100 % of basic salary in lieu of housing accommodation or Unfurnished residential accommodation, expenditure for taxes, levies, repairs, maintenance, society charges, security charges etc. incurred by the Company as tenant of the residential premises hired by the Company and provided to the director.

(ii) The Company will pay for utilities like power, gas, water, staff, etc. used / availed by the said director at his residence, as may be permissible under law from time to time.

(iii) The Company shall give / provide, leave travel assistance for self and family, medical reimbursement for self and family, club fees, personal accident insurance, and any other allowance or reimbursement as may be agreed upon between the Director and the Company, from time to time.
Provided that the above perquisites shall be valued as per the Income-tax norms / rules, wherever applicable. In the absence of any such rules, the perquisites and allowances shall be evaluated at actual cost.

Category "B"

(a) Contribution to provident fund in accordance with the rules of the Company to the extent that these are not taxable under the Income Tax Act, 1961.

(b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service as per the Company's rules at the end of the tenure.

(c) Encashment of unutilised leave as per Company's rules.

However, the above will not be included in the computation of ceiling on remuneration as specified in Section II and Section III of Schedule V of the Companies Act, 2013.

Category "C"

Motor Vehicle with driver for use on Company's business and telephone / mobile phones / other communication facility at residence will not be considered as perquisites.

In accordance with the provisions of Section 192(1A) read with Section 17 of the Income Tax Act, 1961, the Company shall bear and pay due income tax at applicable rates on the perquisite value as per the Income Tax Act / Rules in respect of non-monetary perquisites provided to the above Director.

3. Commission:

In addition to the above salary and perquisites, he shall also be entitled to annually receive Commission upto 1 % of Net Profit of the Company in a particular financial year as may be determined under the provisions of Section 198 and other applicable provisions of the Act and be paid such commission pursuant to the recommendation of Nomination and Compensation-cum-Remuneration Committee of Directors of the Company.

Provided the aggregate amount of remuneration covering basic salary, perquisites, and commission payable to the said director and in aggregate to all such Directors should not exceed the prescribed percentages of the Net Profit of the Company in each year as provided under Section 197 read with Schedule V of the Companies Act, 2013 as may be in force from time to time.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any financial year during the currency of tenure, he shall be paid remuneration by way of salary, perquisites and other allowances as specified above as Minimum Remuneration restricted, however, to the ceiling specified in the amended Section II of Part II of Schedule V of the Act as may be in force from time to time or alternatively, pay remuneration by way of salary, perquisites and other allowances subject to the approval of the Central Government exceeding the ceiling limits prescribed in the amended Section II of Part II of Schedule V of the Act.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company, be and are, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

7. **Payment of remuneration to the Cost Auditors of the Company for the FY 2022-23.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Rahul Ganesh Dugal & Co., a Proprietary Firm of Cost Accountant, the Cost Auditor having Firm Registration no. 103425 and Membership no. 36459, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, be paid remuneration not exceeding ₹1,20,000/- (Rupees One Lakh Twenty Thousand Only).

FURTHER RESOLVED THAT any of the Directors or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Registered Office:
301, Panorama Complex,
R. C. Dutt Road,
Vadodara 390 007, Gujarat, India.
CIN: L91110GJ1989PLC012802
Website: www.apar.com
E-mail: com.sec@apar.com
Tel.: (+91) (0265) 2339906
Place: Mumbai
Date: May 27, 2022.

By Order of the Board
For APAR Industries Limited

Sanjaya Kunder
Company Secretary

NOTES

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 5, 2022 (collectively referred to as **"MCA Circulars"**) and Securities and Exchange Board of India (**'SEBI'**) vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as **"SEBI Circulars"**), have permitted the holding of AGM through Video Conferencing (**"VC"**) or Other Audio-Visual Means (**"OAVM"**), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (**"Act"**), amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) and MCA Circulars, the AGM of the Company will be held through VC / OAVM. The venue of the meeting shall be deemed to be the Registered Office of the Company situated at 301, Panorama Complex, R. C. Dutt Road, Vadodara – 390007, Gujarat, India.

2. The Explanatory Statement pursuant to Section 102(1) of the Act with respect to the Ordinary/ Special Business to be transacted at the meeting set out in the Notice is annexed hereto. The brief details of the persons seeking appointment/ re-appointment as Director as required under Regulation 36(3) of Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India (ICSI) as approved by the Central Government, is also annexed to this Notice.

3. Since this AGM is being held through VC/ OAVM, pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. Members of the Company under the category of Institutional Investors / Corporate Members are encouraged to attend and vote at the AGM through VC. The said Members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company at its registered email address to com.sec@apar.com or upload on the VC portal / e-Voting portal.

5. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

6. The Company has fixed Friday, August 05, 2022 as Cut-off-date (Record Date) for determining entitlement for remote e-Voting as well as e-Voting of shareholders holding shares in physical or dematerialized form.

7. The Register of Members and Share Transfer Books for the Equity Shares of the Company shall remain closed from Saturday, August 06, 2022 to Friday, August 12, 2022 both days inclusive, in connection with the AGM and for the purpose of payment of dividend, if declared / approved at the Meeting.

   The dividend of ₹15/- per fully paid-up equity share of ₹10/- each, if approved by the Members at the AGM, will be paid subject to the deduction of income-tax at source ('TDS').

8. Members holding shares in electronic form may note that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agent, Link Intime India Private Limited (Registrar), cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant (DP) of the members with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Registrar.

9. Members are requested to note that the Company's equity shares are under compulsory demat trading for all class of investors, as per the provisions of the SEBI Circular dated May 29, 2000. Members are therefore advised in their own interest to dematerialise their physical shareholding to avoid inconvenience and for better servicing by the Company.

10. As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 requests for effecting transfer of physical securities shall not be processed from April 1, 2019. Further as per amended Listing Regulation dtd. January 24, 2022, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Provided further that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. With the said changes coming into effect, Equity Shares of the Company shall be eligible for transfer only in Dematerialized form. Therefore, the Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

11. Members holding shares in physical form, in indentical order of names, in more than one folio are requested to send to the Company or RTA of the Company, the details of such folios together with share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Request for consolidation of share certificates shall be processed in dematerialized form.

12. Members desirous of obtaining information/ details about the Financial Statements, are requested to write to the Company at least one week before the meeting, so that proper information can be made available at the time of meeting. The Members desirous of inspection of documents may write to the Company through E-mail and the same shall be sent to them electronically.

13. **Unclaimed / Unpaid Dividend:** Pursuant to the provisions of Section 124 and 125 of the Act and other relevant provisions of

the Act, the dividend which remains unpaid / unclaimed from the date of transfer to the unpaid/unclaimed dividend account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. The unclaimed dividend for the financial year 2014-15 and all subsequent years must be claimed as early as possible failing which, it would be transferred to IEPF as per the (tentative) dates mentioned herein below:

Financial Year	Date of Declaration of Dividend	Due date for transfer to IEPF
2014-15	07.08.2015	11.09.2022
2015-16	16.03.2016	21.04.2023
2016-17	09.08.2017	13.09.2024
2017-18	09.08.2018	13.09.2025
2018-19	08.08.2019	12.09.2026
2019-20	28.02.2020	04.04.2027
2020-21	13.08.2021	17.10.2028

Members who have not yet encashed their dividend warrant(s) are requested to make their claims to the Company without further delay. Members are further requested to note that unpaid/ unclaimed dividend for the year 2013-14 (Final Dividend) has been transferred to IEPF on 22nd September, 2021.

Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2021, on the website of the Company (www.apar.com).

Further, pursuant to the provisions of Section 124(5) and Section 124(6) of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, all shares, on which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred to the demat account of the IEPF authority.

The Company has accordingly, transferred –

(1) 47,962 Equity Shares of the shareholders whose dividend had remained outstanding for a period of 7 years from 2009-10 to 2015-16, on December 28, 2017,

(2) 6,520 Equity Shares of the shareholders whose dividend had remained outstanding for a period of 7 years from 2010-11 to 2016-17, on November 16, 2018,

(3) 28,787 Equity Shares of the shareholders whose dividend had remained outstanding for a period of 7 years from 2011-12 to 2017-18, on January 14, 2020,

(4) 6,370 Equity Shares of the shareholders whose dividend had remained outstanding for a period of 7 years from 2012-13 to 2018-19, on October 9, 2020, and

(5) 8,601 Equity Shares of the shareholders whose dividend had remained outstanding for a period of 7 years from 2013-14 to 2019-20, on 5th and 8th October, 2021.

to IEPF. Details of shares transferred to IEPF Authority are available on the website of the Company which can be accessed through the following link: https://apar.com/investor/

The Members / claimants whose shares, unclaimed dividend have been transferred to the Fund may claim the shares/ dividend or apply for refund by making an application to IEPF Authority in Web Form IEPF 5 (available on iepf.gov.in).

Further, the Company has transferred an amount of ₹30,542/- (belonging to 442 equity shareholders) to IEPF on March 30, 2022 pertaining to Unpaid / Unclaimed Sale proceeds of Fractional Bonus Shares for the Financial Year 2007-2008, which were remained unclaimed / unpaid for a period of Seven years.

It is in the interest of Members to claim any un-encashed dividends and for future, opt for National Automated Clearing House (NACH), so that dividends paid by the Company are credited to the investor's account on time.

14. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their self-attested PAN to their DP(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their self-attested PAN details to the Company / Registrar along with form ISR-1.

15. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH - 13 with Registrar. In respect of shares held in demat form, the nomination form may be filed with the respective DP. As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 a common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nominations with various forms are made available at the Company's website at https://apar.com/wp-content/uploads/2022/02/SEBI_Cir._dtd._03.11.2021,_14.12.2021_and_25.01.2022-Various_Forms_for_KYC.pdf for easy access.

16. (a) As stated in Para No. 7 of the Directors' Report, the Company has not attached the Annual Financial Statement, Reports and other Statements in respect of its four Subsidiaries and Associate Company with the Annual Report of the Company for the financial year ended March 31, 2022.

(b) A Statement showing information in aggregate of the said subsidiary Companies and Associate Company in compliance with the provisions of Section 129(3) of the Act has been attached with the financial statements in Form AOC-1 and forms a part of this Annual Report.

17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 13, 2022, printing and despatch of physical Annual Reports of 2021-22 to the shareholders has been dispensed with. Hence the Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any member has requested for a physical copy of the same. Members may note that the Notice and Annual

Report 2021-22 will also be available on the Company's website www.apar.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.

Members holding shares in electronic mode are, therefore, requested to ensure to keep their email addresses updated with the DP(s). Shareholders / Members can register their email address, by sending an Email at investor.services@apar.com by quoting their Folio No. / DP ID – Client ID in order to facilitate the Company to serve the documents through the electronic mode.

Alternatively, the Members of the Company can update their e-mail address, Mobile No., PAN and Bank Details on the link given below:

https://www.linkintime.co.in/EmailReg/Email_Register.html

18. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

    a. For shares held in electronic form: to their Depository Participants (DPs)

    b. For shares held in physical form: to the Company / Registrar and Transfer Agent of the Company in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022.

    The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to aforesaid SEBI Circulars in Form ISR-1 and other Forms. These Forms are also available on the website of the Company at https://apar.com/wp-content/uploads/2022/02/SEBI_Cir._dtd._03.11.2021,_14.12.2021_and_25.01.2022-Various_Forms_for_KYC.pdf Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR–1 and other Forms, if any.

19. **CDSL e-Voting System – For Remote e-Voting and e-Voting during AGM**

    1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 5, 2022 (MCA Circulars). The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

    2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.

    3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Compensation - Cum - Remuneration Committee, Share Transfer & Shareholders Grievance - Cum - Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

    4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

    5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 10.00 Hrs. of Monday, August 08, 2022 and ends on 17.00 Hrs. of Thursday, August 11, 2022. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, August 05, 2022 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-Voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) · Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. · If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii)Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv)You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi)There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz.; com.sec@apar.com (designated email address of the Company), if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, demat account number/folio number, mobile number to the company at com.sec@apar.com from Monday, August 08, 2022 to Wednesday, August 10, 2022. The shareholders who do not wish to speak during the AGM but have queries may send their queries at least one week in advance prior to the date of AGM mentioning their name, demat account number/folio number, email id, mobile number at com.sec@apar.com. These queries will be replied by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager (CDSL), Central Depository Services (India) Limited, 'A' Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

20. Other Instructions:

(i) The remote e-Voting facility will be available during the following voting period:

Commencement of e-Voting	From 10:00 Hrs. of Monday, August 08, 2022
End of e-Voting period	Upto 17:00 Hrs. of Thursday, August 11, 2022

E-Voting shall not be allowed beyond 17.00 Hrs of Thursday, August 11, 2022. The e-Voting module shall be disabled by CDSL for voting thereafter. During the e-Voting period, shareholders of the Company holding shares either in physical form or in dematerialised form, as on the Cut-off-Date i.e. Friday, August 05, 2022, may cast their votes electronically. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, August 05, 2022.

(ii) Mr. Hemang M. Mehta, Proprietor of M/s. H. M. Mehta & Associates, Practicing Company Secretaries, Vadodara, Gujarat (Membership No. FCS - 4965 & Certificate of Practice No. 2554) has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and e-Voting during the AGM in a fair and transparent manner.

(iii) The Scrutinizer shall after the conclusion of e-Voting at the AGM, will first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-Voting and shall make, in two working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the e-Voting forthwith.

(iv) The results declared of e-Votings along with the report of the Scrutinizer shall be placed on the website of the Company at www.apar.com and on the website of CDSL e-Voting immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

Registered Office:
301, Panorama Complex, R. C. Dutt Road,
Vadodara – 390 007 (Gujarat), India.
Tel.: 0265 – 2339906
E-mail: com.sec@apar.com
Website: www.apar.com

Registrar and Share Transfer Agent:
Link Intime India Private Limited
B-102 & 103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta,
Akota, Vadodara – 390 020 (Gujarat), India.
Tel.: 0265 – 6136000, 6136001
Tele Fax: 0265 – 2356791
E-mail: vadodara@linkintime.co.in
Website: www.linkintime.co.in

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ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM NO. 4:

The Shareholders of the Company at the 28th Annual General Meeting held on August 9, 2017 had approved the appointment of Mr. Rajesh Sehgal (DIN : 00048482) as Independent Director (Non Executive) of the Company for the first term to hold the office of Independent Director upto the conclusion of 33rd Annual General Meeting of the Company to be held in the calendar year 2022 ("First Term"), pursuant to the provisions of the Companies Act, 2013 (the Act) and Rules framed thereunder read with Schedule IV to the Companies Act, 2013. In terms of the provisions of Section 149 of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), an Independent Director shall be eligible for re-appointment on passing of a special resolution in general meeting by the Company for another term of upto 5 (five) consecutive years.

The Nomination and Compensation-cum-Remuneration Committee (NCRC), based on the various factors viz., the number of board, committee and general meetings attended by Mr. Sehgal; his knowledge, qualification (CFA, USA and PGDBM, India) contribution & experience in his respective fields; his specialized skills and expertise in assisting the Board and its Committees in attaining the objectives of the Company and his participation in the Board/Committee deliberations and his performance evaluation, recommended to the Board, the re-appointment of Mr. Rajesh Sehgal as an Independent Director (Non Executive) for a second term of upto 5 (five) consecutive years, w.e.f. August 12, 2022 to August 11, 2027.

The Board at its meeting held on May 27, 2022, based on the recommendation of the NCRC, have approved the re-appointment (not liable to retire by rotation) of Mr. Rajesh Sehgal as an Independent Director (Non Executive) subject to approval of shareholders of the Company for a second term, by way of passing of the Special Resolution. The Board of Directors states that, given his professional background and experience and contributions made by him during his first term, the re-appointment of Mr. Rajesh Sehgal would be in the interest of the Company and its Shareholders and it is desirable to continue to avail his services as an Independent Director.

Mr. Rajesh Sehgal is not disqualified from being appointed as Director in terms of Section 164 of the Act and any other applicable law prescribed by SEBI or any other authority and have consented to act as an Independent Director of the Company. The Company has also received declaration from him that he meets the criteria of independence as prescribed under Section 149 of the Act and the Listing Regulations.

The Company has received notice in writing under the provisions of Section 160 of the Act from Member proposing the candidature of Mr. Rajesh Sehgal for re-appointment as Independent Director of the Company.

In the opinion of the Board, Mr. Rajesh Sehgal meets the criteria of independence as specified in the Act, the Rules framed thereunder and the Listing Regulations and he is independent of the Management.

Brief details of Mr. Rajesh Sehgal viz. qualification, experience, expertise etc. are provided in the "Annexure" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

Presently, Mr. Rajesh Sehgal is a Member of the Audit Committee and the Risk Management Committee and the Chairman of NCRC of the Board of Directors of the Company.

Copy of draft appointment letter setting out the terms and conditions of his re-appointment is available for inspection by the members electronically. Members seeking to inspect the same can send an email to investor.services@apar.com.

Save and except, Mr. Rajesh Sehgal and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4.

The Board considers that his continued association as Independent Director would be of immense benefit to the Company. Accordingly, the Board recommends the Special Resolution set out in Item No. 4 for approval of the members.

ITEM NOS. 5 & 6:

The agenda item nos. 5 & 6 of the Notice relates to the approval for re-appointment and revision of remuneration and providing facilities to –

a. Mr. Kushal N. Desai (KND) as Managing Director & Chief Executive Officer (CEO) of the Company for a further period of 5 years commencing w.e.f. January 1, 2023 to December 31, 2027 (both days inclusive) and

b. Mr. Chaitanya N. Desai (CND) as Managing Director of the Company for a further period of 5 years i.e. commencing w.e.f. January 1, 2023 to December 31, 2027 (both days inclusive).

   KND and CND were re-appointed as Managing Director & Chief Executive Officer (CEO) and Managing Director respectively of the Company for a period of 5 years from January 1, 2018 to December 31, 2022 (both days inclusive) and accordingly, their present term of office shall come to an end on December 31, 2022.

During the tenure of the said two directors, the Company has:

a. Achieved substantial increase in the production and sales turnover.

b. Improved its financial performance and net profits.

c. Undertaken the expansion of manufacturing facilities of all segments of its businesses successfully.

d. Increased export market for all products of the company.

   Further, both the Managing Directors have steered the Company successfully during these challenging times caused by COVID-19 pandemic which continued to impact the company and the economy as a whole throughout the financial year 2021-22.

Thus, the Company has immensely benefitted from the rich and varied experience, hard work and expertise management of industries by KND and CND, Managing Directors. Hence, for continuous growth of all the divisions of the Company, it would be in the best interest of the Company to re-appoint them for a further period of 5 years w.e.f. January 1, 2023.

Considering the performance of the Company, present business environment and future business scenario, consequent to expansion of business operations and inflation in last five years and their contribution towards the growth and increasing responsibilities and trend in industry, the present remuneration and commission paid to the said Directors needs to be continued with annual increase of 10 % of salary. Presently drawing Salary of KND and CND is ₹6,82,052/- per month. It is, therefore, proposed that whilst re-appointing them for a further term of 5 years, to revise the remuneration as aforesaid which will be within the ceilings prescribed under Schedule V read with Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), which permits a Company having profits in a financial year to pay any remuneration by way of salary, dearness allowance, perquisites and commission which is upto 1 % of Net Profit of the Company in a particular financial year as may be determined under the provisions of Section 198 and other allowances to its managerial persons which in aggregate for all such persons should not exceed the prescribed percentages of the Net Profit of the Company in each year as provided under Section 197 read with Schedule V of the Companies Act, 2013 as may be in force from time to time. However, if the remuneration paid / payable to them exceeds the limits as prescribed under Section 197 read with Schedule V of the Act, necessary approvals of the Central Government and such other authorities as required will be taken by the Company on time to time basis.

Considering the above, on the recommendation of NCRC, the Board at their Meeting held on May 27, 2022 has, subject to the approval of shareholders, re-appointed them with revision in remuneration as detailed in the resolution for a further period of 5 years w.e.f. January 1, 2023.

In terms of Section 190 of the Companies Act, 2013, a copy of the abstract of the material terms of such re-appointment would be available for inspection by any member of the Company at the Registered Office of the Company during any working day between 11.00 Hrs. to 16.00 Hrs.

The Board, therefore, commends the resolutions for approval by the members.

KND, Managing Director & Chief Executive Officer, CND, Managing Director and Mr. Rishabh K. Desai, Non Executive and Non Independent Director being relatives of one another, are concerned and interested in these resolutions. None of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, about the resolutions set out at Item Nos. 5 & 6. The brief details viz. qualifications, experience, expertise etc. of KND and CND, are annexed to this notice.

ITEM NO. 7:

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. Rahul Ganesh Dugal & Co., a Proprietary Firm, who are in Whole Time Practice as Cost Accountant, having Firm Registration no. 103425 and Membership no. 36459 as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2023 (2022-23).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration not exceeding amount of ₹1,20,000/- (Rupees One Lakh Twenty Thousand only) payable to the Cost Auditor for conducting audit of the cost records of Oil, Conductors, Cable and Polymer divisions of the Company for the financial year ending on March 31, 2023 (2022-23).

The Board accordingly, recommends the resolution at Item No. 7 of this Notice for the approval of the Members.

None of Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

By Order of the Board
For APAR Industries Limited

Registered Office:
301, Panorama Complex,
R. C. Dutt Road,
Vadodara 390 007, Gujarat. India.
CIN: L91110GJ1989PLC012802
Website: www.apar.com
E-mail: com.sec@apar.com
Tel.: (+91) (0265) 2339906

Place: Mumbai
Date: May 27, 2022.

Sanjaya Kunder
Company Secretary

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Profile of the directors being re-appointed at the ensuing AGM
(As required under Regulation 36 (3) of the Listing Regulations and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings)

Name of Director	Mr. Kushal N. Desai	Mr. Chaitanya N. Desai	Mr. Rajesh Sehgal
DIN	00008084	00008091	00048482
Date of Birth & Age	21.02.1967 (55 years)	15.07.1971 (50 years)	16.02.1971 (51 years)
Date of Appointment	24.03.1999	29.05.1993	24.04.2017 (First Term)
Education & Qualifications	B.Sc. (Hons.) (Elect. Engg.), USA, B.S. in (Econ.)(Hons), Wharton, USA.	B.Sc.(Hons.),(Chem. Engg.), USA, B.S. in (Econ.)(Hons.), Wharton, USA.	PGDBM and CFA
Brief Resume	Mr. Kushal N. Desai, is Managing Director and Chief Executive Officer and one of the Promoters of APAR Industries Limited (AIL). He holds Bachelor Degree of Science 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. He joined AIL in 1999. Before joining AIL, Mr. Kushal N. Desai was holding senior management positions in General Electric India from 1993 to 1996, including the position of President of GE Lighting Private Limited, now known as GE Lighting (India) Limited. He was also associated with APAR Infotech, a system integration software company, which he co-founded in 1997 and actively worked with, till 2004.	Mr. Chaitanya N. Desai is the Managing Director and one of the Promoters of AIL. He joined AIL in 1993. He is a Chemical Engineer from University of Pennsylvania and a Bachelor of Science in Economics (Hons.) from the Wharton Business School, USA. He started his career in the Polymer Division of AIL which had a technical collaboration with Goodyear Tire & Rubber Company, USA. He turned around this business and ran it successfully for 15 years till it was sold off to a European MNC.	Mr. Rajesh Sehgal, Independent Director (Non Executive) was appointed by the Shareholders vide its meeting dtd. August 9, 2017 to hold office for five consecutive years upto the conclusion of 33rd Annual General Meeting of the Company to be held in the year 2022. He is a Chartered Financial Analyst (CFA, USA) and holds degree in Master of Business Administration in Business Management with specialization in Finance and Marketing, XLRI (India) and Bachelor of Science with specialization in Physics, Mumbai University. He is having expertise in functional areas of Investment and Business Management and specialization in finance & marketing.
Expertise in specific functional areas	Electrical Engineering	Chemical Engineering	Investment / Business Management
Experience	33 years	28 years	28 Years
Directorship held in other Listed Companies as on March 31, 2022.	None	None	None
Chairmanship / Membership of Committee held in other Listed Companies as on March 31, 2022. (along with listed entities from which the person has resigned in the past three years)	None	None	None
Number of Equity Shares held in the Company as on March 31, 2022.	9,208,503 (24.063%)	9,097,432 (23.773%)	4,000 (0.010%)
Skills and capabilities required for the role as an Independent Director	–	–	Technical and professional skills and capabilities to frame strategies and to provide advice and guidance in implementation of Company's various projects, objectives and strategies.

Name of Director	Mr. Kushal N. Desai	Mr. Chaitanya N. Desai	Mr. Rajesh Sehgal
Relationship with other directors and Key Managerial Personnel of APAR Industries Limited	Related to – Mr. Chaitanya N. Desai, (Brother) and Mr. Rishabh K. Desai (son)	Related to – Mr. Kushal N. Desai, (Brother) and Mr. Rishabh K. Desai (Nephew)	Not related to any other Director / Key Managerial Personnel of the Company
Number of Board Meetings attended during the Financial Year 2021 -22.	4	4	4
Terms and Conditions of Appointment / Re-appointment	Details provided under Item No. 5 and 6, in the statement setting out material facts under Section 102 of the Companies Act, 2013, forming part of this AGM Notice.		As per the resolution set out in this Notice read with the Explanatory Statement attached hereto.
Details of remuneration sought to be paid			He shall be paid remuneration by way of fees for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.
Remuneration last drawn by the Director (including sitting fees, if any)	Basic Salary : ₹682,052 per month	Basic Salary : ₹682,052 per month	Sitting fees @ INR 45,000/-, 25,000/- and 12,500/- per meeting of the Board, Audit Committee and other Committee Meetings respectively.
Directorship held in other Companies as on 31.03.2022. (along with listed entities from which the person has resigned in the past three years)	1. APAR Corporation Private Limited 2. Catalis World Private Limited 3. Petroleum Specialities Pte. Ltd., Singapore 4. Maithili Trusteeship Services Private Limited 5. APAR Investments, INC 6. APAR Investments (Singapore) Pte. Ltd. 7. APAR Technologies Pte. Ltd., Singapore 8. Manufacturers of Petroleum Specialties Association 9. Bhakti Nilayam Private Limited 10.Petroleum Specialities FZE, Sharjah 11.APAR Distribution & Logistics Private Limited 12.Nadiad Innvotek Foundation	1. APAR Corporation Private Limited 2. APAR Distribution & Logistics Private Limited 3. Catalis World Private Limited 4. Maithili Trusteeship Services Private Limited	1. VNF Ideas Private Limited

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DIRECTORS' REPORT

Dear Shareholders,

Your Directors take immense pleasure in presenting the 33rd Annual Report of the Company together with the Audited Annual Financial Statements (Standalone and Consolidated) showing the financial position of the Company for the financial year ended March 31, 2022.

1. FINANCIAL PERFORMANCE

The financial performance of your Company for the financial year ended March 31, 2022 is highlighted below: (₹ in crore)

Particulars	Company			Consolidated		
	FY2021-22	FY2020-21	% of Change	FY2021-22	FY2020-21	% of Change
Revenue from Operations	8,595.75	5,960.82	44%	9,319.99	6,388.02	46%
Other income	37.09	22.12	68%	32.49	18.61	75%
Profit for the year before finance cost, depreciation and tax expenses.	537.13	398.81	35%	580.34	437.75	33%
Deducting therefrom:						
- Depreciation / amortisation	86.73	84.87	2%	97.84	93.44	5%
- Finance Costs	134.80	129.24	4%	140.62	136.04	3%
PROFIT BEFORE TAXATION FOR THE YEAR	**315.60**	**184.70**	**71%**	**341.88**	**208.27**	**64%**
Deducting therefrom:						
- Tax expenses	82.00	47.88	71%	85.26	47.77	79%
NET PROFIT FOR THE YEAR AFTER TAXATION AND BEFORE MINORITY INTEREST	233.60	136.82	71%	256.62	160.50	60%
Adjustment of :						
Share in Profit (Loss) of Associate	-	-	-	0.12	(0.00)	-4998%
NET PROFIT AFTER TAXATION AND ABOVE ADJUSTMENTS	**233.60**	**136.82**	**71%**	**256.73**	**160.50**	**60%**
Add: Profit brought forward from previous year	758.93	636.10	19%	853.06	706.52	21%
Amount available for appropriations:						
- Reserves	(24.00)	(14.00)	71%	(24.00)	(13.96)	72%
- Dividend	(36.36)	-	-	(36.36)	-	-
Leaving balance of profit carried to balance sheet	932.17	758.93	23%	1,049.43	853.06	23%
Earnings per equity share (EPS)						
- Basic & Diluted before & after extraordinary items in ₹	61.04	35.75	71%	67.09	41.94	60%

2. INDIAN ACCOUNTING STANDARDS

The Financial Statements for the year ended on March 31, 2022 have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015, prescribed under Section 133 of the Companies Act, 2013 ('the Act') and other recognized accounting practices and policies to the extent applicable.

3. STATE OF COMPANY AFFAIRS

Please refer Para 6 on Management Discussion and Analysis (MDA).

4. DIVIDEND

Pursuant to the Requirements of Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), the Company has formulated its Dividend Distribution Policy, the details of which are available on the Company's website at https://apar.com/wp-content/uploads/2021/02/4.-Policy-on-Dividend-Distribution.pdf

Considering the financial results and the performance of the Company during the year under review, as compared to the previous year, the Board of Directors is pleased to recommend a dividend of ₹15.00 (150 %) per share on 38,268,619 Equity Shares of the face value of ₹10/- each for the Financial Year 2021-2022.

This dividend amounting to ₹57.40 Crores is payable after declaration by Shareholders at the ensuing Annual General Meeting (AGM) and you are requested to declare the same.

5. TRANSFER TO RESERVES

The Company proposes to transfer an amount of ₹24 Crore to the General reserves. An amount of ₹233 Crore is proposed to be retained in the Consolidated Statement of Profit and Loss for FY 2021-22.

6. MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

ECONOMIC OVERVIEW

Global Economy & Outlook

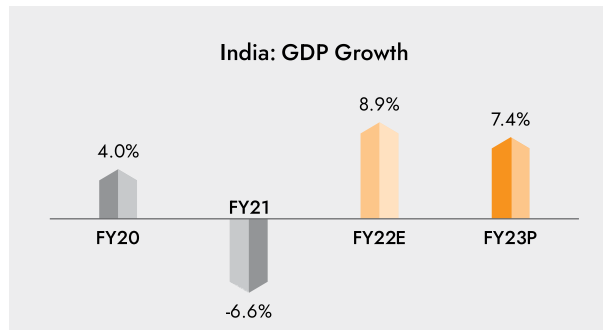
Global economic growth recovered strongly in 2021 to an estimated 6.1% after a 3.3% contraction in 2020. The recovery, however, was not smooth and kept getting decelerated due to continued flare-ups of COVID-19, lag in policy support, and persistent supply-side issues during the year. The tail-end of the year witnessed the start of the ongoing geopolitical tensions that are causing economic fragmentation and rising uncertainty.

Fragmentation and Fragility set to slow growth in 2022

The global economy entered 2022 on a weak note with the spread of the Omicron variant of COVID-19, rising energy prices, and supply disruptions, resulting in higher-than-expected and more broad-based inflation. The war in Ukraine is resulting in an expanding humanitarian crisis, triggering the biggest refugee crisis in Europe since World War II. The economic damage will lead to slower growth in 2022, projected at 3.6%.

Indian Economy & Outlook

However, the Indian economy bounced back from a 6.6% contraction in FY21 and is estimated to grow at 8.9% in FY22. All sectors are expected to surpass pre-pandemic Gross Value Added (GVA) levels in FY22, barring the contact-intensive segments of Trade, Hotels, Transport, Communication & Broadcasting Services.



The Gross Domestic Product (GDP) for FY22 is estimated to grow at 7.4%. However, the overall situation remains volatile, and the outlook uncertain, with risks amplified on the downside. The demand situation is yet to move back to pre-pandemic levels, and any further impact of the volatile global economic situation due to the Ukraine conflict could worsen things. Trade is already being disrupted by a relapse in supply-side constraints, and stress on already high global commodity prices has also aggravated.

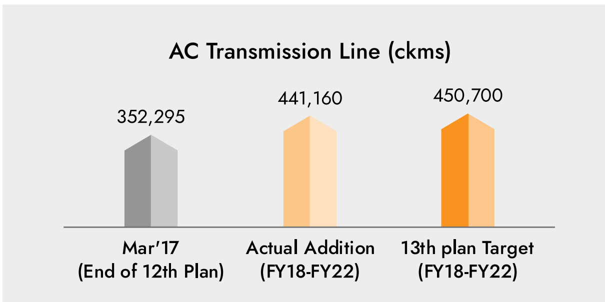
INDUSTRY OVERVIEW

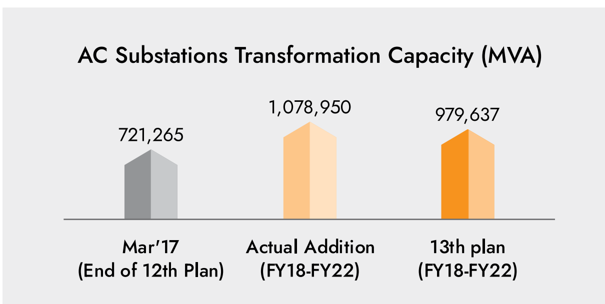
APAR Industries is a leading global manufacturer of conductors, cables, speciality oils, lubricants and polymers. Your Company is well-diversified across industries and segments. Today, APAR Industries targets:

Industries	APAR Products	APAR Advantage
Power T&D and Renewable Energy	Conductors, Cables and Transformer oils (T-oils)	▪ One of the largest global manufacturers of conductors. ▪ 3rd largest manufacturer of transformer oils. ▪ One of the world's largest manufacturers of specialised cables.
Indian Railways	Copper Conductors, XLPE & Elastomeric Cables & Harnesses	▪ One of the India's largest manufacturers of specialised cables and harnesses.
Automotive Sector	Auto Lubes, Automotive Cables	▪ 10^{th} largest domestic player in lubricants ▪ OEM relationships with leading Tier-1 tractor players.
Telecom Industry	Optical Fibre Cables (OFC), Optical Ground Wire (OPGW)	▪ Significant player in both these segments.
Defense Sector	Elastomeric Cables & Speciality Cables	▪ Major supplier of speciality elastomeric cables to the Indian Navy manufacturing establishments and to DRDO.
Exports	38% of revenue contribution in FY22	▪ Exports to over 125 countries. ▪ Al-Hamriyah, Sharjah plant.

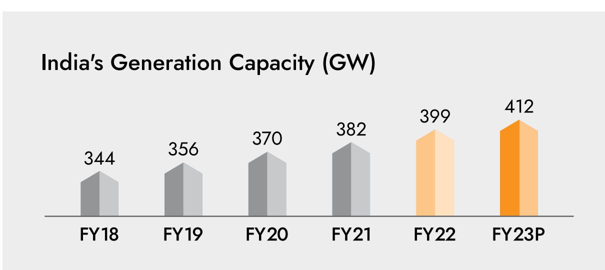
T&D Industry

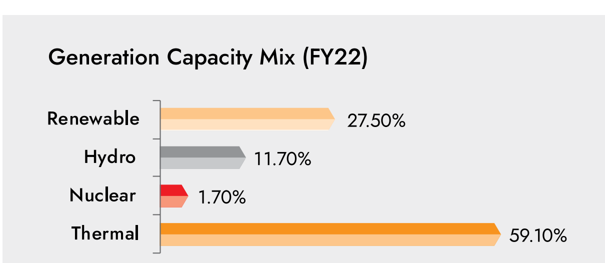
14,895 ckms of transmission lines were added in FY22, down 11% YoY. 78,982 MVA of sub-station transformation capacity was added in FY22, up 37% YoY.





Power Generation and Capacity

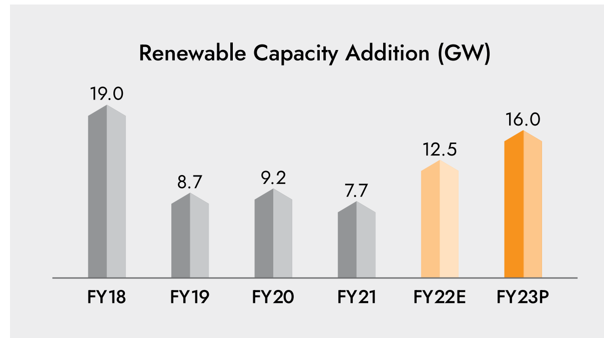




India's installed capacity grew at 3.8% CAGR between FY18-FY22. India's power consumption has been creating records. During FY22, the national peak demand for electricity hit an all-time record of 200.5 GW with 5.5% growth, while demand for electricity grew by around 1% YoY to 1371.7 bn units (BU), led by demand from the industrial sector due to rapid economic recovery, and extreme weather conditions. Investments in the transmission segment are set to rise by ₹4-4.5 trillion over the next five years to support generation additions and push toward rural electrification.

Renewable Energy

The Indian renewable energy segment is expected to grow at a CAGR of more than 10% for the next 5-6 years, driven by rising environmental concerns, and supportive government policies. As part of the Paris Climate Agreement, India has committed installation of 40% of its generation capacity from renewable energy by 2030.



Budget 2022-23 allocation for the Indian Power Sector

- ₹16,074 crore to the Power Ministry, up 4.9% YoY
  - Announced issuance of green bonds for mobilising green infra to reduce carbon intensity.
- ₹6,900 crore outlay to Ministry of New and Renewable Energy (MNRE), down by 10.2 % over FY21 (Revised Estimates)
  - Green energy corridors at ₹300 crore, unchanged.
  - Wind power (grid interactive + off-grid) at ₹1,102 crore, down 5.5% YoY.
  - Solar power (total) at ₹5,205 crore, up 55% YoY.

Indian Railways Industry

Indian Railways achieved the highest electrification of sections in FY22, covering 6,366 rkms, up 5.8% YoY. It has now electrified 52,247 rkms or 80.2% of the total broad-gauge network. After a slowdown in production in FY21, Indian Railways bumped up production with the addition of 1,110 electric locomotives and 8,115 coaches in FY22.

Indian Railways Industry Outlook:

With the focus on 'PM Gati Shakti', the capex of Indian Railways is set to be the highest ever, a record ₹2.45 tn for 2022-23, up by 14% YoY. In addition to integrating the Postal and Railway networks for seamless transportation of parcels, Railways is planning to build new offerings and logistic services for Small and Medium Enterprises (SMEs) and farmers.

Railways has revised upwards the production of new coaches by 878 units to 8,429 units for FY23. As part of the multi-prolonged approach to be a net-zero carbon emitter by 2030, solar panels are to be installed on the rooftops of all narrow-gauge trains and 33,000 kms is to be electrified till FY23. Under the 'Atmanirbhar Bharat' initiative, Railways will bring 2,000 kms of rail network under 'Kavach', the indigenously developed world-class technology for safety and capacity augmentation. 400 NewGen Vande Bharat trains will be developed in the next three years, along with 100 PM Gati Shakti Cargo terminals for multimodal logistics facilities.

Automotive Industry

Domestic tractor demand is estimated to drop by 7-9% YoY in FY22 after reaching a peak with 27% YoY growth in FY21. The government announced the development of a battery-swapping policy to further develop special mobility zones for Electric Vehicles (EVs).

Automotive Industry Outlook:

Higher inventory levels, lower replacement demand and negative retail sentiments due to higher retail prices are expected to hamper demand in H1FY23. Price hikes to the tune of 2-4% are expected to be taken by OEMs in Q1FY23 to counter rising commodity inflation and high base impact in Q1FY23, which are expected to further dampen sales prospects in H1FY23. Demand in H2FY23 is expected to pick up during the festival season coupled with an uptick in replacement sales, which will be postponed from Q1FY23 to Q3FY23 due to the ongoing negative trends. Budget FY23 allocated ₹2,908 crore, up 3.6x to the Faster Adoption and Manufacturing of Hybrid and Electric Vehicle (FAME India, Phase II) scheme to provide clean mobility solutions.

Telecom Industry

Network capex in FY22 remained healthy with the strengthening of fibre footprint and expansion of 4G sites. The Production-Linked Incentive (PLI) scheme, with an outlay of ₹12,195 crore, became effective in FY22 to support manufacturing of telecom and networking products. BBNL invited a global tender for the development of BharatNet through the Public-Private Partnership (PPP) mode across 16 states.

Telecom Industry Outlook: Contracts for laying optical fibre in villages, including remote areas, will be awarded under the BharatNet project through PPP in FY23. While the majority of expected capex in FY23 of ₹145,000 – 155,000 crore will be driven by regulatory expenses, FY24 will witness network capex to the tune of ₹57,500 – 62,500 crore on account of rollout obligations, investments in expanding 4G sites, strengthening fibre footprint and quality enhancement of services. By 2024, DoT plans 50 lakh kms of optical fibre spread across the country. The investment is to be pepped up in rural areas too, looking at the aggressiveness of players to tap rural customers.

Defence Industry

The ongoing geopolitical tensions, India's stand-off with China and conflict with Pakistan have forced the country to further expand its defence capabilities. The country signed contracts and projects for ₹54,000 crore to locally produce weapons, including tanks, counter-drone systems, etc., to enhance its military capability. The aim is to be self-sufficient with focus on the 'Make in India' initiative. The export of indigenously-produced defence goods has grown more than 4 times to ₹84,300 crore from ₹19,400 crore in 2014-15.

Defence Industry Outlook: The Indian defence industry is expected to grow at a CAGR of 4% for the next 8-9 years. Budget FY22 has allocated ₹5,300 crore, a rise of 10% YoY. 68% of the allocation is earmarked for procurement from indigenous companies. The government targets $2,500 crore worth of defence production by 2025.

Exports

With an export target of $ 80,000 crore in FY23, up 19.5% YoY, the government has rationalised custom duties to promote domestic manufacturing and make prices competitive in the international markets. Export opportunities remain buoyed with multiple tailwinds:

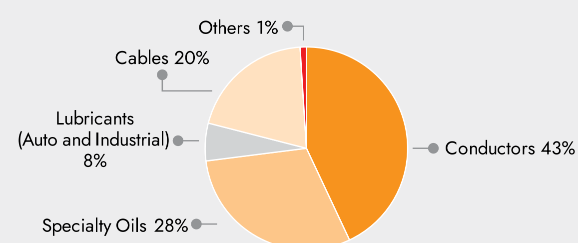
- Driven by electrical grid upgradation and expansion in developing countries, the global transformer oil market is expected to reach $300 crore by 2025, growing at a CAGR of 6.9%.
- By 2026, global renewable electricity capacity is estimated to rise more than 60% from 2020 levels to over 4,800 GW, equivalent to the current total global power capacity of fossil fuels and nuclear combined.
- The United States is rolling out a sweeping plan to overhaul the nation's infrastructure, following Congressional approval in November, 2021 of a historic $1-tn infrastructure investment.
- The 'China Plus One' supply chain diversification strategy is creating rapid opportunities for India.

OVERALL BUSINESS PERFORMANCE

In ₹ Cr	FY17	FY18	FY19	FY20	FY21	FY22
Revenue	4,832	5,819	7,964	7,443	6,410	9,346
EBITDA	433	419	483	484	438	574
PAT	177	145	136	135	161	257
Cash Profit	222	201	203	222	254	354
ROE	19%	13%	12%	11%	13%	17%
D/E	0.11	0.17	0.14	0.19	0.17	0.15

Numbers are as per Ind AS.

FY22 Segmental Revenue-Mix



The Company posted 60% YoY growth in PAT in FY22 despite the unprecedented disruptions caused by the pandemic. Consolidated revenue in FY22 was at ₹9,346 crore, up 46% YoY led by 54% increase in domestic revenue. Export revenue increased 35% YoY, accounting for 38% of FY22 revenues. Consolidated EBITDA was at ₹574 crore up 36% YoY and margin maintained despite elevated freight cost and global inflationary pressure in Aluminium, Copper, Steel, base oils and Packing Materials etc. Speciality oils achieved EBITDA of ₹6,347 per KL in FY22, down 10% YoY from the historically high figure of ₹7,032 per KL in FY21.

SEGMENT-WISE PERFORMANCE

Conductors - One of the largest globally

Your Company is one of the largest global manufacturers of Conductors with 1,80,000 MTPA capacity. ₹343 crore of strategic capex was undertaken over FY16-FY22 to launch several innovative solutions in the space:

From being aluminium conductor company with 90% its revenues coming from standard product lines, the company has successfully embarked on a premiumisation exercise to reinvent it business with the addition of Copper conductors for Railways, Copper Transpose Conductors for transformers, OPGW wires for power & telecommunication, a comprehensive range of high efficiency conductors including turnkey solutions and a range of aluminium alloy rods for special applications. In FY22 49% of revenue comes from these premium products. The globalisation initiative has also resulted in 38% of revenue coming outside of the Indian market.

Revenue for the conductors' segment increased 44% YoY to ₹4,200 crore as domestic revenues increased 78.1% YoY. Export revenues remained flat at FY21 levels due to multiple headwinds round the year, especially freight cost. Exports contributed 38.1% to revenues versus 52.1% in FY21.

In ₹ Crore	*FY22*	*FY21*	*Growth (%)*
Order Book	3,079	*1,649*	87%
Turnover	4,200	*2,908*	44%
Segment Profit/(Loss)	163	*68*	140%
Volume (MT)	1,07,357	*1,28,460*	-16%

- *Higher-value products (High-Efficiency Conductors (HEC) + Copper Conductors + OPGW + Copper Transpose Conductors (CTC)) contribution was at 49% vs. 33% in FY21.*
  - *HEC: Revenue was up 148% YoY.*
  - *Copper conductor for Railways: Revenue was up 103% YoY.*
  - *CTC: Revenue up 120% YoY.*
- *New order inflow of ₹5,409 crore in FY22 was up 123% YoY.*
- *Strong & healthy order book of ₹3,079 crore, up 87% YoY, with 53% share from higher-value products.*

EBITDA per MT after forex adjustment at ₹17,095, up 116% YoY: Your Company witnessed a robust performance with improved margins in most of the product lines. Copper conductor for railways exceeded the targeted volume with healthy margin. Unexpected profitable export opportunities helped to compensate the increased cost of logistics, elevated raw material, cost of steel, fuel and other commodities to a large extent.

Outlook

- Expect the prices of steel and other raw materials to be elevated in H1FY23 in light of increased geopolitical tensions and high inflation rate.
- Your Company has planned capital expenditure to the tune of ₹31 crore, majorly towards de-bottlenecking, capacity/capability enhancement, productivity/cost reduction, and R&D.
- An uptick in the T&D sector, coupled with increased renewable energy projects in the pipeline and fast pace of electrification of railways to become key demand drivers.

Risks and Concerns: International freight costs continue to remain elevated, which can be a factor for the export business of the Company. The ongoing geopolitical tensions have further pushed up the prices of already elevated commodities. A few of the postponed projects may be executed at a loss, sharing the increased freight cost with the clients. Increased competition in the domestic market and high volatility in raw material cost can impact the performance. However, being prudent, your Company uses hedging strategy to mitigate commodity and forex risk. The cyclical nature of the power business has an obvious impact on Your Company's performance. Project delays from customers' side may have an impact. Regional political instability and changes in the external environment in certain export markets may affect execution.

Speciality Oils – All time high volumes and good profitability

Your Company is the 3rd largest global manufacturer of transformer oils and the 10th largest lubricant marketer in India. This puts the Company at an advantage in terms of economies of scale for manufacture and distribution, adding to the premiumisation of the oils business. Your Company invested ₹229 crore during FY16-22 on higher-value products:

FY22 continued as the best performing year for the division:

In ₹ Crore	*FY22*	*FY21*	*Growth (%)*
Turnover	3,560	*2,364*	51%
Segment Profit/(Loss)	268	*266*	1%
Volume (MT)	4,61,589	*3,99,214*	16%

Revenue grew 51% YoY to ₹3,560 crore, driven by 61% YoY growth in exports. This was achieved despite losing competitiveness in many geographies due to high freight rates.

- Exports contribution up at 44% versus 41% in FY21.
- White oil sales volumes up 16.1% YoY, driven by strong growth in exports.
- Transformer oil volumes up 9.6% YoY. Lower demand and poor financial health of discoms affected the volumes.
- Revenue from lubricants up 28% YoY at ₹780 crore, making APAR the 10th largest lubricant manufacturer in India.
- The Hamriyah plant operated at 104% capacity utilization in FY22, up from 79% in FY21.

EBITDA per KL after forex adjustment maintained above threshold level

EBITDA per KL after forex adjustment in FY22 was at ₹6,347, down 10% YoY from ₹7,032. The per unit profitability remains far above the minimum threshold level of ₹5,000. The focus remains on per unit profitability rather than on volumes.

Outlook

- FY23 outlook will get impacted, given the Russian invasion of Ukraine and the resultant sanctions. Though hydrocarbon products are out of the gamut of sanctions till now, refined products have been massively impacted.
- FY23, H2 will be challenging given the war-induced elevated base oil prices. The premium of Lower Sulphur Gas Oil is currently trading at 6-7x times its normal price range. Due to this, volumes will be impacted as there could be some demand destruction from postponed consumption. But the lag effect in the pricing of base oil will allow higher profitability for the company in earlier part of 1st half with considerable pressure in the second half.
- High level of global inflation has induced interest rate hikes. Profitability of the segment is sensitive to the rise in the cost of funding.
- Higher or increased prices of finished goods due to global inflation and rising cost of borrowing may impact the volumes.
- Focus will be on per unit profitability compared to total volumes, along with keeping the cash flows in focus by maintaining the lowest possible level of inventory.

Risks and Concerns: The ongoing geopolitical tensions and the consequent sanctions on Russia by the West have hampered the demand-supply equation for oil. Going forward, hydrocarbon too, could come under the risk of sanctions. Your Company is exposed to the volatility in prices of raw materials, interest rate and foreign exchange rate. Higher prices amidst global inflation and rising rate of interest may impact the business. Your Company uses hedging strategy to mitigate the forex risk. In the event of volatility in oil prices, the prices of long-term buy contracts take time to adjust since formula prices are backward looking. Performance may be impacted by competition in the transformer oils and auto lubricants sub-segments. Rapid commoditization at the lower end of the market, particularly in technical grade white oils, might bear an impact on profitability.

Cables segment – Largest domestic player in renewables

The Company is the largest domestic player in renewables with one of the widest ranges of medium-voltage and low-voltage XLPE cables, elastomeric cables, fibre optic cables and speciality cables. ₹309 crore has been invested over FY16-22 towards developing new-age solutions:

- High-voltage power cables using the latest CCV technology.
- Introduced Medium Voltage Covered Conductor (MVCC) for increased safety and uninterrupted power distribution in high population density and forest areas.
- Additional import substitution products for the defence sector.
- 18 UL approved grades which allow for marketing cables in the US market.
- Additional E-Beam capacity to produce more Anushakti house wires, railway cables and solar cables.

Focus on exports during low domestic demand:

In ₹ Crore	*FY22*	*FY21*	*Growth (%)*
Turnover	1,993	*1,270*	57%
Segment Profit/(Loss)	80	*33*	142%
Segment Profit margin	4.0%	*2.6%*	

Revenues from the Cables segment grew 57% YoY to reach ₹1,993 crore as revenues from Elasto/E-beam cable business rose 64% to ₹508 crore, led by offtake in solar, wind, railways and defence business.

- Exports' contribution at 29% versus 20% in FY21.
- Power cable continues to be highly competitive, more focus being put on export opportunities.
- Telecom cables/OFC revenue up by 38% YoY.
- EBITDA margin post forex adjustments up 77% YoY to ₹106 crore in FY22.

Prepared to capture export markets:

- Exports are up 129% YoY to ₹572 crore from ₹250 crore in FY21, contributing to the increased revenue of the segment. With major exports done to several countries in East Africa, Latin America, USA, and Australia, new opportunities are opened for FY23.
- With product approvals in place, appreciated product quality and increased acceptance. Your Company is prepared to exploit the opportunity presented by the negative sentiments towards Chinese products.

Outlook

- In FY23, the Company will continue its focus on growing exports, amidst negative sentiment on China, and focus on premium products: MVCC, automotive cables and harnesses.
- The Company plans to launch Light-Duty Cables (LDC) at pan-India level in FY23, on the strength of improved sales and presence in Gujarat and Kerala.
- Strong demand is expected with the expanding Solar & Windmill segment along with support from Railways and mining activities. In the upcoming years, moving towards 'Aatmanirbharta' of the defence sector will pose strong demand.
- New CCV lines and a new 2.5 MeV E-Beam are being installed to increase rubber cable expansion.

Risks and Concerns: Pricing is influenced by surplus capacity in the power cables market. Due to lack of financial arrangements by key customers in the renewable energy sector and by EPC contractors, collection periods could be prolonged and delivery timelines delayed. Low or no ordering by big telecom firms may have an influence on performance in optical fibre lines. The cyclical nature of their tendering has an impact on the industry's order position. Any fluctuations in fibre or polymer costs may have an influence on performance.

General risks and concerns

Prolonged extension of the geopolitical situation without any resolution may impact performance. Volatile commodity prices, technical developments, currency rate fluctuation, and any influence on the broader macro-economic outlook may all have an impact on the Company's success. Any geopolitical or economic upheavals on a local, regional, or worldwide scale may have a negative influence on demand or cause input cost volatility, all of which can have a negative impact on performance. Your company is subject to the risk of SOFR rate volatility, which might raise our interest expenses and have an impact on our performance. Due to clients' difficult financial situation, the collection period for debtors may increase.

Internal Control Systems (ICS) and Their Adequacy

Your Company has established adequate ICS in respect of all the divisions of the Company. The ICS aims to promote operational efficiencies and achieve savings in cost and overheads in all business operations. System Application and Product (SAP), a world-class business process integration software solution, which was implemented by the Company at all business units, has been operating successfully. The Company has appointed M/s. Deloitte Touche Tohmatsu India LLP as its Internal Auditors. The system-cum-internal audit reports of the Internal Auditors were discussed at the Audit Committee meetings and appropriate corrective steps have been taken. Further, all business segments prepare their annual budgets, which are reviewed along with performance at regular intervals.

Development of human resources

Your Company promotes an open and transparent working environment to enhance teamwork and build business focus. Your Company gives equal importance to development of human resources (HR). It updates its HR policy in line with the changing HR culture in the industry as a whole. In order to foster excellence and reward those employees who perform well, the Company has performance / production-linked incentive schemes. The Company also takes adequate steps for in-house training of employees and maintaining a safe and healthy environment.

Key Financial Ratios with details of significant changes

The Company has identified the following as key financial ratios:

Consolidated Ratios	FY2022	FY2021	Variance %
EBITDA Margin	6.2%	6.9%	-9.1%
PAT Margin	2.8%	2.5%	9.6%
ROE	16.5%	12.6%	31.2%
Debtors - Days	86	108	-19.8%
Inventory - Days	94	110	-14.8%
Current Ratio	1.22	1.22	-0.1%
Debt/ Equity Ratio	0.15	0.17	-15.0%
Interest Coverage Ratio	3.4	2.5	35.6%
Net Fixed Asset Turnover Ratio	10.2	6.9	47.5%

Cautionary statement:

The statements made in the Management Discussion & Analysis section, describing the Company's goals, expectations and predictions, among others, do contain some forward-looking views of the management. The actual performance of the Company is dependent on several external factors, many of which are beyond the control of the management, viz. growth of Indian economy, continuation of industrial reforms, fluctuations in value of Rupee in the foreign exchange market, volatility in commodity prices, applicable laws / regulations, tax structure, domestic / international industry scenario, movement in international prices of raw materials and economic developments within the country, among others.

7. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your Company has the following subsidiaries and associate as at March 31, 2022:

1. Petroleum Specialities Pte. Ltd. Singapore (PSPL) – Wholly Owned Subsidiary of the Company,
2. Petroleum Specialities FZE, Sharjah (PSF) - Wholly Owned Subsidiary of PSPL,
3. APAR Transmission & Distribution Projects Private Limited (ATDPPL) – Wholly Owned Subsidiary of the Company,
4. APAR Distribution & Logistics Private Limited – Wholly Owned Subsidiary of the Company and
5. Ampoil Apar Lubricants Private Limited – Associate of the Company with 40% stake along with PPS Motors Private Limited and Others.

The Company has not attached the Balance Sheet, Statement of Profit & Loss Accounts and other documents of its four Subsidiaries and Associate. As per the provisions of Section 129(3) read with Section 136 of the Companies Act, 2013, a statement containing brief financial details of the Subsidiaries and Associate for the financial year ended March 31, 2022 in **Form AOC – 1** is included in the annual report and shall form part of this report as **"Annexure VIII"**. The annual accounts of the said Subsidiaries and Associate and other related information will be made available to any member of the Company seeking such information at any point of time and are also available for inspection by any member of the Company at the registered office of the Company.

Further, pursuant to provisions of Section 136 of the Act, the financial statements, including Consolidated Financial Statements of the Company along with relevant documents and separate audited accounts in respect of Subsidiaries and Associate, are available on the website of the Company at www.apar.com.

The Company has incorporated a new Wholly Owned Subsidiary Company, in the form of C- Corporation entity, in the name of CEMA WIRES & CABLES INC. having registered office situated at 251 Little Falls Drive, in the City of Wilmington, County of New Castle, 19808 in the State of Delaware, on April 26, 2022, inter-alia for carrying out the trading business in Cable & Wires and other products including warehousing / storing activities.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed during the year by the regulators or courts or tribunals impacting the going concern status of the Company and operations of the Company in future.

9. CORPORATE GOVERNANCE

Your Company believes in conducting its affairs in a fair, transparent and professional manner and maintaining the good ethical standards, transparency and accountability in its dealings with all its constituents. As required under the Listing Regulations, a detailed report on Corporate Governance along with the Auditors' Certificate thereon forms part of this report as **"Annexure – V".**

10. BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report as stipulated under Regulation 34 of the Listing Regulations forms a part of this Annual Report as "Annexure – VI".

11. MANAGEMENT - DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS:

Appointment/s

During the year under review, Mr. Kaushal Jaysingh Sampat was appointed as an Additional Director in the category of Independent Director (Non-Executive) by the Board of Directors of the Company at its Meeting held on January 31, 2022. Subsequently, necessary approval of the Shareholders was also sought for his appointment by way of Postal Ballot on March 18, 2022 through remote e-Voting, to hold the office of Independent Director (Non-Executive) for a period of upto 5 consecutive years from January 31, 2022 to January 30, 2027.

Re-appointment/s

At the 33rd Annual General Meeting (AGM), following appointments / re-appointments are being proposed:

a. Mr. Kushal N. Desai, Director (DIN: 00008084), shall retire by rotation and being eligible, offers himself, for re-appointment.

b. On the recommendation of Nomination and Compensation - cum - Remuneration Committee, the Board of Directors has re-appointed Mr. Kushal N. Desai as a Managing Director and Chief Executive Officer (CEO) of the Company for a further period of five years from January 1, 2023 to December 31, 2027.

c. On the recommendation of Nomination and Compensation-cum-Remuneration Committee, the Board of Directors has re-appointed Mr. Chaitanya N. Desai as a Managing Director of the Company for a further period of five years from January 1, 2023 to December 31, 2027.

d. Pursuant to Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and Listing Regulations, Mr. Rajesh Sehgal is holding the office of an Independent Director (Non-Executive) for the 1st term of five consecutive years upto the conclusion of 33rd Annual General Meeting of the Company to be held in the calendar year 2022. Based on performance evaluation and as per recommendation of Nomination and Compensation-cum-Remuneration Committee, Mr. Rajesh Sehgal is proposed to be re-appointed as an Independent Director (Non-Executive) of the Company, not liable to retire by rotation, for his second term of five consecutive years with effect from August 12, 2022 upto August 11, 2027. In the opinion of the Board, he possesses requisite skills, capabilities, expertise, integrity and experience for re-appointment as an Independent Director (Non Executive) of the Company and the Board considers his professional background, experience and contributions made by him during his first tenure, therefore the continued tenure of Mr. Sehgal would be beneficial and in the interest of the Company.

Details of the proposal for re-appointment of Mr. Kushal N. Desai, Mr. Chaitanya N. Desai and Mr. Rajesh Sehgal along with their brief resumes are mentioned in the Explanatory Statement under Section 102 of the Act and disclosure under Regulation 36 of the Listing Regulations as annexed to the Notice of the 33rd AGM.

The Board recommends re-appointment / appointment of all the above Directors.

KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. V. C. Diwadkar, Chief Financial Officer (CFO), resigned and relinquished his office of CFO w.e.f. February 2, 2022 due to his formal retirement from the Company which happened on March 31, 2022.

Board of Directors of the Company based on the recommendations of Nomination and Compensation-cum-Remuneration Committee and Audit Committee appointed Mr. Ramesh Seshan Iyer as a Chief Financial Officer (CFO) of the Company w.e.f. February 3, 2022, who has been appointed to succeed Mr. Diwadkar through a planned transition process.

As on March 31, 2022, Mr. Kushal N. Desai, Managing Director and Chief Executive Officer, Mr. Chaitanya N. Desai, Managing Director, Mr. Ramesh Seshan Iyer, Chief Financial Officer and Mr. Sanjaya Kunder, Company Secretary are the Key Managerial Personnel of the Company.

12. MEETINGS

During the year, four Board Meetings and four Audit Committee Meetings were convened and held. All the Meetings were held through Video Conferencing as permitted by the Law. The intervening gap between the Meetings was within the period prescribed under the Act (except the relaxation given by MCA and SEBI to hold such meetings). The details of these Meetings, including of other committee meetings, with regard to their dates and attendance of each of the Directors thereat, have been set out in the Report on Corporate Governance.

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Tomorrow's solutions today

13. DECLARATION BY INDEPENDENT DIRECTORS

Mr. F. B. Virani, Mr. Rajesh Sehgal, Mrs. Nina Kapasi and Mr. Kaushal J. Sampat were the Independent Directors of the Company as on March 31, 2022.

The Company has received necessary declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Act and the Listing Regulations.

14. BOARD EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Compensation-cum-Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Share Transfer and Shareholders Grievance-cum-Stakeholders Relationship Committee. The manner in which the evaluation has been carried out, has been explained in the Corporate Governance Report.

15. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act:

i. that in the preparation of the Annual Financial Statements for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

ii. that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the Profit of the Company for the period ended on that date.

iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. that the annual accounts have been prepared on a going concern basis.

v. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

vi. that systems to ensure compliance with the provisions of all applicable laws were devised and in place and were adequate and operating effectively.

16. REMUNERATION POLICY

The Board has, on the recommendation of Nomination and Compensation-cum-Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Particulars of information as per Section 197 of the Act read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a Statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set in the Rules and Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as **"Annexure – III"** forming part of this Report.

17. RISK MANAGEMENT (RISK ASSESSMENT & MINIMISATION PROCEDURES)

The Board of Directors has constituted a Risk Management Committee. Your Company has implemented a mechanism for risk management and formulated a Risk Management Policy. During the year under review, the policy has been revised in line with the amended provisions of the Listing Regulations. The policy provides for identification of risks and formulating mitigation plans. The Risk Management Committee, Audit Committee and the Board of Directors review the risk assessment and minimization procedures on regular basis.

18. ANNUAL RETURN

In compliance with Section 92(3) and 134(3)(a) of the Act, Annual Return is uploaded on Companies website and can be accessed at https://apar.com/investor/.

19. RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. **Form AOC-2** relating to Disclosure of Particulars of Contracts / arrangements entered into by the Company with related parties is annexed as **"Annexure – IX"** and forming part of Directors' Report.

All Related Party Transactions are placed before the Audit Committee as also the Board for review and approval. A statement giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their review, approval and noting on a quarterly basis.

The policy on Related Party Transactions as approved and revised by the Board from time to time in line with the amended provisions of Act and Listing Regulations has been uploaded on the Company's website.

There were no materially significant Related Party transactions during the year under review.

20. AUDIT COMMITTEE

The Company has an Audit Committee pursuant to the requirements of the Act read with the rules framed thereunder and Listing Regulations. The details relating to the same are given in the report on Corporate Governance forming part of this Report.

During the year under review, the Board has accepted all recommendations of Audit Committee and accordingly, no disclosure is required to be made in respect of non- acceptance of any recommendation of the Audit Committee by the Board.

21. REPORTING OF FRAUDS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and rules framed thereunder either to the Company or to the Central Government.

22. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THE REPORT

There are no material changes and commitments, if any, affecting the Financial position of the Company which have occurred from the end of the Financial year till the date of the Report.

23. DEPOSITS

Your Company has not accepted deposits within the meaning of Section 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year and hence there were no outstanding deposits and no amount remaining unclaimed with the Company as on March 31, 2022.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees, Securities and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

25. STATUTORY AUDITORS

The observations made by the statutory auditors in their report read with the relevant notes as given in the notes to the financial statement for the financial year ended on March 31, 2022 are self- explanatory and are devoid of any reservation, qualification or adverse remarks.

The present Statutory Auditors, M/s. C N K & Associates LLP, Chartered Accountants (Firm Registration No. 101961W/ W100036), Mumbai were appointed at the 31st Annual General Meeting of the Company held on August 17, 2020 for a first term of 5 years so as to hold office upto the 36th Annual General Meeting of the Company. The Auditors have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

26. COST AUDITORS

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of Conductors, Oils, Cables and Polymer Divisions of the Company are required to be audited by a qualified Cost Accountant.

The Board of Directors of the Company, on the recommendation of the Audit Committee, has appointed M/s. Rahul Ganesh Dugal & Co., a Proprietary Firm, who are in Whole Time Practice as Cost Accountant, having Firm Registration no. 103425 and Membership no. 36459 as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2023 (2022-23) on a remuneration not exceeding ₹1,20,000/- p.a.

A Resolution seeking members' ratification of remuneration payable to M/s. Rahul Ganesh Dugal & Co., Cost Auditor is included at Item No. 7 of the Notice convening the AGM and Board recommends the said Resolution.

27. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Hemang M. Mehta, Proprietor of M/s. H. M. Mehta & Associates, Practicing Company Secretaries, Vadodara, Gujarat, to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report (Form No. MR-3) is annexed herewith as **"Annexure - I"**. The Secretarial Audit Report does not contain any qualification, reservation, disclaimer or adverse remarks.

28. VIGIL MECHANISM

As per the provisions of Section 177 (9) of the Act read with Regulation 22(1) of the Listing Regulations, the Company is required to establish an effective vigil mechanism for directors and employees to report genuine concerns. The Company has introduced Whistle Blower Policy (APAR's OMBUDSMEN Policy) effective from March 1, 2014 by setting a vigil mechanism in place, the details of the whistle blower policy are provided in the report on Corporate Governance forming part of this report. The Whistle Blower Policy is being reviewed by the Audit Committee and Board of Directors at regular intervals.

29. INTERNAL CONTROL SYSTEMS (ICS) AND THEIR ADEQUACY

The Company has established adequate Internal Control Systems (ICS) in respect of all the divisions of the Company. The ICS are aimed at promoting operational efficiencies and achieving savings in cost and overheads in all business operations. The System Application and Product (SAP), a world class business process integration software solution, which was implemented by the Company at all business units has been operating successfully. The Company has appointed M/s. Deloitte Touche Tohmatsu India LLP as its Internal Auditors. The system cum internal audit reports of the Internal Auditors are discussed at the Audit Committee meetings and appropriate corrective steps have been taken. Further, all business segment prepare their annual budget, which are reviewed along with performance at regular intervals.

30. OTHER INFORMATION

a. **Green Initiative:**

To support the "Green Initiative" undertaken by the Ministry of Corporate Affairs (MCA), to contribute towards a greener environment, the Company has already initiated / implemented the same since 2010-11. As permitted, delivery of notices / documents and annual reports etc. are being sent to the shareholders by electronic mode.

Further, the Company has started using recyclable steel drums in place of wooden pallets in order to protect the environment and reduce costs for the Company and other initiatives are provided in the Report of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo in **Annexure IV** and Business Responsibility Statement in **Annexure VI**.

b. **Corporate Social Responsibility (CSR):**

The CSR Committee constituted by the Board of Directors in terms of the provisions of Section 135(1) of the Act reviews and restates the Company's CSR policy in order to make it more comprehensive and aligned in line with the activities specified in Schedule VII of the Act.

The policy on Corporate Social Responsibility can be accessed at https://apar.com/wp-content/uploads/2021/03/CSR-Policy.pdf

With the strong belief in the principle of Trusteeship, APAR Group continues to serve the community through a focus on healthcare and upliftment of weaker sections of society, Promoting Education and health care including preventive health care (Medical), Environmental sustainability and Rural Development, Welfare of under privileged and destitute children, including girl children, Empowerment of physically / mentally challenged and underprivileged children, adults and providing free education, Relief and rehabilitation for combating with COVID-19 pandemic related activities, Empowering women socially & economically etc.

The Annual Report on CSR activities is annexed herewith as **"Annexure - II".**

c. **Employee Stock Options:**

Members' approval was obtained at the AGM held on August 9, 2007 for introduction of Employee Stock Option Plan to issue and grant upto 1,616,802 options and it was implemented by the Company. Out of the above options, 175,150 Options have been granted in 2008, of which 26,338 Options were exercised upto May, 2015 and balance options were lapsed. Please refer **"Annexure -VII"** forming part of this Report providing information as required to be made under the provisions of the Act.

Further, there has been no material change in the Employee Stock Option Schemes (ESOP schemes) during the year under review. The disclosure relating to ESOPs required to be made under the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, confirming compliance, is available on the Company's website at www.apar.com.

d. Particulars relating to conservation of energy, technology absorption, research & development and foreign exchange earnings and outgo in accordance with Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is annexed hereto as **"Annexure – IV"** which form part of this Annual Report.

31. GENERAL

The Company has complied with all the applicable provisions of Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India (ICSI).

No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1) Issue of equity shares with differential rights as to dividend, voting or otherwise.
2) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report.
3) No Managing Director of the Company receives any remuneration or commission from any of its subsidiaries.
4) The Company has in place the Policy on Prevention of Sexual Harassment at Workplace (POSH) in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. There were no complaints registered during the financial year 2021-22 under review.
5) There has been no change in the nature of business of the Company.
6) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
7) There was no instance of onetime settlement with any Bank or Financial Institution.

32. ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation for the continuous cooperation, support and assistance provided by all stakeholders, financial institutions, banks, government bodies, technical collaborators, customers, dealers and suppliers of the Company. We thank the Government of Sharjah, UAE and Singapore, where we have operations.

Your Directors also wish to place on record their sincere appreciation for the contribution made by our dedicated and loyal employees at all levels particularly, during the pandemic. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman & Managing Director
DIN: 00008084

Place: Mumbai
Date: May 27, 2022.

Annexure I to the Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
APAR Industries Limited,
301, Panorama Complex,
R. C. Dutt Road,
Vadodara-390007,
Gujarat, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices adopted by **APAR Industries Limited** having Corporate Identification Number (CIN): L91110GJ1989PLC012802 (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - *Not Applicable during the audit period*

c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - *Not Applicable during the audit period*

e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - *Not Applicable during the audit period*

g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - *Not Applicable during the audit period*

h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - *Not Applicable during the audit period*

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - *Not Applicable during the audit period*

j) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

k) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

l) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 / 2018;

(vi) Other Applicable Laws:

(i) The Lubricating Oils and Greases (Processing, Supply & Distribution Regulation) Order, 1987.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards under the provisions of the Companies Act, 2013 and issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited (NSEIL) and BSE Limited (BSE), respectively.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that:

- There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with Labour Laws, Environmental Laws and other applicable laws, rules, regulations and guidelines.
- During the audit period, there were no such specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, acts, rules, regulations, circulars, notifications, directions, guidelines, standards, etc.:

Note: This Report is to be read with our Letter of even date which is annexed and forms an integral part of this report.

For H. M. Mehta & Associates
Company Secretaries
Hemang Mehta
Proprietor
FCS No.: 4965
C. P. No.: 2554
UDIN: F004965D000407554

Date: 27.05.2022
Place: Vadodara

To,
The Members,
APAR Industries Limited,
301, Panorama Complex,
R. C. Dutt Road,
Vadodara-390007,
Gujarat, India

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company since the same have been subject to review by the Statutory Auditors and other designated professionals.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.

6. Due to COVID-19 outbreak and Lockdown situation, in respect of part of the Audit, we have relied on the information, details, data, documents and explanation as provided by the Company and its officers and agents in electronic form without physically verifying their office.

7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For H. M. Mehta & Associates
Company Secretaries
Hemang Mehta
Proprietor
FCS No.: 4965
C. P. No.: 2554
UDIN: F004965D000407554

Date: 27.05.2022
Place: Vadodara

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Annexure II to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities 2021-22

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

   The Company has framed the Corporate Social Responsibility (CSR) Policy in terms of the provisions of Section 135(1) of the Companies Act, 2013.

   The CSR activities of the Company mainly aims at Principle of Trusteeship, by serving the community through programmes and projects having focus on -

   1. Healthcare and upliftment of weaker sections of society
   2. Promoting Education and health care including preventive health care (Medical)
   3. Environmental sustainability and Rural Development
   4. Welfare of under privilege and destitute children, including girl children
   5. Empowerment of physically / mentally challenged and underprivileged children, adults and providing free education
   6. Relief and rehabilitation for combating with COVID-19 pandemic related activities
   7. Empowering women socially & economically

   The CSR activities of the Company are aligned with the activities specified in Schedule VII of the Companies Act, 2013.

2. COMPOSITION OF CSR COMMITTEE:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Kushal N. Desai	Chairman & Managing Director and Chief Executive Officer (CEO)	4	4
2.	Mr. F. B. Virani	Independent Director (Non-Executive)	4	4
3.	Mr. Chaitanya N. Desai	Managing Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

   For CSR Committee : https://apar.com/wp-content/uploads/2022/01/Composition_of_Board_and_Committees_of_APAR.PDF

   For CSR Policy: https://apar.com/wp-content/uploads/2021/03/CSR-Policy.pdf

   For CSR Projects: https://apar.com/wp-content/uploads/2021/06/APAR-CSR-Annual-Action-Plan-FY-2021-22.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).
   - Not Applicable - as the Company does not have an average CSR obligation of ₹10 Crores or more in the three immediately preceding financial years.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2020-2021	3,20,019/- (excess amount spent)	Nil

6. Average net profit of the company as per section 135(5).
   ₹195.65 Crores.

7. (a) Two percent of average net profit of the company as per section 135(5):
   ₹3.91 Crores.

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.
   ₹Nil

   (c) Amount required to be set off for the financial year, if any:
   ₹Nil.

   (d) Total CSR obligation for the financial year (7a+7b-7c).

   ₹3.91 Crores.

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
3,91,50,000/-	Nil	–N. A. –	–N. A. –	Nil	–N. A. –

   (b) Details of CSR amount spent against ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the Project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imple-men-tation Direct (Yes/No)	Mode of Implementation Through Implementing Agency.	
				State	District						Name	CSR Registration number
– NOT APPLICABLE–												

(c) Details of CSR amount spent against other than ongoing projects for the Financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes / No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR registration number
1.	Providing support to the second phase of dream project of late Dr. Narendra D. Desai Faculty of Medical Science and Research, a 750 Bed Multi Specialty Hospital and Institute of Medical Science evolving ultra-modern unit of medical services, treating on an average 1000 to 1100 OPD patients with 30 to 35 operations are carried out free of cost in a day with almost 100% success. For all the indoor patients, 3 meals & treatment to outdoor patients as well as indoor patients are free of cost. This hospital integrates a medical college, a hospital and a heathcare research centre.	Item i	No	Gujarat	Kheda	1,98,00,000	No	Dharmsinh Desai Foundation, Nadiad	CSR00007252

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes / No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR registration number
2.	Project for Rural development programmes for funding skill development and Education Centre known as "Bhaktivedanta Kaushal Vikas Kendra" (BKVK) – encouraging rural youth to registered to get them gainfully employed.. This centre includes multi-disciplinary training in welding, electrical, plumbing, carpentry, motor rewinding, food processing, baking, farming and many others areas of vocational training. Students are taught from among 70 skill areas to select their specialisation and are then helped to get placed in nearby companies for internships which can translate into jobs and Science on Wheels with more than 400 hands-on science models to make science fun for the village students. The models enable village children to set up science exhibitions in their schools. Contribution to Anganwadi & ZP Teachers training program and Women Empowerment to help rural women become selfsufficient and organised them into Self-Help Groups and taught skills, handicrafts, kitchen gardening, health and hygiene, home remedies, sewing, and jewellery making to supplement their family income, improving social & economic well-being of children in the deprived areas of Wada Taluka, Maharashtra.	Item ii, iii, x	No	Maharashtra	Mumbai	1,00,00,000	No	Sri Nityanand Education Trust, Thane	CSR00000725

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes / No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR registration number
3.	Project for upgradation of ICUs that includes inter alia: 1. Civil modifications with Additional Isolation ICU and Pediatric ICU. 2. Air conditioning with adequate recycling of air. 3. ICU Beds (Adult and Pediatric). 4. Equipment – Nebulizers, ECG machines, Syringe pumps. 5. Oxygen delivery system modification.	Item i	No	Gujarat	Kheda	40,00,000	No	Gujarat Methodist Church Cardiac Care & Research Society Nadiad, Gujarat	CSR00006972
4.	Contribution for renovation & modernization of health institutions, infrastructure equipment and increase in bed capacity to fight against COVID -19 Pandemic.	Item i	No	Maharashtra	Nagpur	40,00,000	No	Vidarbha Relief Society, Nagpur	CSR00007633
5.	Construction & completion of Anganwadi building at Manekpur Village, Dist. Valsad under Integrated Child Development Services (ICDS) Scheme of District Panchayat Valsad at Manekpur Village for providing nutritional & health support to the rural children.	Item ii	Yes	Gujarat	Valsad	5,50,000	Yes	APAR Industries Limited (Project undertaken by Company itself)	Not Applicable
6.	Scholarship to economically challenged rural Girl students, Reading workshop, Environmental awareness, protection and health care education for School On Wheels (SOW) Students.	Item ii, x	No	Gujarat	Rajkot	5,00,000	No	Sister Nivedita Foundation, Rajkot	CSR00007042
7.	Setting up / Building of hall from natural resources for education and skill development of children/ students/teachers from schools, colleges and NGOs and for their various purposes.	Item ii, iv	No	Gujarat	Rajkot	2,00,000	No	Vishwani-dam Public Charitable Trust, Rajkot	CSR00006907

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes / No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR registration number
8.	Establishment and running of Covid Treatment Center at Umbergaon Primary Health Centre	Item i	Yes	Gujarat	Valsad	1,00,000	No	Umargam Industries Association, Valsad	CSR00005570
	Total					3,91,50,000			

(d) Amount spent in Administrative Overheads	Nil
(e) Amount spent on Impact Assessment, if applicable	Nil
(f) Total amount spent for the Financial year (8b + 8c + 8d + 8e)	₹3,91,50,000

(g) Excess amount for set-off, if any

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	3,91,31,266
(ii)	Total amount spent for the financial Year	3,91,50,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	18,734
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii) – (iv)]	18,734

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
– Not Applicable –							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the Project- Completed / ongoing
– Not Applicable –								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year.
    (asset-wise details): Not Applicable

a. Date of creation or acquisition of the capital asset(s)	–
b. Amount of CSR spent for creation or acquisition of capital asset.	–
c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	–
d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	–

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profits as per Section 135(5): - Not Applicable -

Kushal N. Desai
Managing Director & CEO
Chairman – CSR Committee
DIN: 00008084

Chaitanya N. Desai
Managing Director
DIN: 00008091

Mumbai, May 27, 2022

Annexure III to the Directors' Report

Statement of Disclosure of Remuneration

DISCLOSURES AS PER RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22.

Sr. No.	Name of Director / KMP and Designation	% increase/decrease in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director / to median remuneration of employees
1.	Mr. Kushal N. Desai, Chairman & Managing Director	122%	69.64:1
2.	Mr. Chaitanya N. Desai, Managing Director	128%	70.41: 1
3.	Mr. F. B. Virani, Independent Director	06%	00.61 : 1
4.	Mr. Rajesh Sehgal, Independent Director	12%	00.51 : 1
5.	Mrs. Nina Kapasi, Independent Director	12%	00.51 : 1
6.	Mr. Rishabh K. Desai, Non Executive –Non Independent Director	00 %	00.26 : 1
7.	Mr. Kaushal J. Sampat, Independent Director - From 31.01.2022	NA	00.08 : 1
8.	Mr. V. C. Diwadkar, Chief Financial Officer – Upto 02.02.2022	7.6%	
9.	Mr. Ramesh S. Iyer – From 03.02.2022	NA	
10.	Mr. Sanjaya R. Kunder, Company Secretary	9.4%	

Notes:
1. Independent Directors and Non Executive –Non Independent Director are paid only sitting fees.
2. The percentage increase in the median remuneration of employees for the financial year 2021-22 was around 4.90%.
3. There were 1,428 permanent employees on the rolls of Company as on March 31, 2022.
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 4.4 % and percentage increase in the managerial remuneration for the same financial year was 126% due to voluntary foregone monthly salary by Managing Directors in FY 20-21 due to pandemic.
5. Remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

DISCLOSURES AS PER RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Information pursuant to Section 197 of the Companies Act, 2013, read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2022.

Names	Age (Years)	Designation / Nature of Duty	Qualifications	Experience (Years)	Remunera-tion (₹)	Date of Commence-ment of Employment	Last Employment and Designation
Mr. Kushal N. Desai	55	Chairman & Managing Director	B.Sc. (Hons.), (Ele. Engg.) U.S.A., B.S.Eco. (Hons) (Wharton) U.S.A.	33	48,025,737	24.03.1999	GE Lighting (India) Ltd. - President
Mr. Chaitanya N. Desai	50	Managing Director	B.Sc. (Hons.), (Chem. Engg.) U.S.A., B.S.Eco. (Hons) (Wharton) U.S.A.	28	48,555,915	29.05.1993	-

Notes:

1. The Remuneration includes salary, allowances, commission paid to Directors, reimbursement of leave travel and medical expenses / benefits, Company's contribution to provident fund, leave encashment and other perquisites in respect of motor car, accommodation and telephone etc.
2. Above directors are related to each other. None of the employees of the Company is related to any of the Directors except Ms. Gaurangi K. Desai, Manager – Branding & Digital Initiatives, daughter of Mr. Kushal N. Desai, sister of Mr. Rishabh K. Desai and niece of Mr. Chaitanya N. Desai.
3. All appointments are contractual and terminable by notice on either side.
4. Information regarding remuneration and particulars of other employees of the Company will be available for inspection by the members at the Registered Office of the Company during business hours on working days upto the date of the ensuing Annual General Meeting of the company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, where upon a copy would be sent.

For and on behalf of the Board

Kushal N. Desai
Chairman & Managing Director
DIN: 00008084

Place: Mumbai
Date: May 27, 2022.

Annexure IV to the Directors' Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information as per Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2022.

I. CONSERVATION OF ENERGY:

1) Energy Conservation measures taken and continuing on regular basis:

Conductor Division:

i. Installed Auto Temperature Controller by PLC on all remaining melting furnaces.
ii. Installed EMS systems.
iii. Installed VFD drives to Annealing Furnace.
iv. Installed 2 VFD drives in Cooling Towers.
v. CTC - Interlocking of Motor cooling fan with machine start.
vi. CTC- UPS Supply extended to Enameling machines motors, heaters, Take up, Payoff
vii. Energy meters implemented in all critical machines for daily monitoring.
viii. Converted CCR Air compressor Star delta starter into 75kw VFD AC drive and getting 272kwh/day energy saving.
ix. CCR furnaces draft fan blowers 37kw (4 nos.) converted in VFD system from star delta starter and getting 155kwh/day energy saving.
x. Conductor plant reciprocating air compressors 5 nos. (15x5=75kw) replaced by single screw air compressor 37kw to save 15% energy & 38kw power/day.
xi. Converted normal roll ring traversing into servo drive traversing 2nos. at RBD-5 dual take-up for getting layer to layer pitch with intact winding in TW wire for ACCC conductor productivity enhancement with quality improvement.

xii. In Dull finish no. 2 take-up traversing semi-automated pitch converted into automatic correction pitch synchronized with take-up speed in close loop system & increased 10% productivity

xiii. Optimum utilization of air compressor by modified compressed line with respect to the requirement of production load ability.

xiv. Provided VFD for blowers of ageing furnaces (Total 24 nos.) and reduction in power consumption from 24KWH/hr. to 13 KWH/hr.

xv. Modified thermic fluid furnace media into electrical media furnace for enhanced AL59 productivity

xvi. Replaced Bull block CT fan & pump starter to VFD.

xvii. Replaced Bull block oil pump starter to VFD.

xviii. Installed servo drive & motor in Bull block 1 Travers unit for pitch-to-pitch coil winding.

xix. Replaced CCR Screw air compressor 75kw Star-delta starter to VFD. Saving energy up to 10%.

xx. Installed ACD unit in CCR 2 (In house made).

xxi. Installed Roughing mill in CCR 2 & synchronize with finishing rolling mill to increase productivity.

xxii. Replaced 400 KVAR heavy duty capacitor bank for energy saving.

Oil Division:

i. 409000 KWH Solar power generated through existing 395KWp Roof top PV Solar power plant and reduced the carbon emissions by 323 Mt. of CO_2 per year. The division has added 950KWp Roof Top solar capacity in March 2022, so enhanced the total capacity of Roof top solar plant from existing 395KWp to 1345KWp, approximate 16 Lakh unit will be generated in FY 2022-23.

ii. Steam condensate recovery system is working efficiently, recovered 75% condensate and used this in Boiler feed system.

iii. Rainwater collected through water harvesting & using the same in the process and also increasing the ground water level through recharge pit. Also using ETP treated cleaned water for washrooms/toilets. Overall saved 5573 KL of water in a year.

iv. Air Compressor operating pressure reduced from 8 Kg/cm2 to 7 Kg/cm2 which results reduction in carbon emission by 22 Mt. of CO_2 per year.

v. Hot insulation is provided to blenders to reduce heat loss, savings are ₹1.75 Lakh/year and will result reduction in carbon emission by 6.2 Mt. of CO_2 per year.

Cable Division:

i. Company's Cable Division has generated (saved) 20,07,455 units of electricity during the financial year, in-house energy consumption through Roof Top Solar Plant. This has reduced 1585 Mt. of CO_2 emission in this year in the atmosphere and was equivalent to planting 75,505 mature trees. Two new solar roof tops installed at UBR & Unit 153 plant respectively.

ii. Adaption of electric forklift from Diesel forklift help Company to reduce 3041 Mt. CO_2 in atmosphere. This initiative also resulted into cost saving.

iii. The company has saved 27,044 KWH (Units) by replacing MH lights and tube lights by LED lights and 7,237 KWH (Units) by replacing some old DC motors into AC, Motor capacity reduction.

iv. Upgradation to A/C drive in place of star delta starter of pump house help Company to saved 67,134 Units. Major Saving of 2,63,508 units has been done by identifying the leakage in air compressor. Replacement of derate capacitor to new saved 36,432 Units.

v. During the year 4,22,955 units saved in form of PF rebate by maintaining good power factor. Continuous efforts made to maintain good power factor throughout the year at all locations.

vi. Saving in energy by replacing dual motor of Gangotri machines to single motor. Earlier with dual motor consumption was 109 KWH /MT with this initiative it has come to 64 KWH/ MT.

vii. Optimum use of MSD machine run with full speed hence motor losses reduced.

viii. Effective utilization of night rebate, hence major focus is given to run the machine at full efficiency in night instead of day.

2) Additional Investment proposals, if any, being implemented for reduction of consumption of energy:

i. Minimize the power consumption of Plant lighting by natural lighting deploying transparent sheet.

ii. Enhanced STAL production by modifying the Ageing furnace (150 Degree) to Annealing furnace (450 Degree).

iii. If provided Harmonic filter auto operated 400 KVAR capacitor bank (2 nos.) then this modification will reduce harmonic effect from the system and will reduce the energy consumption.

iv. VFD to be provided ageing furnace blower 4 nos. for reduce energy consumption up to 10%.

v. VFD to be provided CCR 2 gear oil pump 4 nos. for reduce energy consumption up to 10%.

vi. Replacement of inefficient light fitting with the efficient/energy conservation light fitting in the plant.

vii. Heat pump commissioning to increase the feed water temperature of Steam boiler, saving will be ₹1.9 Lakh per year and reduction in carbon emission by 3.96 Mt of CO_2 per year.

viii. Waste heat recovery unit to be installed for preheating MIDC feed water to boiler, saving will be ₹5.7 Lakh per year and reduction in carbon emission by 3.96 Mt. of CO_2 per year.

ix. Inspection of heat generation for steam & heat water through solar power is under pipeline.

3) Impact of measures at (1) and (2) above:

i. Automation through PLC PROFIBUS & VFD system for energy saving- Completed in CCR Roughing mill to save 12% energy (in EC rod from 107 to 95kwh/Mt. & in Alloy rod from 190 to 167kwh/Mt.).

ii. VFD system for energy saving in close loop synchronization. (Done at Flipper no.2 auto traverse pitch correction).

iii. Energy saving through LED lights with same lux level. (36 nos. high mass 400watt lamps converted into 200 watt same lux level to save 50% light energy).

iv. Energy saving and productivity improvement. (In CCR EC rod from 135MT/day to 145MT/day & in alloy rod from 120MT/day to 130MT/day).

v. Energy saving in air compressors through screw type. (Done in CCR & Conductor plant 15% energy saving).

vi. Generation of energy through natural resources & saving grid electrical consumption.

vii. Automation, control & analysis, identification of ghost load/energy consumption help to reduce energy consumption.

viii. Optimum utilization of air compressor by modified compressed line with respect to the requirement of production load ability & saved 4.5 lac per annum. Increase in productivity by appx 10%.

ix. Saved 10 % in power by replacing Bull block CT fan & pump starter and Bull block oil pump starter.

x. Saved 10 % in power by replacing CCR Screw air compressor 75kw Star-delta starter to VFD.

xi. VFD for blowers of ageing furnaces, saving of energy ₹8 lacs per annum.

xii. Modification of thermic fluid furnace, saving of ₹18 lacs per annum.

xiii. Electrical energy savings.

xiv. More up time resulting into more productivity & efficiency.

xv. Reduction of CO_2 in atmosphere.

4) Total Energy Consumption and Energy Consumption per unit of production:

(A) Power and Fuel Consumption:

(i) Electricity:

		2021-22	2020-21
(a)	Purchased units	9,15,28,812	7,97,55,181
	Total Amount (₹./crore)	62.77	55.35
	Rate/Unit (₹.)	6.86	6.94
(b)	Own Generation Through Diesel Generator (Units)	6,11,180	8,93,751
	Average Units generated per liter of diesel oil	2.84	2.93
	Average Cost of Unit (₹.)	30.69	24.29

(ii) Furnace Oil:

Quantity (Kl.)	3,635	5,125
Total Amount (₹./crore)	14.59	14.12
Average Rate/Kl. (₹.)	40,139	27,555

(iii) Natural Gas:

Quantity (M3)	14,95,739	13,14,392
Total Amount (₹./crore)	8.02	4.65
Average Rate/M3. (₹.)	53.64	35.34

(iv) LPG:

Quantity (Kl.)	32,660	33,740
Total Amount (₹./crore)	0.21	0.14
Average Rate/Kl. (₹.)	64.75	42.38

(B) Consumption per unit of production (Average per unit consumption on total production of each division is included in the table below):

		2021-22				2020-21			
		Electricity (Units)	Furnace Oil (liters)	Natural Gas (M3)	LPG (liters)	Electricity (Units)	Furnace Oil (liters)	Natural Gas (M3)	LPG (liters)
(i)	Oil Division: Per KL output of Oil	9.96	0.07	1.57	-	11.51	0.15	1.75	-
(ii)	Conductors Division: Per MT output of Aluminum/Alloy Conductors	491	34	-	0.73	370	39	-	0.64
(iii)	Cable Division: Per Km. of cable	128	-	3.92	-	140	-	4.41	-

Reasons for change in consumption: Change in Product mix

II. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT:

1. RESEARCH AND DEVELOPMENT (R&D):

(i) Specific areas in which R & D is carried out by the Company:

a) Additional facilities which include new high-capacity transformer for up to 4000 Amps current and temperature simulation, new test beds for open air high current, temp and solar emissivity set up, additional horizontal UTM machine for meeting testing and experimental load.

b) Fire safety Biodegradable and superior oxidation stability Transformer oil "POWEROIL TO NE PREMIUM" with ("First of Its kind") with high oxidative life (4 times more than any other product in the market) launched.

c) Two season study of Spray oils field trials for efficacy, Phyto toxicity studies on Cotton, Apple crops, Toxicology studies and packaging stability studies were completed and application is filed for registration at CIBRC.

d) Field trials of PTFE Ant seize grease are in progress.

e) PTFE Grease for EV applications are in pipeline for evaluation.

f) Computational Fluid Dynamics (CFD) studies are in progress for Transformer thermal and flow behavior in solar and traction transformers.

g) High temperature chain oils launched for textile industry applications. Biodegradable and environmentally acceptable ester-based chain oils under evaluation.

h) Concrete form releasing agent" Poweroil Shuttering fluid", high performance knitting oils launched.

i) Test facility biodegradability of the oil products by OECD 301B & 301D methods established and evaluation of environmentally acceptable lubricants and biodegradable lubricants in progress.

j) Metal working fluids meeting steel pipe segment applications developed and launched. Semi synthetic metal working fluids Centralized sump management are successfully launched and in operation. Water based rust preventive oil, POWEROIL AQ 3050 introduced to control VOC and reduce consumption of oil costs.

k) Further development of defense, railway, wind, auto cable, ship wiring & export cables.

l) Development of special MVCC cables of different specifications, aerial FS cable.

m) Major focus is given on development of cable by using indigenous product instead of imported.

(ii) Benefits derived as a result of the R&D:

a) Increased capacity for additional testing and experimental load.

b) Software enabled inquiry management system for timely review and response and to secure orders.

c) First of its kind high performance biodegradable renewable transformer oil launched "POWEROIL TO NE PREMIUM".

d) White oils for thermoplastic applications meeting various performance standards developed and product commercialized.

e) OEM approvals such as BEML for 11 grades have been obtained for mining industry applications.

f) Cost Reduction of various compounds.

g) Energy Saving and Environment friendly.

(iii) Future plan of action:

a) Additional sustainability projects (CDM- Clean development mechanism), Projects on EPD-Environmental product declaration, CDP-Carbon disclosure projects.

b) Development of absorptivity of surface treated conductor and simulation of parameters and validation.

c) ESG project on water foot print (Water harvesting and re-charging).

d) Field trails and product approvals in OEM segments for Transformer oil for "POWEROIL TO NE PREMIUM" like SECI, NTPC etc.

e) Field Trials/condition monitoring of Natural Easter based Transformer oils for distribution transformers and solar power generation applications in progress.

f) Increase the strength of R&D team to focus on new projects such as hydrogenation, EAL'S, EV LUBRICANTS, ANTI SEIZE GREASES, HTCO'S (High temperature chain oils), Nano fluids, biodegradable Fuel additives, Shuttering fluids.

g) Representing Company in CIGRE/Asian Lubricants Manufacturers Union (ALMU), Singapore /NLGI India.

h) GMP certification by USP for the Food grade White oil/petroleum jelly product lines will be taken up for completion.

i) To continue to carry on the R&D activity and try to absorb it in above mentioned areas to reduce cost mainly by import substitute.

(iv) Expenditure on R&D:

a) Capital = ₹0.99 crore

b) Revenue = ₹9.95 crore

c) Total = ₹10.94 crore

d) Total R&D Expenditure as a percentage of total turnover = 0.12%.

2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

Technology imported (in last five years)	Year of Import	Has technology been fully absorbed
License to use proprietary knowhow, formulae, trademarks and trade names relating to manufacture & sale of lubricating Oils, greases and other special Lubricants for industrial, automotive and marine applications.	2007 Renewed in 2018	Yes
License to manufacture high performance conductor (ACCC).	2013	Yes

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Activities related to exports:

Efforts are continuing to increase exports of all products.

2. Total Foreign Exchange used and earned:

(i) Total foreign exchange used: (₹. in crore)

		2021-22	2020-21
(a)	Raw Materials (CIF)	3,554.65	2,703.38
(b)	Stores & Spares	8.24	6.34
(c)	Capital Goods	6.97	0.44
(d)	Others	127.99	83.26
		3,697.85	**2,793.42**

(ii) Total foreign exchange earned: (₹. in crore)

		2021-22	2020-21
(a)	Physical Exports	2,547.39	1,793.72
(b)	Deemed Exports (eligible for export incentives)	42.54	77.52
(c)	Others	198.92	79.03
		2,788.85	**1,950.27**

Annexure V to the Directors' Report

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

APAR Industries Limited ("the Company") believes in conducting its affairs in fair, transparent and professional manner and maintaining good ethical standards in its dealings with all its constituents.

The driving force behind the Company's management is **"Tomorrow's solutions today"** and backed by **"A culture of High - Tech Practices and Quality"**. APAR's quality policy for ISO- 9001 is **"To satisfy customer needs and retain leadership by manufacturing and supplying quality products and services through continuous improvement by motivated employees."**

The Company is 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.

The policies and actions of the Company are in line with the applicable guidelines on Corporate Governance with an endeavor to enhance value for shareholders.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations/the LODR") as amended till date, is given below.

2. BOARD OF DIRECTORS

(a) Composition and size of the Board

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served.

The Board of Directors of the Company currently comprises of seven Directors who are eminent individuals with excellent qualifications, professional expertise and extensive experience and they have made outstanding contributions to the industry. The Board has an optimum combination of Independent, Woman Director, Executive as well as Non-Executive Directors that is in conformity with the provisions of Regulation 17 of the Listing Regulations.

The Board of Directors has not less than 50% Non-Executive Directors throughout the year under review. As on date of this Report, the Board of Directors comprises of 7 Directors, including 4 Independent Directors (Non-Executive). The Chairman of the Company is an Executive Chairman.

None of the Directors on the Board is a member of more than 10 Committees or a Chairperson of more than 5 Committees as specified in Regulation 26 (1) of the Listing Regulations, across all the Indian Listed Entities in which he / she is a Director. The Company has appointed a Woman Director pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of Listing Regulations. The necessary disclosure regarding the committee position has been made by the directors are given herein below:

Composition of the Board and Directorship held as on report date:

Name of Directors	Category	No. of Directorships in other public Companies*	No. of other Board Committees**		Qualifications / Expertise
			Member	Chairman	
Mr. Kushal N. Desai	Chairman and Managing Director (Executive) and Promoter	–	–	–	**Qualification:** 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. **Expertise:** Business & Strategic Management and Engineering.
Mr. Chaitanya. N. Desai	Managing Director (Executive) and Promoter	–	–	–	**Qualification:** 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. **Expertise:** Business & Strategic Management and Engineering.

Name of Directors	Category	No. of Directorships in other public Companies*	No. of other Board Committees**		Qualifications / Expertise
			Member	Chairman	
Mr. F. B. Virani	Independent Director (Non-Executive)	–	–	–	**Qualification:** B.E. (Chemical Engg.), M.S. (Chemical Engineering) USA, M.B.A. (USA). **Expertise:** Chemical Engineering & Business Management.
Mr. Rajesh Sehgal	Independent Director (Non-Executive)	–	–	–	**Qualification:** 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. **Expertise:** Finance, Investment and Business Management.
Mrs. Nina Kapasi	Independent Director (Non-Executive)	–	–	–	**Qualification:** Chartered Accountant. **Expertise:** Taxation, Audit and Managing Consultancy.
Mr. Rishabh K. Desai	Non-Executive & Non-Independent Director and Promoter	–	–	–	**Qualification:** Bachelor of Science in Business Management & Entrepreneurship from Babson College, USA. **Expertise:** Business Management, Finance and Strategic Management.
Mr. Kaushal J. Sampat [(1)] (Appointed w.e.f. January 31, 2022)	Independent Director (Non-Executive)	–	–	–	**Qualification:** Master of Business Administration (MBA) from Bowling Green State University, Ohio, USA, Diploma in Business Management from Narsee Monjee Institute of Management Studies (NMIMS), Mumbai, India and Graduated in Commerce from University of Bombay. **Expertise:** General Management, Sales, Marketing and Operations, International Business Development, Risk Management, Data and Analytics.

Notes:

- No Director is related to any other Director on the Board in terms of the definition of 'Relative' given under Section 2(77) of the Act, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014 except Mr. Kushal N. Desai and Mr. Chaitanya N. Desai who are brothers and Mr. Rishabh K. Desai who is the son of Mr. Kushal N. Desai and Nephew of Mr. Chaitanya N. Desai.

(1) During the financial year under review, the Company has appointed Mr. Kaushal J. Sampat as an Additional Director in the category of Independent Director (Non-Executive) w.e.f. January 31, 2022. The appointment of Mr. Kaushal J. Sampat was approved by the Shareholders by passing Special Resolution through Postal Ballot on March 18, 2022 through remote e-Voting to hold the office of Independent Director (Non-Executive) for a period of upto 5 consecutive years from January 31, 2022 to January 30, 2027.

* The Directorships held by Directors as mentioned above do not include Directorships of foreign companies and deemed public companies, Companies under Section 8 of the Act, and private limited companies.

** Includes only Audit Committee and Share Transfer and Shareholders Grievance-cum-Stakeholders Relationship Committee of public limited companies as on March 31, 2022.

(b) List of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business and sectors and as actually available with the Board:

1. Qualification and Knowledge – understand company's businesses, strategies, policies, values and culture including its risks, strength, opportunities and threats commensurate with the qualification they possess.

2. Skills – Technical and professional skills and expertise to frame strategies and to provide advice and guidance in implementation of Company's various ongoing projects, objectives and strategies.

(c) Board Meeting Procedure

The Board periodically reviews the agenda items required to be placed before it as per Part A of Schedule II (Regulation 17 (7) of Listing Regulations) and in particular, reviews and approves quarterly / half-yearly unaudited financial statements and the audited financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure.

It monitors overall operating performance and reviews such other items that require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations.

The agenda papers, containing detailed notes on various agenda items and other information, which would enable the Board to discharge its responsibility effectively, are circulated in advance to the directors. The agenda for the Board Meeting covers items set out as guidelines in Regulation 17 of the Listing Regulations; to the extent, they are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

(d) Number of Board meetings and the attendance of Directors during the Financial Year 2021-22.

The Board of Directors meets at least four times in a year and more often, if considered necessary, with not more than 120 days' gap between any two meetings, to review the Company's performance and financial results.

During the financial year 2021-22, four Board Meetings were held on May 31, 2021, July 27, 2021, November 1, 2021 and January 31, 2022. All the Meetings were held through Video Conferencing as permitted by the law. The last Annual General Meeting (32nd AGM) was held on August 13, 2021 at 2:30 P.M. (IST) through Video Conferencing (VC).

Attendance record of each of the Directors at the Board Meetings during the Financial Year 2021-22 and at the last Annual General Meeting are given below:

Name of Directors	No. of Shares held in the Company	No. of Board meetings held during the tenure of the Directors	No. of Board meetings attended	Attendance at last AGM
Mr. Kushal N. Desai (KND)	9,208,503	4	4	Yes
Mr. Chaitanya. N. Desai (CND)	9,097,432	4	4	Yes
Mr. Rishabh K. Desai (RKD)	42,398	4	4	Yes
Mr. F. B. Virani (FBV)	3,000	4	4	Yes
Mr. Rajesh Sehgal (₹)	4,000	4	4	Yes
Mrs. Nina Kapasi (NK)	1,000	4	4	*No
Mr. Kaushal J. Sampat (KJS) **	–	1	1	-N.A.-

*Could not attend the meeting due to her sudden hospitalization.

**Mr. Kaushal J. Sampat was appointed as an Additional Director in the category of Independent Director (Non-Executive) w.e.f. January 31, 2022. The appointment of Mr. Kaushal J. Sampat was approved by the Shareholders by passing Special Resolution through Postal Ballot on March 18, 2022 through remote e-Voting to hold the office of Independent Director (Non-Executive) for a period of upto 5 consecutive years from January 31, 2022 to January 30, 2027.

(e) Profile of Directors seeking Re-appointment

1. Mr. Kushal N. Desai retires at the ensuing AGM and being eligible offers himself for Re-appointment.

2. The term of office of Mr. Rajesh Sehgal (DIN : 00048482) as an Independent Director, is upto the conclusion of 33rd Annual General Meeting of the Company to be held in the calendar year 2022. The Board of Directors, on recommendation of the Nomination and Compensation-cum-Remuneration Committee has recommended re-appointment of Mr. Rajesh Sehgal, as an Independent Director of the Company for a second term of 5 (five) consecutive years on the expiry of his current term of office.

The resolutions for Re-appointment of Directors along with their profile as required under Regulation 36(3) of the Listing Regulations have been appropriately included in the Notice of AGM forming part of this Annual Report.

(f) Details of the Members of various committees, meetings held and attended by the Members.

Audit Committee (AC)			Nomination and Compensation-Cum-Remuneration Committee (NCRC)			Share Transfer & Shareholders' Grievance-Cum-Stakeholders Relationship Committee (STC)			Corporate Social Responsibility Committee (CSR)		
Members of the Committee	No. of meetings held during the tenure of the member	No. of Meetings attended	Members of the Committee	No. of meetings held during the tenure of the member	No. of Meetings attended	Members of the Committee	No. of meetings held during the tenure of the member	No. of Meetings attended	Members of the Committee	No. of meetings held during the tenure of the member	No. of Meetings attended
NK**	4	4	RS**	2	2	FBV**	4	4	KND**	4	4
FBV	4	4	FBV	2	2	KND	4	4	CND	4	4
RS	4	4	NK	2	2	CND	4	4	FBV	4	4
KND	4	4	-	-	-	-	-	-	-	-	-

Risk Management Committee (RMC)		
Members of the Committee	No. of meetings held during the tenure of the member	No. of Meetings attended
KND**	3	3
CND	3	3
NK	3	3
RS	3	3
Mr. Kaushal J. Sampat ***	0	0
Mr. V. C. Diwadkar # ****	3	3
Mr. V. K. Lele #	3	3
Mr. Samir Mehta #	3	3
Mr. Ramesh S. Iyer # *****	0	0

** Chairperson of the Committee.

*** Mr. Kaushal J. Sampat (Independent Director – Non Executive) was inducted as member of the RMC w.e.f. February 1, 2022.

**** Mr. V. C. Diwadkar had relinquished the office of CFO of the Company after the closure of working hours of the Company on February 2, 2022.

***** Mr. Ramesh S. Iyer was appointed as CFO of the Company w.e.f February 3, 2022 and was inducted as member of the RMC w.e.f. the said date.

Other Committee Members from the Management.

(g) **Familiarization Programme of Independent Directors and Meeting of Independent Directors:**

The Company has familiarised the Independent Directors about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters by way of providing updates at the Meetings of Board and Committees and such other programmes. The details of such programmes are put up on the website of the Company at the link:

https://apar.com/wp-content/uploads/2021/02/3.-Familiarisation-Programmes-for-Independent-Directors.pdf

In accordance with the provisions of Regulation 25 of the Listing Regulations, during the year under review, Independent Directors met through Video Conferencing (VC) on March 2, 2022, inter alia, to –

(a) review the performance of Non-Independent Directors and the Board as a whole;

(b) review the performance of the Chairman of the company, taking into account the views of Executive Directors and Non-Executive Directors;

(c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors of the Company attended the said Meeting.

The Board of Directors of your Company confirms that the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

3. AUDIT COMMITTEE

The Company has constituted an Audit Committee of Directors in accordance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Board of Directors of the Company have approved revised terms of reference for the Audit Committee as per Section 177(4) of the Companies Act, 2013.

(a) Composition and attendance during the financial year 2021 -2022 :

- All the members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

- During the financial year 2021-22, four Audit Committee Meetings were held on May 31, 2021, July 27, 2021, November 1, 2021 and January 31, 2022. All the Meetings were held through Video Conferencing as permitted by the law. The Audit Committee includes three Independent Directors.

- Details of the constitution of the Audit Committee and attendance of the members during the financial year 2021-22 is given in Para 2(f) above.

- The Chief Financial Officer, the representatives of Statutory Auditors and Internal Auditors are permanent invitees to the meetings and had attended & participated all the Committee Meetings.

- Mr. Sanjaya Kunder, Company Secretary is the Secretary to the Committee.

- The Chairperson of the Audit Committee, Mrs. Nina Kapasi was not present at the 32nd Annual General Meeting of the Company held on August 13, 2021 through Video Conferencing (VC), due to her sudden hospitalization.

(b) Terms of Reference:

The Audit Committee acts as the link between the Statutory and the Internal Auditors and the Board of Directors.

The broad terms of reference covering the matters specified for Audit Committee under Regulation 18 read with Part C of Schedule II to the Listing Regulations and Section 177 of the Act, which are mainly, amongst others, as follows:

(i) recommendation for appointment, remuneration and terms of appointment of auditors of the company;

(ii) review and monitor the Auditor's independence and performance and effectiveness of audit process;

(iii) review of the financial statement and the Auditors' report thereon;

(iv) approval or any subsequent modification of transactions of the company with related parties;

(v) scrutiny of inter-corporate loans and investments;

(vi) valuation of undertakings or assets of the company, wherever it is necessary;

(vii) evaluation of internal financial controls and risk management systems;

(viii) monitoring the end use of funds raised through public offers and related matters;

(ix) discussion with internal auditors of any significant findings and follow up thereon;

(x) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

(xi) to review the functioning of the whistle blower mechanism;

(xii) carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(xiii) approval of appointment of chief financial officer after assessing the qualifications, experience & background, etc.

4. SHARE TRANSFER AND SHAREHOLDERS GRIEVANCE-CUM-STAKEHOLDERS RELATIONSHIP COMMITTEE (STC)

Share Transfer and Shareholders Grievance-cum-Stakeholders Relationship Committee has been constituted in accordance with the requirements of Section 178 of Act and Regulation 20 of the Listing Regulations with the objective of overseeing the redressal of investors' complaints pertaining to transfers / transmission of shares, issue of duplicate share certificates, non-receipt of dividend/ interest, dematerialisation (Demat) of shares and all other related matters concerning investors and to consider and resolve the grievances of Security-holders of the Company.

(a) Composition & attendance during the financial year 2021-22:

During the financial year 2021-22, four STC meetings were held on May 31, 2021, July 27, 2021, November 1, 2021 and January 31, 2022. All the Meetings were held through Video Conferencing as permitted by law.

Details of the constitution of the STC and attendance of the members during the financial year 2021-22 is given in Para 2(f) above.

Mr. Sanjaya Kunder, Company Secretary is the Compliance Officer pursuant to the requirements of the Listing Regulations.

(b) Share Transfer System :

In terms of amended provisions of Listing Regulations, the securities of the Company be transferred only in dematerialised form except in case of transmission of securities. Shareholders holding shares in physical form are advised to avail the facility of dematerialization. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

(c) The details of complaints received, resolved and pending during the financial year 2021-22 are given as under:

1.	No. of complaints received from SEBI (SCORES)	Nil
2.	No. of complaints received from BSE Limited (BSE)	1*
3.	No. of complaints resolved	1*
4.	No. of complaints not solved to the satisfaction of the investors as at March 31, 2022.	Nil
5.	Complaints pending as at March 31, 2022.	Nil

*There was 1 complaint received by the Company from BSE through email and the said complaint was pertaining to the SEBI SCORES which was re-directed to the Company by BSE instead by SCORES site.

Further, the Company's –

(i) Conductor division received total 28 complaints (both export and domestic business) and all 28 (100%) complaints were resolved. Out of total 28 complaints, 13 complaints were related to wire and wire rod business, 2 on conductor, 1 on OPGW cable and 12 were on CTC and PICC conductors.

(ii) Cable division of the Company received total of 86 customer complaints, out of which 79 (91.86%) were resolved and 07 complaints are pending for resolution and

(iii) Oil Division of the Company received total 172 complaints, out of which 168 (97.7%) were resolved and 4 complaints are under resolution.

5. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

a. Composition & attendance during the financial year 2021-22.
During the financial year 2021-22, four CSR Committee meetings were held on May 31, 2021, July 27, 2021, November 1, 2021 and January 31, 2022. All the Meetings were held through Video Conferencing as permitted by law.

Details of the constitution of the CSR Committee and attendance of the members during the financial year 2021-22 is given in Para 2(f) above.

b. Terms of Reference:
Broad terms of reference of the CSR Committee, *inter alia*, are:

(a) formulate and recommend to the Board, a CSR Policy, which shall include the activities to be undertaken by the Company as specified in Section 135 (3) and Schedule VII of the Act;

(b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

(c) monitor the CSR Policy of the Company from time to time and

(d) formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy.

6. NOMINATION AND COMPENSATION-CUM-REMUNERATION COMMITTEE (NCRC)
In compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board has constituted Nomination and Compensation-cum-Remuneration Committee (NCRC).

(a) Composition and attendance during the financial year 2021-22:
During the financial year 2021-22, two NCRC meetings were held on May 31, 2021 and January 31, 2022. Both the Meetings were held through Video Conferencing as permitted by MCA.

Details of the constitution of the NCRC and attendance of the members during the financial year 2021-22 is given in Para 2(f) above.

(b) Terms of Reference:
The broad terms of reference of the NCRC include, over and above the administration and other related matters of the Employee Stock Option Plan, the approval of remuneration and other matters as set out under Part D (A) of the Schedule II [Regulation 19 (4) of the Listing Regulations] which *inter alia* include:

(i) Identifying the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carrying out evaluation of every director's performance.

(ii) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

(c) Performance Evaluation:
Pursuant to Schedule IV and Section 134 (3)(p) of the Act and Part D (A) of the Schedule II (Regulation 19 (4) of the Listing Regulations), Board has carried out the annual performance evaluation of Board, the Directors including Independent Directors, individually as well as the evaluation of the working of its committees. A structured questionnaire was prepared, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

7. RISK MANAGEMENT COMMITTEE (RMC)

The Board has constituted a Risk Management Committee (RMC) comprising of four Directors; Mr. Kushal N. Desai – Chairman and Managing Director and CEO, Mr. Chaitanya N. Desai - Managing Director, Mr. Rajesh Sehgal, Mrs. Nina Kapasi, both Independent Directors (Non-Executive) as also other Committee Members from the Management of the Company.

Mr. Kaushal J. Sampat and Mr. Ramesh S. Iyer were inducted as members of the RMC w.e.f. February 1, 2022 and February 3, 2022 respectively.

The Company has formulated Risk Management Policy identifying major risks impacting the business objectives of the Company. The Board of Directors approved the revised Risk Management Policy, in terms of the amended provisions of Regulation 21 read with Schedule II of Listing Regulations.

The Company has laid down the procedure to inform the Members of the Board about the risk assessment and minimization procedures. These procedures are periodically placed and are reviewed by the Audit Committee and Board of Directors.

During the financial year 2021-22, three meetings of RMC were held on July 27, 2021, November 1, 2021 and January 31, 2022. The said Meetings were held through Video Conferencing as permitted by law.

Details of the constitution of the RMC and attendance of the members during the financial year 2021-22 is given in Para 2(f) above.

COMMODITY PRICE RISK AND COMMODITY HEDGING ACTIVITIES

1. In line with the Company's objective towards increasing stakeholders value, a risk management policy has been framed, which attempts to identify key events / risks impacting the business objectives of the Company and attempts to develop policies and strategies to ensure timely evaluation, reporting, monitoring and mitigation plan of key business risks.

   The Company is engaged in the business of manufacture and sale of conductors, specialty oils and cables. These businesses are faced with commodity price risks in respect of aluminium, copper, steel & base oils. In respect of aluminium and copper, price risk is managed by hedging on London Metal Exchange (LME). Whereas steel and base oils are not hedgeable as there is no active market for the same. These risks are managed through other business means such as inventory, sales prices etc. The information required in respect of SEBI circular no - SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is given below.

2. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

   a. Total exposure of the listed entity to commodities in INR Crores – ₹6,382 Crores

   b. Exposure of the listed entity to various commodities:

Commodity Name	Exposure (₹ In Crores) #1	Exposure (Quantity) #1	UOM	% of such exposure hedged through commodity derivatives				
				Domestic Market		International Market		Total
				OTC	Exchange	OTC	Exchange	
Aluminium (Al)	2,702	1,18,250	MT	0%	0%	0%	87%	87%
Copper (Cu)	1,562	20,736	MT	0%	0%	0%	55%	55%
Zinc (Zn)	14	511	MT	0%	0%	0%	39%	39%
Steel #2	119	17,183	MT	0%	0%	0%	0%	0%
Oil #2	1,986	3,34,615	KL	0%	0%	0%	0%	0%

#1 - Exposure is based on the total purchases of particular commodity during the reporting year

#2 - These commodities are not hedgeable

Terms of Reference:

The broad terms of reference covering the matters specified for RMC under Regulation 21 read with Part D of Schedule II to the Listing Regulations, which are mainly, amongst others, as follows:

- Review & monitoring of Risk Management policy, risk management plan and risk management process from time to time;
- ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

8. REMUNERATION OF DIRECTORS

(a) Remuneration policy, terms and criteria of appointment of Directors:

The NCRC has formulated a Remuneration and Board Diversity Policy which, *inter alia*, deals with the manner of selection of Board of Directors and Key Managerial Personnel and Senior Management and their remuneration. The Policy lays down criteria for determining appointment and qualification, positive attributes and independence of Director. The policy reflects the interests of the shareholders and the company, taking into consideration any specific matters, including the assignments, the responsibilities undertaken and also be competitive with the external market. The company recognizes the benefit of a Board that possesses the right balance of skills, knowledge, experience, expertise and diversity of perspective. The "Senior Management" includes members of core management team excluding Board of Directors comprising all members of management, one level below the executive directors including, Key Managerial Personnel, Chief Operating Officers and all the functional heads. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis and is in consonance with the existing Industry practices.

(b) Remuneration paid to Executive Directors:

The break-up of remuneration paid / payable to the Managing Directors for the FY 2021-22 is as under:

Name of Directors	Mr. K. N. Desai	Mr. C. N. Desai
Designation	Chairman & Managing Director	Managing Director
Salary (₹)	76,26,579	76,26,579
Commission (₹)	3,04,26,846	3,04,26,846
Perquisites / Allowances (₹)	99,72,312	1,05,02,490
Total (₹)	4,80,25,737	4,85,55,915
Stock Option Granted (Nos.)	Nil	Nil
Service Contract	5 years	5 years
	from 01/01/2018 to 31/12/2022	from 01/01/2018 to 31/12/2022
Notice Period	3 Months	3 Months

(c) Remuneration paid to Non-Executive Directors:

The Non-executive Directors receive the sitting fees for attending the Board and Committee meetings, as the case may be and reimbursement of expenses for participation in the said Meetings.

Details of remuneration paid to Independent & Non Independent - Non-Executive Directors for attending the meetings of Board of Directors and Committees are as given below:

Name of Directors	Sitting Fees (Gross) (₹)	No. of Stock Options granted
Mr. F. B. Virani	4,17,500	Nil
Mr. Rajesh Sehgal	3,55,000	Nil
Mr. Rishabh K Desai*	1,80,000	Nil
Mrs. Nina Kapasi	3,55,000	Nil
Mr. Kaushal J. Sampat	57,500	Nil

* Non-Independent & Non-Executive

(d) Pecuniary Relationship of Independent Directors and Non-Executive Director with the Company:

None of the Independent Directors and Non-Executive Director have any pecuniary relationship or transactions with the Company, its Promoters, its management or its Subsidiaries and Associate, which, in the judgement of the Board, would affect the independence or judgement of Directors.

9. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated persons of the Company which was reviewed by the Board from time to time and amended accordingly till date. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated persons while in possession of Unpublished Price Sensitive Information (UPSI) in relation to the Company and during the period when the Trading Window is closed. The Company has appointed M/s. Link Intime India Private Limited, the Registrar & Share Transfer Agent of the Company, to monitor / facilitate compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

All Board of Directors and the designated employees have confirmed compliance with the Code.

10. a) GENERAL BODY MEETINGS:

i. Details of the last three AGM of Shareholders of the Company held is as under:

AGM and Financial Year	Date & Time	Location	Details of Special Resolutions
32nd 2020 -21	August 13, 2021 at 2:30 P.M.	Through Video Conferencing (VC)	-
31st 2019 -20	August 17, 2020 at 2:30 P.M.	Through Video Conferencing (VC)	-
30th 2018 -19	August 8, 2019 at 2:15 P.M.	The Auditorium of the Vanijya Bhavan, Central Gujarat Chamber of Commerce, Race Course Circle, Vadodara – 390 007 (Gujarat), India.	- Re-appointment of Mr. F. B. Virani as Non-Executive Independent Director of the Company for the second Term of 5 consecutive years w.e.f. the conclusion of 30th AGM. - Re-appointment of Mrs. Nina Kapasi as Non-Executive Independent Director of the Company for the second Term of 5 consecutive years w.e.f. the conclusion of 30th AGM.

During the financial year under review, no Extra-Ordinary General Meeting was held.

(b) Postal Ballot:

During the year under review, the Company sought the approval from its Shareholders by passing the Special Resolution through Remote e-Voting as set out in the Notice of Postal Ballot dated January 31, 2022 (**"Notice"**).

Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Kaushal Jaysingh Sampat (DIN : 01932997), who was appointed as an Additional Director of the Company with effect from January 31, 2022 pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be appointed as an Independent Director (Non-Executive), not liable to retire by rotation and to hold office for a term of upto 5 (five) consecutive years i.e. from January 31, 2022 to January 30, 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Procedure for postal ballot: The postal ballot process was undertaken in terms of Section 110 and all other applicable provisions of the Act as amended, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the Listing Regulations.

The Board of Directors had appointed Mr. Hemang M. Mehta of M/s. H. M. Mehta & Associates, Practicing Company Secretaries, Vadodara (Membership No. FCS - 4965 & Certificate of Practice No.2554) as the Scrutinizer for conducting the remote e-Voting process.

Details of voting pattern: The aforesaid Special Resolution was passed by way of a remote e-Voting process whose details are as appended below:

Particulars	Number of Members Voted	Number of Shares Voted	% to Total Shares Voted
Total Postal Ballot/Votes received	331	3,22,87,997	100.00
Total Postal Ballots/Votes – Valid	331	3,22,87,997	100.00
Total Postal Ballots/Votes – Invalid	Nil	Nil	Nil
Postal Ballots/ Votes – in favour of the Resolution	323	3,22,87,881	100.00
Postal Ballots / Votes – against the Resolution	8	116	0.00

Date of declaration of result of postal ballot:

The Company Secretary, as authorised by the Chairman of the Company, announced the result of remote e-Voting on March 21, 2022. The above Resolution was passed with requisite majority. The necessary compliances were made to the Stock Exchanges within the stipulated time frame including the posting of the results of remote e-Voting on the website of the Company and on the website of CDSL, an agency appointed for the purpose of providing the remote e-Voting facilities.

11. TRANSFER OF UNCLAIMED/ UNDELIVERED EQUITY SHARES OF THE COMPANY INTO "DEMAT SUSPENSE ACCOUNT".

The Company has transferred the Unclaimed / Undelivered Equity Shares in terms of Schedule VI of Listing Regulations, into "Demat Suspense Account" opened for the purpose pursuant to Securities and Exchange Board of India (SEBI) Circular dated December 16, 2010.

The details of Unclaimed/ Undelivered Shares in the "Demat Suspense Account" as on March 31, 2022 is as follows:

Sr. No.	Description	No. of Cases	No. of Shares
i)	Aggregate number of shareholding and the outstanding shares in the Unclaimed Suspense Account at the beginning of the year i.e. April 1, 2021.	449	7,843
ii)	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year 2021- 2022.	5	64
iii)	Number of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year 2021-2022.	5	64
iv)	Number of Shareholders whose shares were transferred from the Unclaimed Suspense Account to the IEPF Authority during the year 2021-2022 pertaining to the Financial Year 2012-2013.	42	617
v)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. March 31, 2022.	402	7,162

The voting rights in respect of the said shares will be frozen till the time rightful owner claims such shares.

Pursuant to the provisions of Section 124(5) and Section 124(6) of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, the Company has transferred 8,601 Equity Shares of the shareholders whose dividend had remained unclaimed/outstanding for a period of 7 years from 2013-14 to 2019-20 on October 8, 2021 to IEPF Authority.

12. COST AUDIT

The Cost Auditors appointed by the Company pursuant to Section 148 (3) of the Act and Rule 6 (2) of the Companies (Cost Records and Audit) Rules, 2014 have submitted their Cost Audit Reports for the Financial Year ended March 31, 2021. The said Cost Audit Reports were filed in XBRL mode with MCA on August 24, 2021 (due date of filing was September 30, 2021).The due date for filing the Cost Audit Reports for the financial year ended March 31, 2022 is within 30 days from the date of receipt of a copy of Cost Audit Report.

The Board of Directors of the Company has appointed M/s. Rahul Ganesh Dugal & Co., a Proprietary Firm, who are in Whole Time Practice as Cost Accountant, having Firm Registration no. 103425 and Membership no. 36459 issued by the Institute of Cost Accountants of India (ICAI), as a Cost Auditor of the Company for the financial year 2021-22.

13. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Hemang M. Mehta, proprietor of M/s. H. M. Mehta & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as **"Annexure - I"** forming part of the Directors' Report. The Report does not contain any qualifying remark.

14. MEANS OF COMMUNICATION

Quarterly, Half Yearly and Yearly Financial Results of the Company are published in Gujarat edition of "The Business Standard", an (English Language) nationwide daily newspaper and "Vadodara Samachar" (Gujarati Language) daily newspapers.

Additionally, the results, other important information and official news releases including presentations made for investors or analysts are also periodically updated on the Company's website viz. www.apar.com and are also sent to both the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited.

The Company organizes investor conference calls to discuss its financial results every quarter where investors' queries are answered by the management of the company. The investor presentations and the transcripts of the call are also uploaded on the website of the Company and sent to the Stock Exchanges.

Further, the related information is uploaded / submitted to Stock Exchanges on time to time basis.

The Company's results and official news/ presentations/ Notices are available on the Company's website viz. www.apar.com.

15. DISCLOSURES

a) **Related Party Transactions:** The details of all significant transactions with related parties as defined under the Act and Regulation 23 of Listing Regulations during the financial year are periodically placed before the Audit Committee. The relevant details of all transactions with related parties are given in Note No. 47 of the audited accounts for the FY 2021-22, and also in Directors' Report under Para 19 (refer Form AOC-2), which form part of this report also. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. These transactions were entered in the ordinary course of business and on arm's length basis.

The Board of Directors have approved the revised policy on Related Party Transactions as amended in terms of the Act and amended Listing Regulations effective from January 31, 2022 and can be accessed through Company's website from the below link –

https://apar.com/wp-content/uploads/2022/02/Policy-on-Related-Party-Transaction_08.02.2022-FINAL

b) The Company has complied with the requirements of regulatory authorities on capital markets and no penalties or strictures have been imposed on it during the last 3 years.

c) **Whistle Blower Policy :** The Company has introduced 'Whistle Blower Policy (APAR's OMBUDSMEN Policy) effective from March 1, 2014 as modified from time to time, the last modification being on April 30, 2019 by setting a vigil mechanism 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 above policy provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional case. No personnel have been denied access to the Audit Committee.

d) The Company has complied with mandatory requirement of Corporate Governance provisions and has not adopted discretionary requirements.

e) **Subsidiary Companies:** The Company has formulated a Policy on Material Subsidiaries in terms of the Listing Regulations. The same can be accessed through web link–

https://apar.com/wp-content/uploads/2021/05/12.-Apars-Policy-on-Material-Subsidiaries.pdf

The Company has following Subsidiaries at present:

- Petroleum Specialities Pte. Ltd., Singapore (PSPL) – Wholly Owned Subsidiary of the Company
- Petroleum Specialities FZE, Sharjah – Wholly Owned Subsidiary of PSPL
- APAR Transmission & Distribution Projects Private Limited – Wholly Owned Subsidiary of the Company
- APAR Distribution & Logistics Private Limited – Wholly Owned Subsidiary of the Company and
- CEMA WIRES & CABLES INC., USA – Wholly Owned Subsidiary Company (w.e.f. April 26, 2022).

On the basis of the definition of Material Subsidiary given in Regulation 16 of the Listing Regulations, the Company does not have any Material Subsidiary as on March 31, 2022.

The Audited Annual Financial Statements and minutes of the Board Meetings of the Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

f) Reports of Auditors on statutory financial statements of the Company do not contain any qualification.

g) The CEO & MD and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any untrue statements and these statements represent a true and fair view of the Company's affairs.

h) **Management Discussion & Analysis** is covered under the separate head of the Directors' Report of 2021-2022.

i) **Auditors' Certificate on Corporate Governance:** The Company has obtained a Certificate from the Statutory Auditors of the Company regarding compliance with the provisions relating to Corporate Governance prescribed under Schedule V(E) (Regulation 34(3)) of the Listing Regulations which is annexed with the directors' report.

16. GENERAL INFORMATION

33rd Annual General Meeting Day, Date and Time	:	Friday, August 12, 2022 at 2:30 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").
Financial Year	:	April 1, 2022 to March 31, 2023 The financial results will be adopted as per the following tentative schedule: First Quarter : On or before August 14, 2022. Second Quarter : On or before November 14, 2022. Third Quarter : On or before February 14, 2023. Fourth Quarter : On or before May 30, 2023.
Book Closure Dates / Cut-off-Date (Record Date)	:	As mentioned in the Notice of this AGM
Dividend Payment	:	Dividend Warrants will be dispatched after the AGM, but before the expiry of statutory period of 30 days from the date of AGM.
CIN	:	L91110GJ1989PLC012802
Registered Office	:	301, Panorama Complex, R. C. Dutt Road, Vadodara - 390 007 (Gujarat), India.
Listing of Shares on the Stock Exchanges	:	BSE Limited (BSE) **Scrip Code No. 532259** 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra, India.
		National Stock Exchange of India Limited (NSEIL) **Scrip Symbol– APARINDS** "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051, Maharashtra, India.
		The Company has paid the Listing Fees to both the Stock Exchanges within Stipulated time.

Dematerialization of shares as on March 31, 2022 and liquidity:

Particulars	March 31, 2022	
No. of Demat Shares	No. of Shares	%
- NSDL	33,349,792	87.14
- CDSL	4,805,192	12.56
No. of Physical Shares	113,635	0.30
Total	38,268,619	100.00

Distribution of shareholding as on March 31, 2022:

No. of shares ranging From – To			No. of Shareholders	% to Total Shareholders	No. of Shares	% to Total Issued Capital
1	-	500	33,643	96.12	1,487,110	3.89
501	-	1000	581	1.66	444,468	1.16
1001	-	2000	323	0.92	487,494	1.27
2001	-	3000	119	0.34	305,279	0.80
3001	-	4000	67	0.19	241,302	0.63
4001	-	5000	37	0.11	170,608	0.44
5001	-	10000	100	0.29	719,107	1.88
10001	&	above	130	0.37	34,413,251	89.93
Total:			**35,000**	**100.00**	38,268,619	**100.00**

ISIN for NSDL & CDSL: INE372A01015

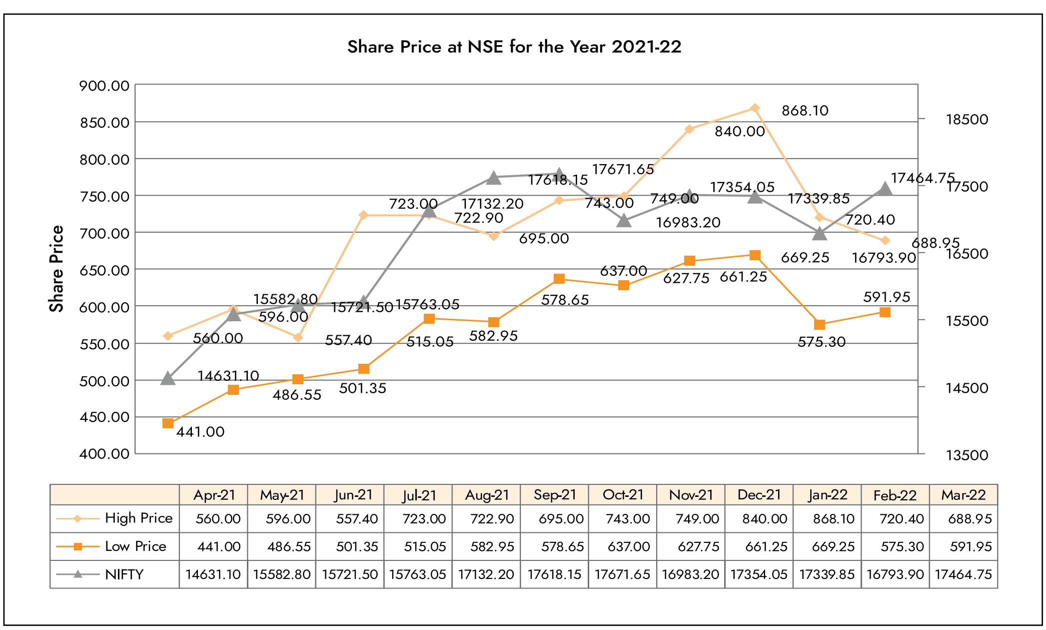
Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary, as per Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, carried out on quarterly basis, a Reconciliation of Share Capital Audit (RSCA) to reconcile the total dematted Share Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and physical share capital with the total issued and listed share capital. The RSCA Report confirms that the total issued / paid up capital is in agreement with the total number of shares in Physical form and the total number of Dematerialized shares held with NSDL and CDSL. The report provided by Practicing Company Secretary was filed with the Stock Exchanges within stipulated timeline for each quarter.

High/low of market price of the Company's shares traded along with the volumes at BSE and NSE during the Financial Year 2021-2022 is furnished below:

Month	BSE (SENSEX)				NSE (Nifty)			
	High Price (₹)	Low Price (₹)	No. of Shares Traded	SENSEX	High Price (₹)	Low Price (₹)	No. of Shares Traded	NIFTY
Apr-21	558.00	440.00	2,37,319	48,782.36	560.00	441.00	28,11,617	14,631.10
May-21	606.00	490.00	1,82,488	51,937.44	596.00	486.55	24,96,970	15,582.80
Jun-21	556.45	500.10	1,60,371	52,482.71	557.40	501.35	14,85,113	15,721.50
Jul-21	722.40	515.95	5,06,621	52,586.84	723.00	515.05	61,35,287	15,763.05
Aug-21	722.00	584.00	3,55,784	57,552.39	722.90	582.95	40,72,863	17,132.20
Sep-21	694.00	617.15	1,66,071	59,126.36	695.00	578.65	15,17,534	17,618.15
Oct-21	742.75	637.25	2,61,601	59,306.93	743.00	637.00	28,64,573	17,671.65
Nov-21	748.85	629.00	1,95,254	57,064.87	749.00	627.75	15,74,227	16,983.20
Dec-21	840.00	663.95	2,92,918	58,253.82	840.00	661.25	45,15,848	17,354.05
Jan-22	868.45	670.00	2,15,114	58,014.17	868.10	669.25	25,42,107	17,339.85
Feb-22	720.00	575.45	2,24,241	56,247.28	720.40	575.30	16,60,650	16,793.90
Mar-22	687.00	592.00	1,03,612	58,568.51	688.95	591.95	8,41,041	17,464.75
Total Shares Traded			29,01,394				3,25,17,830	
Average Shares Traded			2,41,783				27,09,819	

Share performance of the Company in graphical comparison at NSE (Nifty):



Shareholding Pattern as at March 31, 2022:

Category	No. of Equity Shares	% of Share Holding
Promoters / Persons Acting in concert	23,177,550	60.565
Banks, Financial Institutions and Insurance Companies	264	0.001
Alternate Investment Fund	542,629	1.418
Mutual funds	6,440,508	16.830
Foreign Portfolio Investors / Foreign Institutional Investors	2,114,082	5.524
NRIs / OCBs	269,347	0.704
Corporate Bodies	698,279	1.825
Central Government / State Government / President of India / IEPF	97,771	0.255
Resident Individuals (Public) [including HUF, Clearing Members, Body Corporate - Ltd. Liability Partnership, Foreign Portfolio Investor – Individual]	4,928,189	12.878
Total	**38,268,619**	**100.00**

Registrar & Share Transfer Agent:
M/s. Link Intime India Private Limited
(CIN : U67190MH1999PTC118368)
B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020 (Gujarat), India. Ph. Nos. (0265) 6136000, 6136001, 2356573, 2356794. **Tele Fax.** (0265) 2356791 **E-mail:** vadodara@linkintime.co.in

Global Depository Receipts (GDR) / American Depository Receipts (ADR) / Warrants or any Convertible instrument, conversion dates and likely impact on Equity: NIL

Plant Locations:

Division	Location
Conductors	Silvassa – Athola & Rakholi, Jharsuguda and Lapanga.
Oil	Rabale and Silvassa and Hamriyah Free Zone – Sharjah – UAE (owned by Petroleum Specialities FZE, a step down operating subsidiary).
Cable	Umbergaon and Khatalwada (Gujarat)

Address for Communication:
Shareholders' Grievances / correspondence should be addressed to the Company at the Registered Office of the Company situated at: 301, Panorama Complex, R. C. Dutt Road, Vadodara - 390 007, Gujarat, India.
Ph.: (0265) 2339906 **E-mail:** com.sec@apar.com

LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF SUCH ENTITY OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL OF THE LISTED ENTITY INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD.–

Rating: "A" for Long Term Bank Facilities and "A1" for Long/Short Term Bank Facilities.

Agency: CARE Ratings Limited.

The Company has not involved in mobilization of the fund under any scheme and debt instruments except availing of banking related facilities including External Commercial Borrowing /Rupee Term Loan.

17. OTHER DISCLOSURES:

DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32(7A).

During the year under review, there was neither any transaction of fund raising through Preferential Allotment nor any transaction of Qualified Institutional Placement as specified under Regulation 32(7A) of the Listing Regulations.

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

The Company has received a certificate from Mr. Hemang M. Mehta, proprietor of M/s. H. M. Mehta & Associates, Company Secretary in Practice, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ MCA/ Reserve Bank of India or any such statutory authority.

WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR, THE SAME TO BE DISCLOSED ALONG WITH REASONS THEREOF:

There was no such instance during FY 2021-22.

TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/ NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:

Sr. No.	Head of Fees	Fees for the year 2021-22 (₹ Crores) APAR	Fees for the year 2021-22 (₹ Crores) ATDPPL*	Fees for the year 2021-22 (₹ Crores) ADLPL*	Fees for the year 2021-22 (₹ Crores) Total
1.	Audit Fee	0.440	0.00	0.00	0.440
2.	Other Services	0.033	0.00	0.00	0.033
3.	Out-of-pocket expenses	0.002	0.00	0.00	0.002
	Total	0.475	0.00	0.00	0.475

*Amount Less than ₹0.50 Lacs.

DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013;

Particulars	Numbers
Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF "LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT:

During the financial year under review, APAR Industries limited and its subsidiaries have not granted any loans and advances in the nature of loans to firms/ companies in which directors are interested.

The Company has duly complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

The Company has adopted a Code of Conduct for its Employees and Directors which is available on the Company's web site.

As per the requirements of the Listing Regulations, this is to confirm that all the Members of the Board and Senior Management Personnel have affirmed with the Code of Conduct of the Company for the financial year 2021 - 22 and accordingly have received, a declaration of compliance with the Code of Conduct from them.

For the purpose of this declaration, Senior Management team includes the Chief Financial Officer, Chief Executive Officer, Company Secretary and all Presidents, Vice Presidents and Functional Heads of the Company as on March 31, 2022.

Kushal N. Desai
Chairman & Managing Director and CEO

Mumbai, May 27, 2022

Independent Auditors Certificate on Corporate Governance

To the Members of APAR Industries Limited

1. This certificate is issued in accordance with the terms of your appointment letter dated on 20th August, 2020.

2. This report contains details of compliance of conditions of Corporate Governance by APAR Industries Limited ('the Company') for the year ended 31st March, 2022, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreements of the Company with the Stock Exchanges.

Management's Responsibility for compliance with the conditions of SEBI Listing Regulations

3. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations for the year ended 31st March, 2022.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us and the representation provided by the Management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the financial year ended 31st March, 2022.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose of enabling the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No: 037391
UDIN: 22037391AJRYDY8394

Mumbai
Date: May 27, 2022.

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Annexure VI to the Directors' Report

Business Responsibility Report

Section A: General Information about the Company:

1.	Corporate Identity Number (CIN)	:	L91110GJ1989PLC012802
2.	Name of the Company	:	APAR Industries Limited
3.	Registered Address	:	301, Panorama Complex, R. C. Dutt Road, Vadodara – 390 007 (Gujarat), India.
4.	Website	:	www.apar.com
5.	E-mail id	:	com.sec@apar.com
6.	Financial Year reported	:	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	1920 – Transformer & Speciality Oils 2732 – AAC / AAAC / ACSR Conductors 2732 – Power / Telecom Cable
8.	List three product / services that the Company is engaged (industrial activity code-wise)	:	(i) Transformer & Speciality Oils (ii) AAC / AAAC / ACSR Conductors (iii) Power / Telecom Cable
9.	Total Number of locations where business activity is undertaken by the Company	:	39 - Both International and National
	i. Number of International Locations	:	2 Locations through Subsidiaries
	ii. Number of National Locations	:	37 Locations (Factories, Offices including leased offices and depots).
10.	Market served by the Company - Local / State / National / International	:	In addition to serving Indian markets, the Company exports its products to over 125 countries worldwide as on March 31, 2022.

Section B: Financial Details of the Company:

1.	Paid up capital (INR)	:	₹38.27 Crores
2.	Total Turnover (INR)	:	₹8,595.75 Crores
3.	Total Profit after taxes (INR)	:	₹233.60 Crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	:	₹3.91 Crores (1.67%)
5.	List of activities in which expenditure in 4 above has been incurred:	:	1. Healthcare and upliftment of weaker sections of society, 2. Promoting Education and health care including preventive health care (Medical), 3. Environmental sustainability and Rural Development, 4. Welfare of under privilege and destitute children, including girl children, 5. Empowerment of physically / mentally challenged and underprivileged children, adults and providing free education, 6. Relief and rehabilitation for combating with COVID-19 pandemic related activities, 7. Empowering women socially & economically.

Section C: Other details:

1.	Does the Company have any Subsidiary Company / Companies?	:	Yes, the Company has 4 subsidiaries.
2.	Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	:	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].	:	No

Section D: BR Information:

1.	Details of Director / Directors responsible for BR		
a.	Details of the Director / Director responsible for implementation of the BR policy / policies		
	1. DIN	:	00008084
	2. Name	:	Mr. Kushal N. Desai
	3. Designation	:	Chairman & Managing Director
b.	Details of the BR head		
	1. DIN (if applicable)	:	—
	2. Name	:	Mr. Suyash Saraogi
	3. Designation	:	President – Strategy & Projects
	4. Telephone Number	:	022-67800400
	5. Email id	:	suyash.saraogi@apar.com

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability,

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle,

P3 Businesses should promote the well-being of all employees,

P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized,

P5 Businesses should respect and promote human rights,

P6 Businesses should respect, protect, and make efforts to restore the environment,

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner,

P8 Businesses should support inclusive growth and equitable development,

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

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a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the Policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? (If yes, specify (50 words)	Y. The Policies conform to the principle of National Voluntary Guidelines on Social Environment and Economic Responsibilities of Business (NVGs) notified by Ministry of Corporate Affairs								
4	Has the policy been approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board / Directors / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://apar.com/wp-content/uploads/2021/02/2.-Business-Responsibility-Policies.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in- house structure to implement the policy / policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

b. If answer to the question at Sr. No. 1 against any principle is 'No', please explain why: (Tick upto 2 options)

Not applicable, as the Company has policies in place for all the 9 Principles.

3. Governance related to BR

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Annually.

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes. The Company publishes the BR Report and ESG Report. It is published every year.

BR Report for FY 2020-21 is already uploaded with the annual accounts. Also ESG Report for FY 2020-21 is also already uploaded, and is available at https://apar.com/apar-esg-report/

The Company will publish the BR Report with the Annual Accounts for the FY 2021-22.

The ESG Report for FY 2021-22 will be expected to publish by September 2022, and will be uploaded at the Company's website at www.apar.com.

Section E: Principle-wise Performance:

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.

The Company believes in conducting its affairs in a fair, transparent and professional manner and maintaining the good ethical standards, transparency and accountability in its dealings with all its constituents. The driving force behind the Company's management is **"Tomorrow's solutions today"** and backed by **"A culture of High - Tech Practices and Quality"**. APAR's quality policy is **"To satisfy customer needs and retain leadership by manufacturing and supplying quality products and services through continuous improvement by motivated employees"**. Our concept of quality addresses all the three dimensions – people, processes and products.

1. Does the policy relating to ethics, bribery and corruptions cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company considers Corporate Governance as an integral part of good management. The Company has a Code of Business Conduct and a Vigil Mechanism named Whistleblower Policy that are approved by the Board of Directors. These are applicable to all Board Members and employees of the Company, and an annual affirmation is taken from the designated employees. The Code is available on the Company's website viz. www.apar.com

2. **How many stakeholders complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

There was 1 complaint received by the Company from BSE Limited (BSE) on behalf of the Shareholder of the Company through email and the said complaint was pertaining to the SEBI SCORES which was re-directed to the Company by BSE instead of 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 and there are no complaints on SEBI SCORES.

Further, the Company's

(i) Conductor division received total 28 complaints (both export and domestic business) and all 28 (100%) complaints were resolved. Out of total 28 complaints, 13 complaints were related to wire and wire rod business, 2 on conductor, 1 on OPGW cable and 12 were on CTC and PICC conductors.

(ii) Cable division of the Company received total of 86 customer complaints, out of which 79 (91.86%) were resolved and 07 complaints are pending for resolution and

(iii) Oil Division of the Company received total 172 complaints, out of which 168 (97.7%) were resolved and 4 complaints are under resolution.

Company's Code of Conduct has a provision for all Company's stakeholders to freely share their concerns and grievances with the Company.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Company -

- Understands the "Service" and a "Service attitude" to customers and fellow associates that forms the basis of its business.
- Understands that mutual Trust and Respect is the essence of its Human Values.
- Understands Accountability and Commitment in setting and meeting aggressive targets.
- Understands that it will always conduct its business with unyielding Integrity and ethics.
- Understands Excellence and delivers products and services of the highest quality.
- Understands the importance of Change and see it as an Opportunity and not as a Threat.
- Understands Speed as a Competitive Advantage in a changing and uncertain world, delivering Better, Faster and more Competitive products and services.
- Promises to deliver to all customers, Innovative and Value based solutions. Always be an integral part of the Customers' Success.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

We demonstrate our concern about the environment through innovative product design which minimizes the impact on the environment. Some of the initiatives are as follows:

(1) Environmentally Sustainable Products

a) ACCC (Aluminium Conductor Composite Core)
These are 'High Temperature Low Sag' (HTLS) Conductors with excellent electrical characteristics, excellent sag-tension characteristics and superior corrosion resistance to that of conventional ACSR (Aluminium Conductors Steel Reinforced). As compared to ACSR, they have lighter weight, comparable strength and current carrying capacity, lowest electrical losses and superior corrosion resistance have given this conductor wide acceptance as a transmission conductor.
Over the estimated life-cycle of 35 years, the usage of this conductor by the utilities will lead to significant reduction of transmission losses (I^2R). In other words, generation of electricity will be reduced to that extent.

b) Medium Voltage Covered Conductors (MVCC)
We are the first Indian manufacturer to produce MVCC, which ensures no faults with short duration touching of phase conductors during wind conditions. These are 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.

c) 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.

(2) Circular Economy

a) 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.

b) **Packaging:** 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.

(3) Renewable Energy

We have installed solar plants of over 4 MWp capacities at our plants. Together these generate approx. 29 Lakh units of Electricity, which account for saving of 2,300 ton of Carbon dioxide (tCO_{2e}) per annum. Additionally, we are attempting to source 1.3 crores units of electricity through the wind-solar hybrid route for our cable plants in Gujarat, which may expect to save 10,000 tCO_{2e} of carbon emissions per annum.

(4) Sustainable Sourcing

We are using molten aluminium by locating our Orissa plants close to the primary producers. Fuel required to melt this molten metal is 85% less as compared to fuel required to melt primary aluminium ingots. Besides huge savings in fuel cost, there is also tremendous saving on transportation cost & time because of the proximity to the supplier.

(5) Carbon Emission intensity reduction

The company has embarked on a formal journey for reduction in the carbon emission intensity. The multi-pronged approach comprises of the following:

a) Reduction of waste by quality improvement processes through upgradation of the plant, training, 6-sigma implementation, and process monitoring.

b) Improvement in productivity through increased line-speed, lower change-overs and Industry 4.0 initiatives.

c) Multiple projects identified and executed at all plants for reduction in fuel and electricity consumption.

(6) Water Footprint reduction initiatives

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. In addition, water conservation through rain water harvesting, recharging the aquifers, water treatment and re-use are extensively practiced.

We have conducted Hydrological & Topological studies of our plants through a leading consultant for water conservation through aquifer recharge. This includes:

- Preparation of watershed map.
- Estimation of underground water level, pressure, quality & quantity of water.
- Computation of intensity of the water flow through pores or fractures etc.
- Evaluation of water bearing levels of rocks and their capabilities for filtration.
- Assessment of intrinsic ability of the rock to either store or resist water.

Objective is to give back to the nature through aquifers recharge & thereby maintain water table in the nearby area. This will ensure water security for both APAR and the neighbourhood communities. This activity will result in saving of 72,000 KL of water at our Khatalwad plant. Similar exercise is planned at other plants.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a. Reduction during sourcing / production/ distribution achieved since the previous year throughout the value chain?

A large number of GHG abatement & water footprint reduction projects are being pursued at all manufacturing facilities of APAR. This will enable us to achieve the reduction of carbon emission intensity by 15% by FY 2022-23.

The details are given in **Annexure - IV** relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo of Directors' Report.

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company's products viz. Conductors are mainly used for transmission and distribution of power. The ACCC (Aluminium Conductor Composite Core) conductors are 'High Temperature Low Sag' (HTLS) Conductors with excellent electrical characteristics, excellent mechanical properties and superior corrosion resistance as compared to that of conventional ACSR (Aluminium Conductors Steel Reinforced). ACCC's lighter weight, comparable strength and current carrying capacity, lowest electrical losses and superior corrosion resistance have given this conductor wide acceptance as a transmission conductor. Over the estimated life-cycle of 35 years, the usage of this conductor by the utilities will lead to significant reduction of transmission losses (I_2R). In other words, generation of electricity will be reduced to that extent.

Company is equipped with advance world class type testing facility for conductor with NABL accreditation for Conventional conductors/ HTLS and OPGW cables and cost saving by more than ₹2.5 Crores in FY 21~22 and also resulted timely execution of type testing and orders.

Company's high performance Natural Ester based biodegradable Transformer Oil 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.

Company's cable division had utilized 38,755.42 M^2 of rooftop area for Rainwater harvesting & on the computed average rainfall scale, a total of 38,713 KL water has been discharged into the aquifers.

Company's Cable division has further plan to start implementing Industry 4.0 which is the current trend of automation & data exchange in Manufacturing Technologies. It includes Cyber Physical System, the Internet of things, Robotics & Cloud Computing thereby making our facility as SMART Factory.

Company's Cable division has 2 NABL accredited laboratory (traceable to APLAC/ ILAC) based at Umbergaon (with the type testing scope of Power Cables {XLPE, PVC etc} & Elastomeric Cables) & Khatalwada (with type testing scope of OFC) with more than 756+ testing facilities as per various National & International Standards.

The Company has generated (Saved) 29,17,297 units of electricity during the Financial Year 2021-22 for in-house energy consumption through its 4,189 KWP Roof top Solar Plant. This has reduced 2,305 metric tons of CO_{2e} emission. The Company plans to significantly augment its renewable energy sourcing in the next financial year.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company's Jharsuguda and Lapanga plants are located in Eastern part of India in Orissa where the Company sources aluminium, the key raw material, in the molten form. Fuel required to melt this molten metal is 85% less as compared to fuel required to melt primary aluminium ingots. Besides huge savings in fuel cost, there is also tremendous saving on transportation cost & time because of the proximity to the supplier. Similarly, the finished goods, viz. different kinds of Conductors can also be supplied more easily to the eastern parts of India thereby saving both inward and outward freight.

Aluminium accounts for about 70% of the conventional finished product value, where company has entered into strategic alliances with key suppliers on long-term basis.

Further Company's Conductors Unit, Oils Unit are both located in Silvassa. Similarly, Company's Cable Units are located in Umbergaon and Khatalwad (Taluka Umbergaon). Thus 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. Oil division plant at Sharjah, UAE has direct pipeline transfer of Oil from the ship reducing dependence on surface transportation.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

As long as local supplies are concerned, company procures goods from local suppliers including Micro, Small and Medium Enterprises and materials are imported under Advance License Scheme to the extent possible. Company also supports vendors for improving their productivity and technical capability to reduce their operation costs.

Further, the Company procures goods and services like security, housekeeping, gardening, and such other services from the suppliers located near the factories of the Company. Major workforce of the company is employed from the surroundings of the manufacturing unit across all locations.

Company ensures right quality production at suppliers' end as well to ensure the desired quality levels of the end product, resulting into enhanced capability of supplier to produce right quality material for elevated volumes.

Company 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).

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as < 5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

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.

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.

Re-use: APAR 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 re-cycling.

Extended Life: APAR manufactures 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).

The manufacturing processes of Aluminium Conductors, Specialty Oils and Cables do not directly discharge any significant effluent or waste. Oil manufacturing plant in Sharjah, UAE has zero effluent discharge and Industrial wastage.

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.

Company had set up STP (Sewage Treatment Plants) & ETP (Effluent Treatment Plants) for recycling of water at its various plant locations. The details of water saving due to ETP and STP for the FY 2021-22 is as follows:

Cable plants – 12,923 KL (4,133 KL ETP and 8,790 KL STP)

Oil plants – 704 KL (Common ETP and STP)

Conductor plants – 8,945 KL (7,412 KL ETP and 1,533 KL STP)

Total – 22,572 KL

Principle 3: Businesses should promote the wellbeing of all employees:

APAR's Corporate Philosophy is to encourage the practice "to do what is right as a human being". It offers employment with a sense of certainty for a successful long term career that would be driven by boundless growth opportunities and exposure to immense learning opportunities.

It nurtures a cohesive team culture that inspires employees to actively participate in all organizational development initiatives with no limitation of opportunities which makes APAR an exhilarating place to be in.

With the intent of connecting people for fostering and building people interaction, APAR encourages employees to undertake fun-at-work initiatives also so that they enjoy a sense of bonding within the company. At the same time, safety and health of employees is extremely important to the Company.

Further, in order to promote the wellbeing of the employees, the Company has introduced the flexi timings in some of the offices of the Company.

The Company's divisions have a zero accident rate during the year under review.

1. Please indicate the total number of employees.
   1,428 Nos. (Excluding temporary and contractual employees).

2. Please indicate the total number of employees hired on temporary / contractual / casual basis.
   a. Temporary - 51 Nos.
   b. Contractual - 3,381 Nos.
   c. Casual - 422 Nos.

3. Please indicate the number of permanent women employees.
   88 Nos.

4. Please indicate the number of permanent employees with disabilities.
   1 No.

5. Do you have an employee association that is recognized by Management?
   1 No.

6. What percentage of your permanent employees is members of this recognized employee association?
   6.61% of Cable Division

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced Labour / involuntary labour	0	0
2	Sexual harassment	0	0
3	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?
   a. Permanent Employees 74%
   b. Permanent Women Employees 85%
   c. Casual / Temporary / Contractual Employees 70%
   d. Employees with Disabilities 100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

APAR recognizes the interest of all communities including those of disadvantaged, vulnerable, marginalized and weaker sections of the society and proactively engage with them. It believes that it has a responsibility to think and act beyond the interests of its shareholders to include all its' stakeholders specially interest of the weaker sections of the society.

APAR is committed to providing a safe and healthy workplace. Making sure that our employees, associates and contractors return home from work safely each day is more important than anything else. We are committed to ensuring zero harm to our employees, associates and contractors and the communities in which we operate. This is integral to our business and is laid down in our health and safety policies, standards and working procedures.

1. Has the Company mapped its internal and external stakeholders? Yes / No.
   Yes, to the extent possible.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

   Your Company gives significant importance to the interests of those stakeholders who are disadvantaged, vulnerable and marginalized through various initiatives including generation of employment for the local communities wherever the plants of the Company are situated, giving priority to employment to local people. In fact the Company has given options to the present employees who are residents of areas where the new Manufacturing Plants are being commissioned, to seek transfer to the said new Manufacturing Plants thereby the employees can be migrated back to their native places. The Company employs Contract labour at the manufacturing plants and other non-core activities like housekeeping, warehouse operations etc. and closely monitors that the Contractors meet their obligations towards the Contract Labour employed by them.

Wherever new Manufacturing Plant is being erected, Company sources local labour for construction, maintenance etc.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

   The Company's CSR activities aim at, inter alia, healthcare and upliftment of poor sections of Society. During the year under review, the Company has contributed for activities relating to rehabilitation of abandoned, unclaimed, parentless and destitute children, especially girl children, in need of care and protection, empowerment of women socially & economically, Relief and rehabilitation for combating with COVID-19 pandemic related activities, services to mentally under- developed girls, education to rural / slum children, all aiming to engage with the disadvantaged, vulnerable and marginalized stakeholders / sections of society.

Principle 5: Businesses should respect and promote human rights:

APAR recognizes the human rights and treat others with dignity and respect. It believes that it is one's fundamental right to live with dignity and respect. Company has adopted a Policy on "Prevention of Sexual Harassment at Work Place" (POSH) to provide safe and healthy work environment to its employees by establishing a guidelines to deter any sexual harassment at work.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures / Suppliers / Contractors / NGOs / Others?

   The Company does recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace including that of communities, consumers and vulnerable and marginalized groups. All aspects of human rights have been included and covered in the Code of Business Conduct and in various human resource practices / policies issued by the HR Department from time to time.

2. How many stakeholder Complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   There was 1 complaint received by the Company from BSE Limited (BSE) on behalf of the Shareholder of the Company through email and the said complaint was pertaining to the SEBI SCORES which was re-directed to the Company by BSE instead by SCORES site, which (100 %) was promptly attended to and redressed suitably to the satisfaction of shareholder and replied to the Statutory Authority also viz. BSE. There are no complaints in SEBI SCORES.

   Further, the Company's –

   (i) Conductor division received total 28 complaints (both export and domestic business) and all 28 (100%) complaints were resolved. Out of total 28 complaints, 13 complaints were related to wire and wire rod business, 2 on conductor, 1 on OPGW cable and 12 were on CTC and PICC conductors.

   (ii) Cable division of the Company received total of 86 customer complaints, out of which, 79 (91.86%) were resolved and 7 complaints are pending for resolution and

   (iii) Oil Division of the Company received total 172 complaints, out of which, 168 (97.7%) were resolved and 4 complaints are under resolution.

Principle 6: Business should respect, protect, and make efforts to restore the environment:

APAR is committed to prevent the wasteful use of natural resources and minimise any hazardous impact of the development, production, use and disposal of any products and services on the ecological environment.

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?

   The policy related to Principle 6 cover the Company and its other stakeholders to the extent possible.

2. Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

   Yes. Please refer to Company's ESG report at https://apar.com/apar-esg-report/ and TCFD report at https://apar.com/tcfd-report/ . Also please refer to Annexure II to Directors' Report - Annual Report on Corporate Social Responsibility Activities and Annexure IV - Report on Conservation of Energy.

3. Does the company identify and assess potential environmental risks? Y/N.

   Yes, the Company has mechanism to identify and assess potential environment risks in its various plants / units.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   The ACCC conductors that we are supplying to utilities across the world have significant reductions in transmission losses during the estimated life cycle of 35 years. This results in proportionate carbon savings to the utilities. We are working with them to develop the methodology for submission to the UNFCCC for registering under CDM.

   In addition, we are working on various other projects to reduce our carbon emissions. We believe that a few of them may qualify for CDM, which we will then take up with UNFCCC for validation and approval.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes. Please refer to Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo – Annexure - IV to the Directors' Report.

   The Company has generated (saved) 29,17,297 units of electricity during the Financial Year 2021-22 for in-house energy consumption through its 4,189 KWP Roof top Solar Plant. This has reduced 2,305 metric tons of CO_{2e} emission. The Company plans to significantly augment its renewable energy sourcing in the next financial year.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the emissions / waste generated by the Company are well within the permissible limits given by CPCB / SPCB for the financial year under review.

   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.

7. **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   None.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Company engages with industry bodies and associations to influence public and regulatory policy in a responsible manner and advocating best practices for the benefit of society at large.

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company is a member of:

   a. Aluminium Association of India
   b. Cable and Conductor Manufacturers Association of India (CACMAI)
   c. EEPC India (Formerly Export Engineering Promotion Council)
   d. Indian Electrical & Electronics Manufacturers' Association (IEEMA)
   e. IMC Chamber of Commerce and Industry
   f. Manufacturers of Petroleum Specialties Association (MPSA)
   g. Confederation of Indian Industry
   h. Indian Transformer Manufacturers Association (ITMA)
   i. Electrical Research & Development Association (ERDA)
   j. BIS and IEC Technical Committee
   k. ICDC (Indian Copper Development Center)
   l. CIGRE (The International Council on Large Electric Systems)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   To market any cables or wires in USA, UL Certification is Mandatory. UL approval is one of the stringent & difficult certification owing to its rigorous & comprehensive testing process. Company is delighted to announce that Company's Cable solution has begged the highest several number of fast moving UL approval. Till March 31, 2022, Cable division has 18 categories of UL approval. Our Top Products in USA market includes Thermoset Insulated Wires, Thermoplastic Insulated Wires, Service Entrance Cables & Photovoltaic PV Wires Category. Till March 31, 2022, Cable Solution had done a total business of INR 214.75 Cr in UL categories product.
   The Company also developed special high conductivity alloy conductor with Aero-dynamic (drag resistant) conductor which can sustain exceptional high winds (Hurricane and tornado) and sustain the power transmission without potential blackout.

   The Company has used the platform of various Industry segment seminars and exhibitions to promote entry of this new product to utilities.

Principle 8: Businesses should support inclusive growth and equitable development:

Company believes in the principle of trusteeship. APAR has from its inception served society by taking forward this philosophy and catalyzing societal welfare through focused projects in the healthcare, education and nutrition sectors especially for the needy and weaker sections of the Society. The company has adopted a CSR policy through which, it undertakes the projects in accordance with Schedule VII of the Companies Act, 2013. In addition, the Company makes full efforts to employ local communities at all its manufacturing facilities. Various development programs are undertaken at all levels to upgrade their knowledge and skills. This fosters inclusivity and equitable development.

1. **Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   The Company's CSR programme focus, inter alia, at healthcare, Education, skill development, woman empowerment, upliftment of poor/weaker sections of society and Environment sustainability. The Company has contributed for activities relating to rehabilitation of abandoned, unclaimed, parentless and destitute children, especially girl children, in need of care and protection, skill development of rural youth, empowerment of women socially & economically, Relief and rehabilitation for combating with COVID-19 pandemic related activities, services to mentally under-developed girls, education to rural / slum children, all aiming to engage with the disadvantaged, vulnerable and marginalized stakeholders / sections of society.

2. **Are the programmes /projects undertaken through in-house team / own foundation / external NGO / government structures/any other organization?**

   The programmes / projects detailed at point no. 1 have been undertaken through external NGOs / Institutions / Government structures / and in-house project.

3. **Have you done any impact assessment of your initiative?**

   The management closely monitors the spending of its contributions towards the above social causes and the Company's Directors are paying regular visits at the projects where the Company has given contribution.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   The details of Company's contribution as also the names of the Institutions to whom the contribution is given along with the details of their projects are given in the Annual Report on CSR activities

(Please refer **Annexure II** to the Directors' Report), which forms part of this Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   As mentioned earlier, the Company closely monitors the spending of its contributions towards the above social causes and the Company's Directors / officials are paying regular visits at the projects where the Company has given contribution. The Company also seeks reports from the institutions about the details of their spending from time to time.

   The Company's Rabale Oil Plant has APAR Employees Co-operative Society under which, the employees get financial assistance at concessional rates.

   The Company's Oil Division has been continuously adhering to the Best Welfare Practices throughout the year including the Covid19 vaccination drive for its direct and indirect workforce.

   For the last 10 Years , there was the need for a proper Anganwadi center in the Village that would provide basic facilities like pre-schooling education, supplementary nutrition, health Check-ups etc. APAR Group has adopted about 25 Anganwadi and 4 Zilla Parishad Schools in Wada District, Maharashtra for providing good infrastructure, a positive environment, giving direction to right path, providing clean drinking water, teaching aides and teaching the teachers to nurture children's knowledge and values.

   APAR also contributed to set up a skill development centre known as "**Bhaktivedanta Kaushal Vikas Kendra (BKVK) -Wada District, Maharashtra**" encouraging rural youth to register to get them gainfully employed. The centre includes multi-disciplinary training in welding, electrical, plumbing, carpentry, baking, farming and many other areas of vocational training. Students are taught from among 70 skill areas to select their specialisation and are then helped to get placed in nearby companies for internships which can translate into jobs.

   Company's cable division took up this project with the support of District Collector & the guidance of ICDC for the construction of good Anganwadi under our CSR program. Within 6 months, we have completed this project & the inauguration of new Anganwadi was organized on February 12, 2022. The area of said Anganwadi is 1000+ Sq.ft.

   For further details, please refer the Company's CSR report at https://apar.com/CSR/

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner:

APAR has long standing relationships with its customers which includes leaders in the Power, transportation and Telecom sectors built on the back of a successful track record of delivering the most high performance and cost efficient products. It has an extensive portfolio of over 400 types of specialty, Industrial and automotive oils; Largest range of conventional and new generation conductors, Copper conductors for Rly electrification, Transformer winding wires and a comprehensive range of power and telecommunication cables.

The Company continues to strive to make available goods that are safe, competitively priced, easy to use and safe to dispose, for the benefit of its customers and end users.

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   The Company's –

   (i) Conductor division received total 28 complaints (both export and domestic business) and all 28 (100%) complaints were resolved. Out of total 28 complaints, 13 complaints were related to wire and wire rod business, 2 on conductor, 1 on OPGW cable and 12 were on CTC and PICC conductors.

   (ii) Cable division of the Company received total of 86 customer complaints, out of which, 79 (91.86%) were resolved and 7 complaints are pending for resolution and

   (iii) Oil Division of the Company received total 172 complaints, out of which, 168 (97.7%) were resolved and 4 complaints are under resolution.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No / N.A. / Remarks (additional information).**

   The Company displays product information as per mandated local laws. However, in case of our B2C businesses, we are also mentioning certain product capabilities which distinguish our products from those of the competition. The customers are also provided with guaranteed technical particulars, which are approved and forms part of the customer purchase order.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No such case has been filed against the Company during the last five years and pending as on the end of financial year.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   The Company has not carried out any consumer survey / customer satisfaction trend during the year. However, the Company has not come across with any kind of negative feedback on the performance while discussing with the consumers. In fact, the Company has been receiving repeat orders from the customers & also the performance certificate of supplied products which itself reflects the competitiveness of Company's products in the markets, supply of quality materials and fulfillment of our commitment.

For and on behalf of the Board

Kushal N. Desai
Chairman & Managing Director
DIN: 00008084

Place: Mumbai
Date: May 27, 2022.

APAR
Tomorrow's solutions today

Annexure VII to the Directors' Report

Employee Stock Option Disclosures

Members' approval was obtained at the Annual General Meeting held on August 9, 2007 for introduction of Employees Stock Option Scheme to issue and grant upto 16,16,802 options and it was implemented by the Company. The options have been granted to employees in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (SEBI Regulations) read with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and amended to date (the SEBI Guidelines). The Nomination and Compensation-cum-Remuneration Committee, constituted in accordance with the SEBI Guidelines, administers and monitors the Scheme.

The disclosures stipulated under the SEBI Regulations and Guidelines are as follows:

a.	Options granted by the Compensation Committee	:	175,150
b.	Exercise price	:	₹207.05 per option
c.	Options vested	:	175,150
d.	Options exercised	:	26,338 (option exercised upto March 31, 2015 – 26,072 and on May 14, 2015 – 266 options)
e.	The total number of shares arising as a result of exercise of options	:	26,338
f.	Options lapsed	:	148,812
g.	Variation in terms of options	:	See note 1 below
h.	Money realised by exercise of options	:	₹5,453,282.90
i.	Total number of options in force	:	14,41,652 options yet to be granted
j.	Employee-wise details of options granted to: i. Senior Management Personnel / Directors (a) Shri F. B. Virani (b) Mr. V. C. Diwadkar, CFO (upto 02.02.2022) and Mr. Sanjaya Kunder, CS have exercised 1,952 and 133 options respectively and equal number of shares were allotted. Balance options lapsed. *Of these, 2/3rd Options lapsed and 1/3rd Options exercised and equal no. of shares (1,333) allotted. ii. Any other employee who received a grant in any one year of options amounting to 5% or more of options granted during that year iii. dentified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	:	4,000* Nil Nil
k.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options.	:	Not Applicable (No options granted and exercised in Financial Year 2021-22).

Notes:

1) 175,150 options at the exercise price of ₹259.75 granted on January 23, 2008 were cancelled on May 27, 2008. The cancellation was necessary due to substantial reduction in the price of shares in the secondary market and simultaneously therewith, the above detailed options were granted. The confirmation of the shareholders for the said cancellation and subsequent grant were sought at the 19th Annual General Meeting held on August 29, 2008.

2) As the exercise of options would be made at the market linked price of ₹207.05, the issuance of equity shares pursuant to exercise of options will not affect the profit and loss account of the Company.

3) The Company obtained in-principle approval for the listing of the entire 1,616,802 equity shares to be issued and allotted on exercise of options as and when exercised under the scheme. The Company has also obtained listing and trading approvals from both the Stock Exchanges viz. BSE Limited (BSE) and the National Stock Exchange of India Limited (NSEIL) in respect of entire 26,338 Equity Shares allotted to the employees under the scheme.

4) The Company has received a certificate from Mr. Hemang M. Mehta, Proprietor of M/s. H. M. Mehta & Associates, Practicing Company Secretaries, Vadodara, Gujarat (Membership No. FCS - 4965 & Certificate of Practice No. 2554), the Secretarial Auditors of the Company, certifying that the Scheme has been implemented in accordance with the SEBI Guidelines and the resolution passed at the Annual General Meeting held on August 9, 2007. The Certificate would be placed at the Annual General Meeting for inspection by members.

Annexure VIII to the Directors' Report

Form AOC - 1

(PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES COMPANIES OR ASSOCIATE COMPANIES OR JOINT VENTURE

Part A Subsidiaries

Sr. No.	Particulars	Petroleum Specialities Pte. Limited, Singapore		Petroleum Specialities FZE, Sharjah		APAR Transmission & Distribution Projects Private Limited	APAR Distribution & Logistics Private Limited
		In USD	₹in Crore	In USD	₹in Crore	₹in Crore	₹in Crore
(a)	The date since when subsidiary was acquired	**17.03.2004**		**18.11.2014**		**26.08.2016**	**02.03.2020**
(b)	Share Capital	59,101	0.45	1,23,29,700	93.45	0.01	1.00
(c)	Reserve and surplus	1,51,26,423	114.65	4,53,395.25	3.44	12.26	0.52
(d)	Total Assets	1,52,56,697	115.63	6,41,30,900	486.06	37.57	12.46
(e)	Total Liabilities	71,173	0.54	5,13,47,805	389.18	25.30	10.94
(f)	Details of Investment (Except in case of investment in Subsidiaries)	-	-	-	-	-	-
(g)	Turnover	17,395	0.13	10,92,62,858	828.13	70.35	6.56
(h)	Profit before taxation	(84,362)	(0.64)	18,77,783	14.23	12.06	0.92
(i)	Provision for taxation	301	0.00	-	-	3.04	(0.23)
(j)	Profit after taxation	(84,663)	(0.64)	18,77,783	14.23	9.03	0.69
(k)	Proposed dividend	-	-	-	-	-	-
(l)	Extent of shareholding (% of shareholding)	100		100		100	100

Notes :

1) As on 31.03.2022: 1 U.S. Dollar (USD) = ₹75.7925
2) Profit/(Loss) figures do not include other comprehensive income.

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Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associates or Joint Ventures	Ampoil Apar Lubricants Private Limited (Associate Company)
1	Latest audited Balance Sheet Date	April 25, 2022
2	Date on which the Associate or Joint Venture was associated or acquired	September 19, 2022
3	Shares of Associate or Joint Ventures held by the company on the year end	
	No.	40,00,000
	Amount of Investment in Associates or Joint Venture	₹0.40 Crores
	Extent of Holding (in percentage)	40.00%
4	Description of how there is significant influence	Holding 40% of Equity Share capital
5	Reason why the associate/Joint venture is not consolidated.	Consolidated as per IND AS 28 Investments in Associates and Joint Ventures - (Equity Method)
6	Net worth attributable to shareholding as per latest audited Balance Sheet	₹0.52 Crores
7	Profit or Loss for the year	
	i. Considered in Consolidation	0.12
	ii. Not Considered in Consolidation	NA

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman & Managing Director & Chief Executive Officer
DIN : 00008084
Mumbai, 27.05.2022

Nina P. Kapasi
Director
DIN : 02856816

Ramesh S. Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Annexure IX to the Directors' Report

FORM AOC - 2

(PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	:	Not Applicable
(b)	Nature of contracts/arrangements/transactions	:	Not Applicable
(c)	Duration of the contracts / arrangements/transactions	:	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	Not Applicable
(e)	Justification for entering into such contracts or arrangements or transactions	:	Not Applicable
(f)	Date(s) of approval by the Board	:	Not Applicable
(g)	Amount paid as advances, if any	:	Not Applicable
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	:	Not Applicable

2. Details of material contracts or arrangements or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	:	Not Applicable
(b)	Nature of contracts/arrangements/transactions	:	Not Applicable
(c)	Duration of the contracts / arrangements/transactions	:	Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	Not Applicable
(e)	Date(s) of approval by the Board, if any	:	Not Applicable
(f)	Amount paid as advances, if any	:	Not Applicable

Notes:
There are no material contract or arrangement or transaction entered into by the Company with related party as envisaged u/s 188 of the Companies Act, 2013. Related party transactions as per IND AS are reported on Note No. 47 of Audited Financial Statements annexed hereto.

On behalf of the Board of Directors

Kushal N. Desai
Chairman & Managing Director
DIN - 00008084
Place: Mumbai
Date: May 27, 2022

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Independent Auditor's Report

To the Members of Apar Industries Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Standalone Financial Statements of Apar Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as " Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, the net profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Litigations, Provisions and Contingent Liabilities There are several litigations pending before various forums against the Company. These also include matters under various statutes and involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities. We identified this as a key matter as the estimate of these amounts involve a significant degree of management judgement and high estimation uncertainty. (Refer Note 48 to the Standalone Financial Statements)	To address this key audit matter, our procedures included: • Obtaining from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations; • Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions for direct and indirect taxes and process followed to decide provisioning or disclosure as Contingent Liabilities; • Discussing with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company; • We also involved our firm's internal experts to evaluate the management's underlying judgements in making their estimates with regard to such matters.

Other Information

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in Director's Report including Annexures thereto, Management Discussion and Analysis Report, Corporate Governance Report and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;

(d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**";

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 48 to the Standalone Financial Statements;

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. i. The Management has represented that, to the best of its knowledge and belief, (Refer Note No.53(v)) no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

ii. The Management has represented, that, to the best of its knowledge and belief, (Refer Note No.53(vi)) no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of Dividend.

As stated in Note no.16A(f) to the Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391
UDIN: 22037391AJRYCI4758

Place: Mumbai
Date: 27th May 2022

Annexure "A" to the Independent Auditor's Report

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March 2022.

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The Company has maintained proper records showing full particulars of intangible assets;

(b) The Property, Plant and Equipment have been physically verified by the Management at reasonable intervals considering the size of the Company and nature of assets. In our opinion the frequency of verification is reasonable. No material discrepancies were noticed on such verification and have appropriately been dealt with in the books of accounts;

(c) Based on our examination of the registered sale deeds provided to us, we report that the title deeds of all the immovable properties, comprising of land and building which are freehold, are held in the name of the Company as at the balance sheet date;

(d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) and intangible assets or both during the year;

(e) As disclosed in note no. 53(i) of the Standalone Financial Statements, the Company does not have any proceedings initiated or pending against for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder;

(ii) (a) The inventory has been physically verified by the Management during/at the end of the year. In our opinion, the frequency of verification is reasonable. Considering the size of the Company and nature of its operations the coverage and procedures are adequate. The discrepancies noticed on physical verification of inventory did not exceed 10% or more for each class of inventory and has been appropriately dealt with in the books of accounts;

(b) As disclosed in note no. 22(iv) of the Standalone Financial Statements, the Company has working capital limits sanctioned from banks exceeding ₹5 crores, on the basis of security of current assets. The quarterly returns / statements filed by the Company are broadly in agreement with the books of account and no material discrepancies have been observed;

(iii) (a) The Company has made investments in, provided guarantee or security and has granted loans or advances in the nature of loans, secured or unsecured, to Companies:

(A) The Company has granted secured or unsecured loans, to other parties and has given corporate guarantee on behalf of its subsidiary Company which are mentioned below:

Particulars	Aggregate amount during the year (₹. In crores)	Balance outstanding as at 31st March 2022 (₹. In crores)
Corporate Guarantee on behalf of a subsidiary	454.76	454.76

(B) The Company has granted loans to parties other than subsidiaries, joint ventures and associates , the details are mentioned below ;

Particulars	Aggregate amount during the year (₹. In crores)	Balance outstanding as at 31st March 2022 (₹. In crores)
Loan to employees	1.80	1.64

(b) In our opinion, the investments made, guarantees / securities given and the terms and conditions of the loans provided are, prima facie ,not prejudicial to the Company's interest;

(c) In respect of loans granted by the Company the schedule of repayment of principal and payment of interest has been stipulated and receipt of the same are regular;

(d) In respect of the loans granted by the Company, there is no amount which is overdue for more than ninety days;

(e) There are no loans that have fallen due during the year which have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties;

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment;

(iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable;

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Therefore, Clause 3(v) of the Order is not applicable to the Company for the year under audit;

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of these accounts and records with a view to determine whether they are accurate or complete;

(vii) (a) On the basis of our examination of records and according to the information and explanations given to us the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, Goods and Service Tax, custom duty, sales tax, cess and other statutory dues, there are no undisputed statutory dues outstanding as at 31st March, 2022, for a period of more than six months from the date they became payable;

(b) On the basis of our examination of records and according to the information and explanations given to us, the particulars of statutory dues that have not been deposited on account of any dispute are as under :

Name of Statute	Nature of Dues	Amounts (₹ in Crore)	Period to which the amount relates	Forum from where the dispute is pending
The Central Sales Tax Act 1956	Value Added Tax/Sales Tax/Central Sales Tax/ Entry Tax	0.26	1998-99, 2001-02 to 2004-05 & 2010-11	Comm. Tax Officer
		0.06	2011-12 & 2012-13	Dy. Comm. (appeal)
		0.37	2015-16 & 2016-17	Joint comm.(appeal)
		0.16	2013-14	Addl. Commissioner
		5.44	2002-03, 2004-05, 2006-07, 2011-12 to 2013-14	Commissioner
		5.80	1998-99, 2006-07, 2008-09, 2009-10, 2015-16 to 2017-18	Tribunal
Central Excise Act, 1944	Excise duty (Including interest and penalty thereon)	0.01	2004-05 to 2006-07	Comm. (Appeals)
		2.38	2007-12 to 2012-17	Tribunals
		0.02	2017-18	Comm. (Appeals)
Goods & Service Tax Act,2017	Goods and Service Tax	15.39	2017-18 to 2020-21	Gujarat AAAR
Finance Act, 1994 (Service Tax)	Service Tax	2.40	2005-06 to 2007-08	Comm. (Appeals)
Customs Act,1962	Custom Duty	0.86	1999-1999	Tribunal
		1.05	1999-2006	High Court
Income Tax Act	Income Tax	10.74	2015-16 to 2016-17	Comm. Of Income Tax Appeals

(viii) As disclosed in note no. 53(vii) of the Standalone Financial Statements, there are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;

(ix) On the basis of examination of records and according to the information and explanation given to us:

(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;

(b) As disclosed in note no. 53(viii) of the Standalone Financial Statements, the Company is not declared wilful defaulter by any bank or financial institution or other lender;

(c) On an examination of records of the Company, we report that the term loans were applied for the purpose for which the loans were obtained;

(d) On an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company;

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year. Hence, clause 3(x)(a) of the Order is not applicable to the Company for the year under audit;

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year under review. Therefore, clause 3(xiv) of the Order is not applicable to the Company for the year under audit;

(xi) (a) There are no instances of material fraud by the Company or on the Company noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year;

(xii) The Company is not a Nidhi Company and hence the reporting under paragraph 3(xii) of the order is not applicable to the Company for the year under audit;

(xiii) The Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards;

(xiv)(a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business;

(b) We have not received detailed internal audit reports of the Company. We have considered the observations of the internal auditors of the Company, in determining the nature, timing and extent of our audit procedures, for the year under audit;

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company for the year under audit;

(xvi)(a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and therefore, clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company;

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable to the Company;

(xvii)The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year;

(xviii)There has been no resignation of the statutory auditors during the year and accordingly, clause 3(xviii) of the Order, is not applicable for the year under audit;

(xix)On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;

(xx) The Company has spent the requisite amount on eligible CSR activities and there is no unspent amount as at the end of the year, whether related to on-going projects or otherwise;

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391
UDIN: 22037391AJRYCI4758

Place: Mumbai
Date: 27th May 2022

Annexure "B" to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of the Company as of 31st March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to Standalone Financial Statements of the Company that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements of the Company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to Standalone Financial Statements of the Company and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to Standalone Financial Statements of the Company and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391
UDIN: 22037391AJRYCI4758

Place: Mumbai
Date: 27th May 2022

Balance Sheet as at March 31, 2022

(₹ crore)

Particulars	Note	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	717.44	720.21	722.02
Right to use Assets	2A	13.32	11.10	17.99
Capital work-in-progress	2	37.00	28.71	54.67
Other Intangible assets	2B	1.48	1.81	2.43
Intangible asset under development	2B	0.16	-	0.04
Financial Assets				
Investments	3	1.67	1.67	0.28
Trade receivables	10A	11.29	7.69	3.06
Loans	4	0.83	0.89	1.01
Derivative assets	5	42.80	4.25	-
Other financial assets	6	12.52	11.14	11.20
Deferred Tax Assets (net)	21	-	-	2.18
Non current Tax Assets (net)		20.90	14.80	12.00
Other non-current assets	7	29.00	7.12	8.63
Total non current assets		**888.41**	**809.39**	**835.51**
Current Assets				
Inventories	8	1,991.55	1,479.01	1,268.00
Financial Assets				
Investments	9	30.00	60.00	-
Trade receivables	10	2,423.31	1,791.49	1,797.44
Cash and cash equivalents	11	242.65	183.42	141.11
Bank balances other than above	12	13.44	15.43	13.87
Loans	13	0.81	0.79	1.00
Derivative assets	5	161.07	24.21	24.80
Other financial assets	14	169.91	36.96	64.21
Other current assets	15	235.22	255.00	158.07
Total current assets		**5,267.96**	**3,846.31**	**3,468.50**
TOTAL ASSETS		**6,156.37**	**4,655.70**	**4,304.01**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	16A	38.27	38.27	38.27
(b) Other equity	16B, 16C	1,546.83	1,257.81	1,041.01
Total equity		**1,585.10**	**1,296.08**	**1,079.28**
Non current liabilities				
Financial liabilities				
Borrowings	17	195.37	184.63	156.61
Lease liabilities		10.98	8.70	13.31
Derivative liabilities	18	-	0.72	7.34
Other financial liabilities	19	3.13	3.11	3.37
Provisions	20	12.19	8.13	7.42
Deferred tax liabilities (net)	21	52.51	20.31	-
Total non current liabilities		**274.18**	**225.60**	**188.05**
Current liabilities				
Financial liabilities				
Borrowings	22	44.43	49.19	80.33
Lease liabilities		3.08	3.61	5.72
Trade payables	23			
a) Total Outstanding dues of micro enterprises and small enterprises		20.01	27.77	17.23
b) Total outstanding dues of creditors other than micro enterprises and small enterprises.		3,873.94	2,850.54	2,680.26
Derivative liabilities	18	89.00	46.92	123.03
Other financial liabilities	24	29.83	17.88	39.91
Other current liabilities	25	221.97	124.78	88.77
Provisions	26	4.88	2.00	1.43
Current tax liabilities (net)		9.95	11.33	-
Total current liabilities		**4,297.09**	**3,134.02**	**3,036.68**
Total liabilities		**4,571.27**	**3,359.62**	**3,224.73**
Total Equity and Liabilities		**6,156.37**	**4,655.70**	**4,304.01**
See accompanying notes to financial statement	1			

As per our report attached

CNK & Associates LLP
Chartered Accountants
Firm's Registration No.: 101961W / W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391

Place: Mumbai **Date:** 27th May, 2022

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman, Managing Director
& Chief Executive Officer
DIN: 00008084

Nina P. Kapasi
Director
DIN: 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

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Statement of Profit and Loss for the Year Ended March 31, 2022

(₹ crore)

Particulars	Note	For the year ended March 31	
		2022	2021
Revenue			
I. Revenue from operations	27	8,595.75	5,960.82
II. Other income	28	37.09	22.12
III. Total Income		**8,632.84**	**5,982.94**
IV. Expenses			
Cost of materials consumed	29	6,849.52	4,373.73
Purchases of Stock-in-Trade	30	130.71	78.97
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	31	(323.37)	39.09
Employee benefits expense	32	160.16	150.43
Finance costs	33	134.80	129.24
Depreciation and amortization expense	2,2A,2B	86.73	84.87
Other expenses	34	1,278.69	941.91
Total expenses		**8,317.24**	**5,798.24**
V. Profit before exceptional items and tax		**315.60**	**184.70**
VI. Exceptional items		-	-
VII. Profit before tax		**315.60**	**184.70**
VIII. Tax expense:			
1. Current tax		80.29	51.43
2. Deferred tax		1.34	(4.07)
3. Taxes of earlier years (net)		0.37	0.52
		82.00	**47.88**
IX. Profit/(Loss) for the year from Continuing Operations		**233.60**	**136.82**
X. Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Items that will not be reclassified to profit or loss		(6.28)	0.73
Income tax relating to items that will not be reclassified to profit or loss		1.58	(0.18)
Items that will be reclassified to profit or loss			
Items that will be reclassified to profit or loss		128.90	105.83
Income tax relating to items that will be reclassified to profit or loss		(32.44)	(26.38)
Total Other comprehensive income (OCI)		**91.76**	**80.00**
XI. Total comprehensive income for the year (IX+X)		**325.36**	**216.82**
XII. Earnings per equity share (Face value of ₹10 each)	35		
Basic		61.04	35.75
Diluted		61.04	35.75

As per our report attached

CNK & Associates LLP
Chartered Accountants
Firm's Registration No.: 101961W / W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391

Place: Mumbai
Date: 27th May, 2022

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman, Managing Director
& Chief Executive Officer
DIN: 00008084

Nina P. Kapasi
Director
DIN: 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Statement of Cash Flows for the Year Ended March 31, 2022

(₹ crore)

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Cash flow from operating activities		
Profit before tax	315.60	184.70
Adjustments for		
Depreciation on non current assets	82.57	78.65
Amortisation of intangible assets	0.78	0.89
Amortisation of Right of use assets	3.39	5.33
(Gain) / loss on sale of property, plant and equipment	(0.22)	(0.49)
Interest costs	62.89	57.39
Interest income	(6.14)	(5.27)
Bad debts/ Provision for Doubtful Debts made / (written back/reversed)	42.38	19.34
Unrealised exchange loss/(gain)	12.97	(3.11)
Profit on sale of investments	(7.40)	(1.05)
Movement in working capital		
(Increase) / decrease in trade and other receivables	(954.29)	(92.85)
(Increase) / decrease in inventories	(512.54)	(211.01)
Increase / (decrease) in trade and other payables	1,266.54	237.37
Tax paid	(88.14)	(43.42)
Net cash generated from / (used in) operating activities	**218.39**	**226.47**
Cash flow from investing activities		
Acquisition of property, plant and equipment	(115.34)	(57.60)
Acquisition of intangible assets	(0.60)	(0.24)
Proceeds from sale of property, plant and equipment	1.22	0.68
Sale / (purchase) of investment in subsidiary & associate	-	(1.39)
Sale / (purchase) of investments - net	38.64	(57.68)
Net cash generated from / (used in) investing activities	**(76.08)**	**(116.23)**
Cash flow from financing activities		
Proceeds/(repayments) from short-term borrowings - net	(21.49)	(42.27)
Proceeds/(repayments) of long-term borrowings - net	21.76	40.71
Repayment of Lease Liabilities	(2.99)	(4.29)
Interest received / (paid) - net	(43.35)	(61.55)
Dividend Payment	(36.36)	(0.12)
Net cash (used in) / generated from financing activities	**(82.43)**	**(67.52)**
Net increase / (decrease) in cash and cash equivalents	59.88	42.72
Effect of exchanges rate changes on cash and cash equivalents	(0.65)	(0.41)
Cash and cash equivalents at the beginning of the year	183.42	141.11
Cash and cash equivalents at the end of the year	**242.65**	**183.42**

Notes:

1) Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 Statement of cash flows.
2) Purchase of property, plant and equipment includes movement of capital work-in-progress during the year.
3) Cash and cash equivalents represents cash and bank balances and includes unrealised loss of ₹0.65 crore; (previous year unrealised loss of ₹0.41 crore) on account of translation of foreign currency bank balances.

Changes in liabilities arising from Financing Activities ₹ crore

Particulars*	Long Term Borrrowings	Short Term Borrowings	Total
Opening balance as at April 1, 2020	174.01	63.75	237.76
Proceeds/(repayments) from financing activities - net	40.71	(42.26)	(1.55)
Foreign exchange adjustments	(1.78)	(0.00)	(1.78)
Closing balance as on March 31, 2021	212.94	21.49	234.43
Proceeds/(repayments) from financing activities - net	21.76	(21.49)	0.26
Foreign exchange adjustments	5.76	-	5.76
Closing balance as on March 31, 2022	240.46	-	240.46
*Please refer note 17C for long term borrowings & note 22 for short term borrowings.			

As per our report attached

CNK & Associates LLP
Chartered Accountants
Firm's Registration No.: 101961W / W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391

Place: Mumbai **Date:** 27th May, 2022

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman, Managing Director
& Chief Executive Officer
DIN: 00008084

Nina P. Kapasi
Director
DIN: 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

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Statement of Changes in Equity

(a) Equity share capital	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount ₹ crore	No. of Shares	Amount ₹ crore
Balance at the beginning of the reporting period	38,268,619	38.27	38,268,619	38.27
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	38,268,619	38.27	38,268,619	38.27
Changes in equity share capital during the current year	-	-	-	-
Balance at the end of the reporting period	38,268,619	38.27	38,268,619	38.27

(b) Other equity	Reserves and Surplus ₹ crore					Items of OCI ₹ crore		₹ crore
For the year ended	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings - surplus	Hedging reserve	Other items of OCI	Total
Balance at April 1, 2021	23.47	205.18	14.98	268.30	758.93	(11.11)	(1.92)	1,257.81
Total comprehensive income for the year								
Profit for the year					233.60			233.60
Other comprehensive income for the year						96.46	(4.70)	91.76
Total comprehensive income for the year	-	-	-	-	233.60	96.46	(4.70)	325.36
Transactions with the owners of the Company								
Contributions and distributions								
Dividends					(36.36)			(36.36)
Transfer / Receipt	-			24.00	(24.00)			-
Balance at March 31, 2022	23.47	205.18	14.98	292.30	932.17	85.34	(6.61)	1,546.83
Balance at April 1, 2020 (Restated)	23.77	205.18	14.98	254.00	636.10	(90.55)	(2.47)	1,041.01
Total comprehensive income for the year								
Profit for the year	-	-	-	-	136.82	-	-	136.82
Other comprehensive income for the year	-	-	-	-	-	79.45	0.55	80.00
Total comprehensive income for the year	-	-	-	-	136.82	79.45	0.55	216.82
Transactions with the owners of the Company								
Contributions and distributions								
Dividends	-	-	-	-		-	-	
Transfer / Receipt	(0.30)	-	-	14.30	(14.00)	-	-	-
Balance at March 31, 2021	23.47	205.18	14.98	268.30	758.93	(11.11)	(1.92)	1,257.82
Balance at April 1, 2019	23.77	205.18	14.98	240.00	608.44	(3.84)	(1.60)	1,086.93
Total comprehensive income for the year								
Profit for the year					138.98			138.98
Other comprehensive income for the year						(86.71)	(0.87)	(87.58)
Total comprehensive income for the year	-	-	-	-	138.98	(86.71)	(0.87)	51.40
Transactions with the owners of the Company								
Contributions and distributions								
Dividends					(87.64)			(87.64)
Transfer / Receipt				14.00	(14.00)			-
Balance at March 31, 2020	23.77	205.18	14.98	254.00	645.78	(90.55)	(2.47)	1,050.69
Adjustment for earlier years					(9.68)			(9.68)
Balance at April 1, 2020 (Restated)	23.77	205.18	14.98	254.00	636.10	(90.55)	(2.47)	1,041.01

Statement of Changes in Equity (contd..)

Nature and purpose of reserves

i. Hedging reserve
The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in statement of profit or loss as the hedged cash flows or items that affect profit or loss.

ii. Securities premium
The Securities Premium used to record the premium received on the issue of shares. It is utilised in accordance with the provisions of the Companies Act 2013. The reserve also comprises the profit on treasury shares sold off 16,35,387 in FY 2015-16

iii. Capital reserve
The reserve comprises of profits/gains of capital nature earned by the Company and credited directly to such reserve.

iv. Capital redemption reserve
Capital redemption reserve represents amounts set aside by the Company for future redemption of capital.

v. General reserve
General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

As per our report attached	For and on behalf of the Board of Directors	
CNK & Associates LLP Chartered Accountants **Firm's Registration No.**: 101961W / W-100036	**Kushal N. Desai** Chairman, Managing Director & Chief Executive Officer **DIN**: 00008084	**Nina P. Kapasi** Director **DIN**: 02856816
Himanshu Kishnadwala Partner **Membership No.**: 037391	**Ramesh Iyer** Chief Financial Officer	**Sanjaya R. Kunder** Company Secretary

Place: Mumbai **Date:** 27th May, 2022

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Notes to the Financial Statements as at March 31, 2022

Note 1 – Significant Accounting Policies

1. General information

   APAR Industries Limited ("the Company"), founded by Late Shri. Dharmsinh D. Desai in the year 1958 is one among the best-established companies in India, operating in the diverse fields of electrical and metallurgical engineering offering value added products and services in Power Transmission Conductors, Petroleum Specialty Oils and Power & Telecom Cables. The Company is incorporated in India. The registered office of the Company is situated at 301, Panorama Complex, R. C. Dutt Road, Vadodara, Gujarat – 390 007. The Company has manufacturing plants in state of Maharashra, Gujarat, Orissa and Union territory of Dadra & Nagar Haveli.

   These financial statements are approved for issue by the Board of Directors on May 27, 2022.

2. Statement of compliance

   These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions of the 2013 Act (to the extent notified) read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

   Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in accounting policy hitherto in use.

3. Functional and presentation currency

   These financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest crore, unless otherwise indicated.

4. Basis of preparation

   The financial statements have been prepared on a going concern basis using historical cost convention basis except for the following items:

   - certain financial assets and liabilities (including mutual fund investments and derivatives) that are measured at fair value;
   - defined benefit plans – plan assets measured at fair value; and
   - share-based payments.

5. Key estimates and assumptions

   The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions, which might have an effect on their recognition and measurement in the (i) balance sheet and (ii) statement of profit and loss. The actual amounts may differ from these estimates.

   Estimates and assumptions are required in particular for:

   - Determination of the estimated useful lives of tangible assets and intangible assets

     Useful lives of assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

   - Recognition and measurement of defined benefit obligations

     The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds corresponds to the probable maturity of the post-employment benefit obligations.

   - Recognition of deferred tax assets

     Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and unabsorbed depreciation and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

   - Recognition and measurement of other provisions

     The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

   - Discounting of long-term financial assets/liabilities

     All financial assets/liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities which are required to subsequently measure at amortised cost, interest is accrued using the effective interest method.

   - Fair value of financial instruments

     Derivatives and investments in mutual funds are carried at fair value. Derivatives include Foreign Currency Forward Contracts, Commodity Futures Contracts and Interest Rate Swaps. Fair value of Foreign Currency Forward Contracts and Commodity Futures Contracts are determined using the fair value reports provided by merchant bankers and London Metal Exchange (LME) brokers respectively. Fair values of Interest Rate Swaps are determined with respect to current market rate of interest.

   - Sales incentives and Customer Loyalty Programs

     Rebates are generally provided to distributors or dealers as an incentive to sell the Company's products. Rebates are based on purchases made during the period by distributor / customer. The Company determines the estimate of benefits accruing to the distributors/ dealers based on the schemes introduced by the Company.

Notes to the Financial Statements as at March 31, 2022

The amount allocated to the loyalty program/ incentive is deferred and is recognised as revenue when the Company has fulfilled its obligations to supply the discounted products under the terms of the program or when it is no longer probable that the points under the program will be redeemed.

The cash incentives offered under various schemes are in the nature of sales promotion and provisions is made for such incentives.

6. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant observable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

7. Significant accounting policies followed by the company

A. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of profit and loss in the year in which they arise.

The company has adopted Appendix B to Ind AS 21, Foreign Currency transactions and advance considerations notified in the Companies (Indian Accounting Standards) Rules, 2018. Accordingly, the exchange rate for translation of foreign currency transaction; in cases when Company receives or pays advance consideration is earlier of:-

- the date of initial recognition of non-monetary prepayment asset or deferred income liability or
- the date that the related item is recognized in the financial statements.

If the transaction is recognized in stages; then a transaction date will be established for each stage.

B. Revenue Recognition

i. Revenue from contract with customers for sale of goods and provision of services

The Company recognizes revenue from contracts with the customers based on five step model defined in Ind AS 115. The Company satisfies a performance obligation and recognizes revenue over time, if any of the conditions given in Ind AS 115 are satisfied; else revenue is recognized at point in time at which the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized, this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenues are recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue & costs, if applicable, can be measured reliably.

a. Performance Obligation

The Company derives its revenue from selling products and services in Power Transmission Conductors, Transformer & Speciality Oils and Cables.

The Company is required to assess each of its contracts with customers to determine whether performance obligation is satisfied over time or at a point in time in order to determine the appropriate method for recognizing of revenue. The Company recognizes the revenue over time only if it satisfies the criteria given in Ind AS 115. Where the criteria as

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Notes to the Financial Statements as at March 31, 2022

per Ind AS 115 are not met, revenue is recognized at a point in time.

The Company satisfies its performance obligation when the control over the goods is transferred to the customer or benefits of the services being provided is received by the customer.

In cases where the Company determines that performance obligation is satisfied at a point in time, revenue is recognized when the control over the goods is transferred to the customer or benefits of the services being provided is received by the customer. The Company considers that the customer has obtained the control of promised goods or services; when the goods have been dispatched/delivered to the destination as per terms of the contract or services has been provided to the customer as per agreed terms and the Company has unconditional right to consideration.

In cases where the Company determines that performance obligation is satisfied over time, then revenue is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction (Input Method). The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

1. The amount of revenue can be measured reliably;
2. It is probable that the economic benefits associated with the transaction will flow to the Company;
3. The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

   Stage of completion is determined by the proportion of actual costs incurred to-date, to the estimated total costs of the transaction.

   The Company considers that the use of the input method, which requires revenue recognition on the basis of the company's efforts to the satisfaction of performance obligation, provides the best reference of revenue actually earned. In applying the input method, the Company estimates the efforts or inputs to the satisfaction of a performance obligation. In addition to the cost of meeting contractual obligation to the customers, these estimates mainly include;

   - For service contracts, the time elapsed

b. Transaction Price

The Company is required to determine the transaction price in respect of each of its contracts with customers.

Contract with customers for sale of goods or services are either on a fixed price or on variable price basis.

For allocating the transaction price, the Company measures the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Company also assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

In determining the impact of variable consideration, if any, the Company uses the "most likely amount" method as per Ind AS 115 whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

c. Discounts, Rebates & Incentive to Customers

The Company accounts for volume discounts, rebates and pricing incentives to customers based on the ratable allocation of the discounts / rebates to each of the underlying performance obligation that corresponds to the progress made by the customer towards earning that discount, rebate or incentive. The Company also recognises the liability based on the past performance of the customers fulfilling the criteria to get the discounts, rebates or incentives and the future outflow of the same is probable. If it is probable that the criteria for the discounts will not be met or if the amounts thereof cannot be estimated reliably, then the discount is not recognised until the payment is probable and the amount can be estimated reliably. The Company accounts for discounts, rebates and pricing incentives in the year of payment where customer qualifies for the same and wherein provision was not made due to company's inability to make reliable estimates based on the available data at reporting date.

ii. Lease income:

The Company has determined that the payments by the lessee are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. Accordingly rental income arising from operating leases is accounted for on an accrual basis as per the terms of the lease contract.

iii. Interest income is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable.

iv. Dividend income is recognised when the right to receive the payment is established.

C. Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related

Notes to the Financial Statements as at March 31, 2022

service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plans

- Provident Fund Scheme

  The Company makes specified monthly contributions towards employee provident fund directly to the Government under the Employees Provident Fund Act, 1952.

- Superannuation Scheme

  The Company makes specified contributions to the superannuation fund administered by the Company and the return on investments is adequate to cover the commitments under the scheme. The Company's contribution paid/payable under the scheme is recognised as expense in the statement of profit and loss during the period in which the employee renders the related service.

iii. Defined benefit plans

The following post – employment benefit plans are covered under the defined benefit plans:

- Gratuity Fund

  The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

  The calculation of defined benefit obligations is performed annually by a qualified actuary using the Projected Unit Credit Method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

  Re-measurement of the net defined benefit/liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, if any (excluding interest), are recognised immediately in OCI. Net interest expense/(income) on the net defined liability/(assets) is computed by applying the discount rate, used to measure the net defined liability/(asset), to the net defined liability/(asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

  When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Long-term Compensated Absences are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

D. Finance income and finance costs

The Company's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL
- exchange differences arising from monetary assets and liabilities

Interest income or expense is recognised using the effective interest rate method.

E. Grants/ Subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant. The capital grant will be recognised as income in the statement of profit and loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognised in the statement of profit and loss in the same period as the related cost, which they are intended to compensate, are accounted for.

F. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except;

a. to the extent that it relates to a business combination, or

b. items recognised directly in equity or in OCI. Such as;

   i. Items that will not be reclassified to profit or loss and their related income tax effects

      1. Re-measurements of the defined benefit plans

   ii. Items that will be reclassified to profit or loss and its related income tax effects;

      1. The effective portion of gain and loss on hedging instruments in a cash flow hedge

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Notes to the Financial Statements as at March 31, 2022

i. Current tax

Current tax comprises the expected tax payable on taxable income or tax receivable on the taxable loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company's is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

G. Inventories

Inventories are measured at the lower of cost and net realizable value. Inventory of scrap is valued at estimated realizable value. The cost of inventories is determined using the weighted average cost method. Cost includes direct materials, labour, other direct cost and manufacturing overheads. Inventories of finished goods also includes applicable taxes.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

H. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Notes to the Financial Statements as at March 31, 2022

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

The cost of the property, plant and equipment's at 1st April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value at that date.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

iii. Depreciation

Depreciation is provided, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except in the case where the estimated useful life based on management experience and technical evaluation differs.

Depreciation is charged on the Straight-Line method (SLM) or the Written Down Value method (WDV) based on the method consistently followed by the respective divisions in the Company. The depreciation method followed by each division is as below:

Particulars	Conductor Division	Oil Division	Cable Division	Head Office
Leasehold Land	SLM	SLM	SLM	SLM
Buildings	SLM	SLM	SLM	SLM
Plant and Equipment's	SLM	SLM	SLM	SLM
Furniture and Fixtures	SLM	WDV	SLM	WDV
Office Equipment's	SLM	WDV	SLM	WDV
Motor Vehicles	SLM	WDV	SLM	WDV

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

Capital expenditure in respect of which ownership does not vest with the Company is amortized over a period of five years. Leasehold land is amortised over the period of lease.

Estimated useful life as per technical estimates of the Company in Plant & Equipment's are as below:

Description of Assets	Useful Life in Schedule II	Useful Life as per technical estimates
Plant and Equipment's –Oil division (other than filling lines)	15 Years	20 Years
Plant and Equipment's - Conductor Division	15 Years	20 Years
Plant and Equipment's - Cable Division	15 Years	25 Years

I Intangible Assets

Intangible assets which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss.

Enterprise Resource Planning Software cost: Cost of implementation of ERP Software including all related direct expenditure is amortized over a period of 5 years on successful implementation.

The cost of the intangible assets at 1st April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value at that date.

J. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

K. Share-based payments:

a. Employees of the Company receives remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

c. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had

Notes to the Financial Statements as at March 31, 2022

the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

e. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

L. Treasury Shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in securities premium.

M. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as Foreign Exchange Forward Contracts, Commodity Future Contracts, Interest Rate Swaps, Currency Options and embedded derivatives in the host contract.

Financial instruments also cover contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

i. Financial assets

Classification

The financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for management of the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments at amortised cost

- A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
  a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at Fair Value Through Profit And Loss (FVTPL)

- Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as Fair Value through Other Comprehensive Income (FVOCI), is classified as at FVTPL.
- In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
- Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Investments into Equity instruments and Mutual Funds

- All investments in the scope of Ind-AS 109 are measured at fair value. Equity instruments and mutual funds which are held for trading are classified as at FVTPL. For all other equity instruments and mutual funds, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- Equity instruments and mutual funds included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

- A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e.

removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iii. Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated

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Notes to the Financial Statements as at March 31, 2022

with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash Flow Hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under the "effective portion of cash flow hedges". The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on the present value basis, from the inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit and loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to profit and loss in the same period or periods during which the hedged expected future cash flows affect profit and loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial items cost of initial recognition or for other cash flow hedges, it is reclassified to profit and loss in the same period as the hedged future cash flows affect the profit and loss.

If the hedged cash flows are no longer expected to occur, then the amounts that have been accumulated in the other equity are immediately reclassified to profit and loss.

Provisions and contingent liabilities

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible outflow of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

N. Leases

The Company has adopted Ind AS 116, effective from annual reporting period beginning April 1, 2019 and applied the standard to its existing leases, with the modified retrospective method. This has resulted into recognition of Right of use assets at an amount equal to Lease liability on date of initial application (April 1, 2019).

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception is comprising of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying

Notes to the Financial Statements as at March 31, 2022

amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to;

1. Short-term leases of all assets that have a lease term of 12 months or less, and
2. Leases for which the underlying asset is of low value.

The lease payments associated with above 2 types of leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease, the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

O. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

P. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Q. Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products / services.

The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

R. Earnings per share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

S. Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

T. Dividends

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

8. Recent Amendments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

Notes to the Financial Statements as at March 31, 2022

Note - 2 Property, plant and equipment

(₹ crore)

Particulars	Gross block					Depreciation				Net block	
	As at 01-04-2021	Additions	Deductions / adjustments	Effect of movement in exchange rates	As at 31-03-2022	As at 01-04-2021	For the year	Deductions/ adjustments	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
(i) Tangible assets											
Land- Freehold	39.23	0.22			39.46	-			-	39.46	39.23
Land-Leasehold	10.61	0.28			10.89	0.84	0.14		0.98	9.91	9.78
Building (Refer Note a below)	265.49	16.49			281.98	41.95	10.11		52.06	229.92	223.54
Plant and equipments (Refer Note a & b below)	652.13	55.32	(7.64)	2.56	702.36	242.51	63.98	(6.24)	300.25	402.11	409.62
Furniture and fixtures	13.51	0.43			13.95	4.96	1.96		6.92	7.03	8.56
Office Equipments	42.01	2.99	(0.15)		44.84	16.08	5.02	(0.09)	21.01	23.83	25.93
Motor vehicles	7.76	3.21	(2.35)		8.63	4.19	1.34	(2.09)	3.44	5.19	3.58
Sub total (i)	**1,030.74**	**78.94**	**(10.14)**	**2.56**	**1,102.12**	**310.52**	**82.57**	**(8.42)**	**384.68**	**717.44**	**720.21**
(ii) Capital work-in-progress											
Buildings					-				-	16.08	6.84
Plant and equipments					-				-	20.92	21.87
Sub total (ii)	-	-	-	-	-	-	-	-	-	37.00	28.71
Grand Total										754.44	748.92

Particulars	Gross block					Depreciation				Net block	
	As at 01-04-2020	Additions	Deductions	Effect of movement in exchange rates	As at 31-03-2021	As at 01-04-2020	For the year	Deductions/ adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
(i) Tangible assets											
Land- Freehold	38.68	0.55			39.23	-			-	39.23	38.68
Land-Leasehold	10.61				10.61	0.70	0.14		0.84	9.77	9.91
Building (Refer Note a below)	240.64	24.85			265.49	32.17	9.78		41.95	223.54	208.47
Plant and equipments (Refer Note a & b below)	614.82	37.57	(0.53)	0.26	652.13	180.89	61.75	(0.12)	242.51	409.61	433.93
Furniture and fixtures	9.78	3.78	(0.05)		13.51	3.32	1.66	(0.02)	4.96	8.55	6.46
Office Equipments	32.79	9.69	(0.47)		42.01	12.15	4.34	(0.42)	16.08	25.94	20.64
Motor vehicles	8.03	0.72	(0.99)		7.76	4.11	0.98	(0.90)	4.19	3.57	3.93
Sub total (i)	**955.36**	**77.16**	**(2.03)**	**0.26**	**1,030.74**	**233.34**	**78.65**	**(1.46)**	**310.52**	**720.21**	**722.02**
(ii) Capital work-in-progress											
Buildings					-				-	6.84	22.55
Plant and equipments					-				-	21.87	32.12
Sub total (ii)	-	-	-	-	-	-	-	-	-	28.71	54.67
Grand Total										748.92	776.69

Notes to the Financial Statements as at March 31, 2022

CWIP Ageing Schdule

(₹ crore)

Particulars	FY 2022				Total	FY2021				Total
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years		Less than 1 year	1 - 2 years	2- 3 years	More than 3 years	
Projects in progress	33.90	1.14	1.91	0.21	37.16	19.25	8.73	0.71	0.02	28.71
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	33.90	1.14	1.91	0.21	37.16	19.25	8.73	0.71	0.02	28.71

Particulars	FY 2020				Total
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years	
Projects in progress	35.71	18.67	0.29	-	54.67
Projects temporarily suspended	-	-	-	-	-
Total	35.71	18.67	0.29	-	54.67

CWIP Completion Schedule

(₹ crore)

Particulars	FY 2022				Particulars	FY2021			
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years		Less than 1 year	1 - 2 years	2- 3 years	More than 3 years
CTC - COLD ROLLING MILL	0.58				CTC - COLD ROLLING MILL	0.49	-	-	-
CONFOMRING LINE - 1 NO.	3.73								
MODIFICATION OF TROLLEY WD 2	0.40								
Total	4.71	-	-	-		0.49	-	-	-

Particulars	FY 2020			
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years
VILLAGE ROAD REPAIRING WORK 2.0 KM	0.06	-	-	-
CCR for Lapanga plant	-	-	0.29	-
BAR CODING SOLUTION FOR RECYCLE DRUM	0.13	-	-	-
DOUBLE TWIST BUNCHING M/C 1250-4 SETS (8 ROBBINS)	0.01	-	-	-
CONTRACT LABOUR MANAGEMENT SYSTEM - RAKHOLI	-	0.04	-	-
DEVLOPMENT OF COATED CONDUCTOR	0.08	-	-	-
GREASE HOGGER WITH GREASE SCRAPPING M/C-2 NO	0.16	-	-	-
Total	0.43	0.04	0.29	-

Note - 2A Right of use assets

(₹ crore)

Particulars	Gross block					Amortisation				Net block	
	As at 01-04-2021	Additions	Deductions	Effect of movement in exchange rates	As at 31-03-2022	As at 01-04-2021	For the year	Deductions/ adjustments	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Righ of use Assets	19.90	9.70	(6.24)	-	23.35	8.80	3.39	(2.16)	10.02	13.32	11.10
Grand Total	19.90	9.70	(6.24)	-	23.35	8.80	3.39	(2.16)	10.02	13.32	11.10

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Particulars	Gross block					Amortisation				Net block	
	As at 01-04-2020	Additions	Deductions	Effect of movement in exchange rates	As at 31-03-2021	As at 01-04-2020	For the year	Deductions/ adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Righ of use Assets	23.81	0.41	(4.32)	-	19.90	5.82	5.33	(2.36)	8.80	11.10	17.99
Grand Total	23.81	0.41	(4.32)	-	19.90	5.82	5.33	(2.36)	8.80	11.10	17.99

Note - 2B Intangible assets

(₹ crore)

Particulars	Gross block					Amortisation				Net block	
	As at 01-04-2021	Additions	Deductions	Effect of movement in exchange rates	As at 31-03-2022	As at 01-04-2021	For the year	Deductions/ adjustments	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Specialised software	7.28	0.44	-	-	7.72	5.54	0.72	-	6.27	1.46	1.73
Non compete fee	0.41	-	-	-	0.41	0.33	0.05	-	0.39	0.03	0.08
	7.70	0.44	-	-	8.14	5.88	0.78	-	6.65	1.48	1.81
Intangible asset under development					-				-	0.16	-
TOTAL	7.70	0.44	-	-	8.14	5.88	0.78	-	6.65	1.64	1.81

Particulars	Gross block					Amortisation				Net block	
	As at 01-04-2020	Additions	Deductions	Effect of movement in exchange rates	As at 31-03-2021	As at 01-04-2020	For the year	Deductions/ adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Specialised software	7.01	0.27	-	-	7.28	4.71	0.84	-	5.54	1.73	2.30
Non compete fee	0.41	-	-	-	0.41	0.28	0.05	-	0.33	0.08	0.13
TOTAL	7.42	0.27	-	-	7.70	4.99	0.89	-	5.88	1.81	2.43
Intangible asset under development										-	0.04
TOTAL	7.42	0.27	-	-	7.70	4.99	0.89	-	5.88	1.81	2.47

Note:

a. Includes expenditure on research and development ₹0.54 crore, (Previous Year ₹0.94 crore) for plant and machinery (refer note 49)

b. Addition to fixed assets includes ₹2.56 crore (Previous Year ₹0.26 crore) on account of interest cost capitalised on foreign currency borrowings. The unamortised amount of such interest cost is ₹6.99 crore (Previous Year ₹6.06 crore)

c. The Company had contractual commitments of ₹39.63 crore (Previous Year ₹10.92 crore).

d. Existence and amounts of restrictions on the title, and PPE pledged as securities. Refer Note 17 (a) on long term borrowing.

e. The Company has capitalised the CWIP for building of ₹0.50 crore during current year in Lapanga (Freehold land - ₹0.22 crore and Lease hold land ₹0.28 crore). During previous year, ₹0.50 crore was held in CWIP building due to pending registration of the property in the name of the Company.

f. The Company holds all the title deeds of immovable property and there are no immovable property which are not being held in the name of the Company during current year and previous year.

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Note 3 Investments - Non Current	March 31, 2022	March 31, 2021	April 1, 2020
a. Investments in equity instruments			
In subsidiary companies (carried at cost)			
- 100,000; (Previous year 100,000) Ordinary shares of S$ 1 each fully paid in Petroleum Specialities Pte Limited, Singapore	0.26	0.26	0.26
- 10,000 (Previous year 10,000) Equity shares of APAR Transmission & Distribution Projects Private Limited of ₹10 each, fully paid up	0.01	0.01	0.01
- 10,00,000 (Previous year 10,00,000) Equity shares of APAR Distribution & Logistics Private Limited of ₹10 each, fully paid up	1.00	1.00	0.01
In associate company (carried at cost)			
- 400,000 (Previous year 400,000) Equity shares of AMPOIL Apar Lubricants Private Limited of ₹10 each, fully paid up	0.40	0.40	-
	1.67	**1.67**	**0.28**
a. Aggregate amount of quoted investments	-	-	-
b. Aggregate amount of un-quoted investments	1.67	1.67	0.28
c. Aggregate amount of impairment in values of investments	-	-	-

Note - Disclosure pursuant to Ind AS 27 - "Separate Financial Statements"							
Name of Company	Principal place of business	Effective Proportion of ownership (%)			Effective Proportion of voting power (%)		
		March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
Subsidiary Company							
Petroleum Specialities Pte Limited	Singapore	100%	100%	100%	100%	100%	100%
APAR Transmission & Distribution Projects Private Limited	India	100%	100%	100%	100%	100%	100%
APAR Distribution & Logistics Private Limited	India	100%	100%	100%	100%	100%	100%
Associate Company							
AMPOIL Apar Lubricants Private Limited	India	40%	40%	0%	40%	40%	0%

(₹ crore)

Note 4 Loans - non current	March 31, 2022	March 31, 2021	April 1, 2020
Loan to employees	0.83	0.89	1.01
	0.83	**0.89**	**1.01**

Note 5 Derivative assets	March 31, 2022	March 31, 2021	April 1, 2020
Derivative contracts used for hedging - Non current	42.80	4.25	-
Derivative contracts used for hedging - Current	161.07	24.21	24.80
	203.87	**28.46**	**24.80**

Note 6 Other financial assets - non current	March 31, 2022	March 31, 2021	April 1, 2020
Unsecured, considered good			
Security deposits	8.24	8.36	8.42
Other financial assets (Refer Note i below)	4.28	2.78	2.78
	12.52	**11.14**	**11.20**

Note i : Includes fixed deposit of ₹2.95 crore (Previous Year ₹2.78 crore) under lien.

Note 7 Other assets - non current	March 31, 2022	March 31, 2021	April 1, 2020
Capital advances	26.57	3.84	5.09
Balance with government authorities	2.43	3.28	3.54
	29.00	**7.12**	**8.63**

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Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Note 8 Inventories	March 31, 2022	March 31, 2021	April 1, 2020
Raw materials and components	724.38	502.34	446.97
Raw materials-in transit	302.44	342.79	147.76
Work-in-progress	290.04	203.51	222.82
Finished goods	483.89	356.89	374.57
Finished goods - in transit	107.15	18.24	22.07
Stock-in-trade	36.35	15.23	13.70
Stock-in-trade - in transit	-	0.20	-
Stores and spares	47.30	39.81	40.11
	1,991.55	**1,479.01**	**1,268.00**

Note : Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of input tax credits

Note 9 Current investments	March 31, 2022	March 31, 2021	April 1, 2020
a. Investment in mutual funds			
Canara Robeco Liquid Fund Direct Growth Plan No. of units : 58835.34 (March 31, 2021: Nil)	15.00	-	-
Union KBC Liquid Fund Growth - Direct Plan No. of units : 73150.1 (March 31, 2021: 50455.28)	15.00	10.00	-
Application for units of Union KBC Liquid Fund Growth - Direct Plan No. of units : 252156.72 (March 31, 2020: Nil) (refer note below)	-	50.00	-
Note: Application money of ₹50.00 crore was paid on March 31, 2021 against which 252156.72 units were allotted on April 5, 2021			
	30.00	**60.00**	**-**
a. Aggregate amount of quoted investments			
Book value	30.00	10.00	-
Market value	30.00	10.00	-
b. Aggregate amount of un-quoted investments	-	-	
c. Aggregate amount of impairment in values of investments	-	-	

All the above securities have been classified and measured at FVTPL. Information about the Company's Fair values and risk management Disclosure are included in Note 39

Note 10 Trade receivables - current	March 31, 2022	March 31, 2021	April 1, 2020
Considered good, secured	1,479.50	980.80	883.23
Considered good, unsecured (Refer note (iii) below)	947.91	814.90	915.41
Trade Receivables which have significant increase in credit risk	0.34	5.75	3.05
Trade receivables, credit impaired	33.02	37.53	37.66
	2,460.77	1,838.97	1,839.36
Less: Loss allowance (Refer note (ii) below)	37.46	47.48	41.93
	2,423.31	**1,791.49**	**1,797.44**

Note
i) For receivables offered as security against borrowing - refer note 22
ii) Including allowances for expected credit loss of ₹4.10 crore (Previous year ₹4.20 crore) - refer note 40
iii)Includes receivable from subsidiaries/ down-stream subsidiaries/associate as below;

	March 31, 2022	March 31, 2021	April 1, 2020
Petroleum Specilities Pte Ltd.	0.05	0.02	-
Petroleum Specilities FZE	75.13	3.92	5.76
APAR Transmisstion & Distribution Projects Private Limited	0.10	0.07	-
APAR Distribution & Logistics Private Limited	-	0.11	-
Ampoil Apar Lubricants Private Limited	0.24	0.28	-
Due from a related parties (refer note 47)	**75.52**	**4.39**	**5.76**

The Company's exposure to credit and currency risk related to trade receivables are disclosed in note 40 and note 42 respectively.

Notes to the Financial Statements as at March 31, 2022

iv) Trade receivable ageing - (current)

(₹ crore)

As at March 31, 2022	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	1,967.69	317.79	45.19	65.50	20.00	11.23	2,427.40
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	0.34	-	-	0.34
iii) Undisputed trade receivables - Credit Impaired	-	0.31	1.57	2.03	6.07	11.19	21.17
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	-	0.00	0.44	11.42	11.86
Total	**1,967.69**	**318.10**	**46.76**	**67.87**	**26.51**	**33.84**	**2,460.77**
Less: Loss Allowances							37.46
Trade receivable - current							**2,423.31**

As at March 31, 2021	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	1,408.76	215.35	85.19	54.93	27.94	4.01	1,796.18
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	2.12	3.63	5.75
iii) Undisputed trade receivables - Credit Impaired	-	-	0.07	7.56	4.36	12.18	24.17
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	0.00	0.44	0.23	12.21	12.88
Total	**1,408.76**	**215.35**	**85.26**	**62.93**	**34.65**	**32.02**	**1,838.97**
Less: Loss Allowances							47.48
Trade receivable - current							**1,791.49**

As at April 1, 2020	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	1,125.56	491.15	120.18	43.51	10.74	7.52	1,798.64
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	3.05	3.05
iii) Undisputed trade receivables - Credit Impaired	-	0.18	2.36	12.95	3.75	7.24	26.47
iv) Disputed trade receivables - considered good		-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	-	0.23	5.32	5.64	11.19
Total	**1,125.56**	**491.33**	**122.53**	**56.68**	**19.81**	**23.44**	**1,839.36**
Less: Loss Allowances							41.93
Trade receivable - current							**1,797.44**

Note 10A Trade receivables (non - current)	March 31, 2022	March 31, 2021	April 1, 2020
Considered good, secured	-	-	-
Considered good, unsecured	11.29	7.69	3.06
Trade Receivables which have significant increase in credit risk	-	-	-
Trade receivables, credit impaired	-	-	-
	11.29	7.69	3.06
Less: Loss allowance		-	
	11.29	**7.69**	**3.06**

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Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Trade receivable ageing - (non-current)	March 31, 2022	March 31, 2021	April 1, 2020
Amount not due	11.29	7.69	3.06
	11.29	**7.69**	**3.06**

Note 11 Cash and cash equivalents	March 31, 2022	March 31, 2021	April 1, 2020
Balances with banks	222.93	164.86	105.23
Deposits with original maturity of less than three months	0.17	0.00	35.00
Balance in cash credit bank account	12.46	18.05	-
Cash on hand	0.26	0.25	0.24
Cheques on hand	0.20	0.26	0.64
Funds in transit	6.64	-	-
	242.65	**183.42**	**141.11**

Note 12 Bank balances other than (Note 11) above	March 31, 2022	March 31, 2021	April 1, 2020
Deposits with original maturity for more than 3 months but less than 12 months (refer note i below)	11.08	12.35	12.15
Margin money deposit (refer note ii below)	0.02	-	0.01
Unclaimed dividend account (refer note iii below)	0.77	0.77	0.89
Balances with bank in foreign currencies having restriction on repatriation (refer note iv below)	1.57	2.31	0.82
	13.44	**15.43**	**13.87**

Note:

i Includes fixed deposit of ₹10.90 crore (Previous Year ₹11.47 crore) under lien.

ii Against letters of credit for Company's import of raw materials and working capital loans.

iii There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2022 (Previous year : Nil)

iv Bank balances of ₹1.57 crore (Previous Year ₹2.31 crore) held in foreign currencies which have restriction on repatriation.

Note 13 Loans	March 31, 2022	March 31, 2021	April 1, 2020
Considered good - Unsecured, unless otherwise stated			
Loans to related parties	-	-	-
Others			
Loan to employees	0.81	0.79	1.00
	0.81	**0.79**	**1.00**

Note 14 Other financial assets - current	March 31, 2022	March 31, 2021	April 1, 2020
Security deposits	13.37	14.67	26.61
Advances to related parties (refer note below)	0.50	0.32	0.19
Contract assets (refer note 50)	6.11	0.73	6.15
Advances to vendors	149.93	21.24	31.26
	169.91	**36.96**	**64.21**

Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Loans and advances to subsidiary companies and other related parties	Maximum amount due at any time during the year		
	March 31, 2022	March 31, 2021	April 1, 2020
APAR Investments (Singapore) Pte Ltd.	0.13	0.08	0.04
Petroleum Specialities FZE	0.16	0.15	0.15
APAR Distribution & Logistics Private Limited	0.21	0.09	-

Note 15 Other current assets	March 31, 2022	March 31, 2021	April 1, 2020
Balances with statutory/government authorities	156.61	165.08	86.74
Prepayments	27.32	25.71	19.71
Claims receivable	49.49	62.51	48.19
Other receivable	1.80	1.70	3.44
	235.22	**255.00**	**158.07**

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

	Note 16A Equity share capital	March 31, 2022	March 31, 2021	April 1, 2020
a	Authorised:			
	101,998,750 (Previous year 101,998,750) Equity shares of ₹10 each	102.00	102.00	102.00
	TOTAL	102.00	102.00	102.00
b	Issued:			
	38,268,619 (Previous year 38,268,619) Equity shares of ₹10 each	38.27	38.27	38.27
	TOTAL	38.27	38.27	38.27
c	Subscribed and paid up:			
	38,268,619 (Previous year 38,268,619) Equity shares of ₹10 each	38.27	38.27	38.27
		38.27	**38.27**	**38.27**
d	Reconciliation of number of shares outstanding at the beginning and end of the year:			
	Outstanding at the beginning of the year	38,268,619	38,268,619	38,268,619
	Changes during the year	-	-	-
	Outstanding at the end of the year	**38,268,619**	**38,268,619**	**38,268,619**
e	Aggregate no. and class of shares bought back during the period of five years immediately preceding the reporting date:			
	No of Shares bought back			
	Equity Shares bought back (FY 2016-17)	228,150	228,150	228,150
		228,150	**228,150**	**228,150**

f Terms/rights attached to equity shares

i) The Company has one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Events after the reporting date

The Company declares and pays dividends in Indian rupees. The Board of Directors of the Company have recommended final dividend for the financial year 2021 - 22 @ ₹15 per share aggregating to ₹57.40 crore on 38,268,619 Equity shares of ₹10/- each fully paid. This will be paid after approval by shareholders at the ensuing Annual General Meeting.

The actual dividend amount is dependent upon the relevant share capital outstanding as on the record date / book closure.

g Shareholders holding more than 5% shares in the company	March 31, 2022		March 31, 2021		April 1, 2020	
	No of shares	%	No of shares	%	No of shares	%
Kushal N. Desai	9,208,503	24.06	9,208,503	24.06	9,048,503	23.65
Chaitanya N. Desai	9,097,432	23.77	9,058,946	23.67	8,964,946	23.43
Maithili N. Desai Family Pvt. Trust No. 2 - Trustee Maithili Trusteeship Services Private Limited	4,402,687	11.51	4,402,687	11.51	4,360,000	11.39
HDFC Trustee Company Limited	3,310,837	8.65	3,539,727	9.25	3,539,727	9.25
Reliance Capital Trustee Company Limited	-	-	-	-	2,412,738	6.31
L&T Mutual Fund Trustee Limited	-	-	2,021,139	5.28	2,341,249	6.12

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Notes to the Financial Statements as at March 31, 2022

Shares reserved for issue under options

h There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

i Shareholding of Promoter / Promoter Group - shares held by promoters at the end of the year

Sr No	Promoter Name	FY2022			FY2021		
		No of Shares	% of total shares	%Changes during the year	No of Shares	% of total shares	%Changes during the year
1	Kushal N. Desai	9,208,503	24.06	-	9,208,503	24.06	-
2	Chaitanya N. Desai	9,097,432	23.77	0.42	9,058,946	23.67	1.05
3	Rishabh K. Desai	42,398	0.11	-	42,398	0.11	-
4	Gaurangi K. Desai	3,200	0.01	-	3,200	0.01	-
5	Noopur K. Desai	2,139	0.01	-	2,139	0.01	-
6	Jinisha C. Desai	500	0.00	-	500	0.00	-
7	Devharsh C. Desai	131,555	0.34	-	131,555	0.34	-
8	APAR Corporation Pvt Ltd	109,853	0.29	-	109,853	0.29	-
9	Maithili N. Desai Family Pvt. Trust	98,983	0.26	-	98,983	0.26	-
10	Maithili Trusteeship Services Pvt. Ltd.	300	0.00	-	300	0.00	-
11	Maithili N. Desai Family Pvt. Trust No. 2	4,402,687	11.51	-	4,402,687	11.51	-
12	Kushal N. Desai Family Private Trust	40,000	0.11	-	40,000	0.11	-
13	Chaitanya N. Desai Family Private Trust	40,000	0.11	-	40,000	0.11	-
14	Maithili N. Desai	0	0	-	0	0	-

Sr No	Promoter Name	FY2020		
		No of Shares	% of total shares	%Changes during the year
1	Kushal N. Desai	9,048,503	23.65	(2.81)
2	Chaitanya N. Desai	8,964,946	23.43	(2.84)
3	Rishabh K. Desai	42,398	0.11	-
4	Gaurangi K. Desai	3,200	0.01	-
5	Noopur K. Desai	2,139	0.01	-
6	Jinisha C. Desai	500	0.00	-
7	Devharsh C. Desai	131,555	0.34	-
8	APAR Corporation Pvt Ltd	109,853	0.29	0.30
9	Maithili N. Desai Family Pvt. Trust	98,983	0.26	-
10	Maithili Trusteeship Services Pvt. Ltd.	300	0.00	-
11	Maithili N. Desai Family Pvt. Trust No. 2	4,360,000	11.39	25.29
12	Kushal N. Desai Family Private Trust	40,000	0.11	-
13	Chaitanya N. Desai Family Private Trust	40,000	0.11	-
14	Maithili N. Desai	0	0	-

(₹ crore)

Note 16B Other Equity (Refer Note below)	March 31, 2022	March 31, 2021	April 1, 2020
Capital reserve	23.47	23.47	23.77
Securities premium	205.18	205.18	205.18
Capital Redemption Reserve	14.98	14.98	14.98
General reserve	292.30	268.30	254.00
Retained earnings - Surplus	932.17	758.93	636.10
	1,468.10	**1,270.86**	**1,134.03**

Note: The nature and purpose of each of the Reserves have been explained under Statement of changes in Equity

Capital reserve			
Opening balance	23.47	23.77	23.77
Increase/(decrease) during the year	-	(0.30)	-
Closing Balance	**23.47**	**23.47**	**23.77**
Securities premium			
Opening balance	205.18	205.18	205.18
Increase/(decrease) during the year	-	-	-
Closing balance	**205.18**	**205.18**	**205.18**

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Capital Redemption Reserve			
Opening balance	14.98	14.98	14.98
Increase/(decrease) during the year	-	-	-
Closing balance	**14.98**	**14.98**	**14.98**
General reserve			
Opening balance	268.30	254.00	240.00
Increase/(decrease) during the year	24.00	14.30	14.00
Closing balance	**292.30**	**268.30**	**254.00**
Retained earnings - Surplus			
Opening balance	758.93	636.10	608.44
Increase/(decrease) during the year	173.25	122.82	37.34
Adjustment for earlier years	-	-	(9.68)
Closing balance	**932.17**	**758.93**	**636.10**

Note 16C Items of other comprehensive income (OCI)	March 31, 2022	March 31, 2021	April 1, 2020
Hedging reserve	85.34	(11.11)	(90.55)
Other items of OCI	(6.61)	(1.92)	(2.47)
	78.73	**(13.03)**	**(93.02)**
Hedging reserve			
Opening balance	(11.11)	(90.55)	(3.84)
Increase/(decrease) during the year	96.46	79.44	(86.71)
Closing balance	**85.34**	**(11.11)**	**(90.55)**
Remeasurement of defined benefit liability (asset)			
Opening balance	(1.92)	(2.47)	(1.60)
Increase/(decrease) during the year	(4.70)	0.55	(0.87)
Closing balance	**(6.61)**	**(1.92)**	**(2.47)**

Note 17 Borrowings	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
	Non current			Current		
Term loans (Secured)						
Rupee term loans from banks	23.88	47.74	67.61	23.87	19.87	16.87
Foreign currency term loans from banks	171.50	136.89	89.00	20.57	7.83	(0.29)
	195.37	**184.63**	**156.61**	**44.43**	**27.70**	**16.58**

Information about the Company's exposure to liquidity risk, foreign currency and interest rate is included in Notes 41, 42 and 43 respectively

Rupee term loan and foreign currency loan from banks are secured as under:

a Details of security

i The rupees term loan from Kotak Mahindra Bank is secured by charge on property located at Jharsuguda and Lapanga (Movable & Immovable Fixed Assets)

ii The Foreign Currency Term Loan from State Bank of India, Tokyo is secured by way of a First Charge on movable and immovable fixed assets of the company by way of Hypothecation/Equitable Mortgage of Khatalwad Unit and Office Building (Building No. 4 Corporate park, Chembur). Minimum Fixed Assets Coverage Ratio(FACR) of 1.25 to be maintained during the entire tenor of the loan.

b Terms of repayment and interest rate of term loan:

i In respect of Rupee Term Loan from Kotak Bank, it has a moratorium period of 18 months and loan will be repaid in 10 half yearly installments. The repayment has started from 08 September 2019 onwards, first 2 installments of ₹7.50 crore each, next 2 installment of ₹8.50 crore each, subsequent next 2 installment of ₹10.00 crore each and last 4 installments of ₹12.00 crore each. The interest is payable at 8.30% p.a.

ii In respect of foreign currency term loan from State Bank of India, Tokyo, it has a moratorium period of 18 months and loan will be repaid in 20 quarterly installments. The repayment has started from 05 September 2021 onwards, next installments of ₹3.79 crore will be paid in June 2022, thereafter next 5 installment of ₹5.69 crore each, next 1 installment of ₹7.57 crore, next 5 installment of ₹13.26 crore each, subsequent 2 installment of ₹15.16 crore each and last 3 installments of ₹18.95 crore each. The interest is payable at 3 months Libor + 1.70% on quarterly basis.

The Company does not have any continuing default as on the Balance Sheet date in repayment of loans and interest.

Notes to the Financial Statements as at March 31, 2022

c Borrowings reconciliation

(₹ crore)

Borrowings as at	March 31, 2022	March 31, 2021
Short term borrowings (Refer note 22)	-	21.49
Interest accrued but not due on above	-	-
Long term borrowings	239.81	212.33
Interest accrued but not due on above	0.65	0.61
Net borrowings	**240.46**	**234.43**

(₹ crore)

Note 18 Derivatives-Liability	March 31, 2022	March 31, 2021	April 1, 2020
Derivatives used for hedging - Non Current	-	0.72	7.34
Derivatives used for hedging - Current	89.00	46.92	123.03
	89.00	**47.65**	**130.37**

Note 19 Other financial liabilities - non current	March 31, 2022	March 31, 2021	April 1, 2020
Deposits from dealers (Refer Note*)	3.13	3.11	3.37
	3.13	**3.11**	**3.37**

*Note: Measured at amortised cost

Note 20 Provisions - non current	March 31, 2022	March 31, 2021	April 1, 2020
Provision for Employee benefits			
Provision for gratuity - In respect of directors	2.55	1.45	1.29
Provision for leave benefits (Refer Note 38)	9.64	6.68	6.13
	12.19	**8.13**	**7.42**

Note 21 DEFERRED TAX BALANCES (NET)

(₹ crore)

(a) Movement in deferred tax balances		2021-22		March 31, 2022		
Particulars	Net balance April 1, 2021	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(40.30)	0.86		(39.44)	-	(39.44)
Derivatives	4.37	0.77	(32.44)	(27.30)	-	(27.30)
Loans and borrowings	(0.48)	0.11		(0.37)	-	(0.37)
Employee benefits	2.98	(0.26)	1.58	4.30	4.30	-
Lease Expenses	0.31	(0.13)		0.18	0.18	-
Deferred income	0.10	0.04		0.15	0.15	-
Provisions	12.71	(2.73)		9.98	9.98	-
Investments	-	(0.00)		(0.00)	-	(0.00)
Security Deposits	0.00	(0.00)		-	-	-
Tax assets (liabilities)	**(20.31)**	**(1.34)**	**(30.86)**	**(52.51)**	**14.60**	**(67.11)**
Set off of deferred tax asset						**14.60**
Net tax assets (liabilities)						**(52.51)**

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

(b) Movement in deferred tax balances		2020-21		March 31, 2021		
Particulars	Net balance April 1, 2020	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(40.57)	0.27	-	(40.30)		(40.30)
Derivatives	29.91	0.84	(26.38)	4.37	4.37	-
Loans and borrowings	(0.58)	0.10	-	(0.48)		(0.48)
Employee benefits	2.54	0.62	(0.18)	2.98	2.98	-
Lease Expenses	0.33	(0.02)	-	0.31	0.31	-
Deferred income	-	0.10	-	0.10	0.10	-
Provisions	10.55	2.16	-	12.71	12.71	-
Security Deposits	0.00	(0.00)	-	0.00	0.00	-
Tax assets (liabilities)	**2.18**	**4.07**	**(26.56)**	**(20.31)**	**20.47**	**(40.78)**
Set off of deferred tax asset						**20.47**
Net tax assets (liabilities)						**(20.31)**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

Note 22 Borrowings	March 31, 2022	March 31, 2021	April 1, 2020
Secured Loans			
Working capital loans from banks (refer notes below)			
Bank Overdraft	-	-	0.00
Packing credit loan in foreign currency from banks	-	-	63.75
Current portion of long-term foreign currency loan (Refer Note 17)	20.57	7.83	(0.29)
Current portion of long-term Rupee loan (Refer Note 17)	23.87	19.87	16.87
Unsecured Loans			
Buyer's credit facilities	-	21.49	-
	44.43	**49.19**	**80.33**

Note:

Working capital loans from banks are secured by:

(i) hypothecation of specified stocks, specified book debts specified movable fixed assets of the Company.

(ii) first charge by way of equitable mortgage by deposit of title deeds of Company's specified immovable properties, both present and future.

(iii) 'The Company does not have any continuing default as on the Balance Sheet date in repayment of loans and interest.

(iv) The Company has obtained financing from banks for managing its short term and long term funding requirements. The below table provides the reconciliation between quarterly returns filed by the Company with banks and books of accounts.

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Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Particulars	Amount as per Books of Accounts (A)	Amount as per statement of assets filed with the banks (B)	Diff (A-B)	Remarks
For the quarter ended June 30, 2021				
Trade Receivable	1,849.30	1,849.30	0.00	The differences are on account of various transaction i.e. Purchase in transit, Sales in Transit, Debtors and Payable reconciliation etc. The Company submit its data to banks as per agreed timelines. However, accounts get finalised after due reconciliation and review by auditors on quarterly basis.
Trade Payable	3,127.82	2,540.52	587.30	
Inventories	1,683.99	1,385.27	298.72	
For the quarter ended September 30, 2021				
Trade Receivable	1,924.94	2,038.11	(113.17)	
Trade Payable	3,077.34	2,914.25	163.09	
Inventories	1,812.84	1,559.06	253.78	
For the quarter ended December 31, 2021				
Trade Receivable	1,925.88	2,171.30	(245.42)	
Trade Payable	3,635.49	2,827.85	807.64	
Inventories	2,084.69	1,609.77	474.92	
For the quarter ended March 31, 2022				
Trade Receivable	2,434.60	2,495.97	(61.37)	
Trade Payable	3,893.95	3,319.12	574.83	
Inventories	1,991.55	1,520.80	470.75	

Note 23 Trade payables	March 31, 2022	March 31, 2021	April 1, 2020
Acceptances	2,612.81	1,963.50	1,720.75
Due to Micro, Small and Medium Enterprises	20.01	27.77	17.23
Due to other than micro and small and medium enterprises	1,239.39	865.49	956.07
Due to subsidiary companies	21.74	21.55	3.44
Total	**3,893.95**	**2,878.31**	**2,697.49**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

The disclosure as per the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).

	March 31, 2022	March 31, 2021	April 1, 2020
(a) i) Principal amount unpaid as on March 31	-	-	-
ii) Interest due as on March 31	-	-	-
(b) Total interest paid on all delayed payments during the year under the provision of the Act	0.07	-	-
(c) Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act	0.05	0.05	-
(d) Interest accrued but not due	-	-	-
(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-	-

Notes to the Financial Statements as at March 31, 2022

Trade Payable ageing schedule

(₹ crore)

As at March 31, 2022	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	20.01	-	-	-	-	20.01
ii) Others	3,794.56	60.42	6.09	10.34	2.53	3,873.94
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	3,814.58	60.42	6.09	10.34	2.53	3,893.95

As at March 31, 2021	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	27.77	-	-	-	-	27.77
ii) Others	2,786.35	39.09	17.42	3.59	4.09	2,850.54
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	2,814.12	39.09	17.42	3.59	4.09	2,878.31

As at April 1, 2020	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	17.23	-	-	-	-	17.23
ii) Others	2,596.66	66.31	3.92	5.70	7.66	2,680.26
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	2,613.90	66.31	3.92	5.70	7.66	2,697.49

Note 24 Other financial liabilities - current	March 31, 2022	March 31, 2021	April 1, 2020
Interest accrued but not due	21.06	8.21	17.59
Creditors for capital expenditure	6.87	8.46	15.87
Channel Finance	-	-	1.62
Bill Discounting with Recourse	-	-	0.83
Unclaimed dividend (Refer Note*)	0.77	0.77	0.89
Book Overdraft	-	-	2.44
Deposit from Dealers	1.13	0.44	0.67
	29.83	17.88	39.91

*Note :-

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as on March 31, 2021.

Note 25 Other liabilities - current	March 31, 2022	March 31, 2021	April 1, 2020
Advances from customers (Refer note 50 (iv))	195.78	106.50	69.77
Statutory dues towards Government	7.09	7.65	5.29
Other payables	10.85	2.63	4.46
Salary, wages and others benefits payable to employees	8.25	8.00	9.25
	221.97	124.78	88.77

Note 26 Provisions - current	March 31, 2022	March 31, 2021	April 1, 2020
Provision for employee benefits			
Provision for Gratuity	3.30	-	-
Provision for leave benefits (Refer Note 38)	1.58	2.00	1.43
	4.88	2.00	1.43

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Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Note 27 Revenue from operations	2021-22	2020-21
Sale of products (Refer Note 27.1)		
Finished goods	8,283.90	5,741.62
Raw materials	16.46	14.33
Traded goods	174.39	98.95
Total	**8,474.75**	**5,854.90**
Sale of services	91.65	77.50
Other operating revenue		
Scrap Sales	25.33	15.19
Export Incentives	0.02	12.50
Duty Drawback	4.00	0.74
Total	**29.35**	**28.42**
Revenue from operations	**8,595.75**	**5,960.82**

Note 27.1 Details of products sold	2021-22	2020-21
Finished goods sold		
Transformer oils and Speciality Oils	2,748.91	1,891.64
Conductors	3,562.51	2,600.49
Cables	1,924.23	1,214.65
Thermoplastic Elastomers	48.25	34.83
	8,283.90	**5,741.61**
Raw materials sold		
Base Oils and additives	2.15	0.15
Ferrous metal and Non-ferrous metals	13.66	13.68
Others	0.65	0.50
	16.46	**14.33**
Traded goods sold		
Thermoplastic Elastomers	6.99	5.63
Lubricants	31.85	21.92
Aluminium, HTLS Hardware & GSW Steel Wire, etc	116.54	57.05
Others	19.01	14.35
	174.39	**98.95**
	8,474.75	**5,854.89**

Note 28 Other Income	2021-22	2020-21
Interest income on financial assets measured at amortized cost	6.14	5.27
Gain on foreign exchange translations (net)	9.22	3.97
Profit on sale of Property, plant & equipments (net)	0.22	0.49
Commission on Corporate Guarantee	1.43	1.62
Gain on sale of investments (net)	7.40	1.05
Provision no longer required (net)	4.40	3.21
Miscellaneous Income	8.28	6.51
TOTAL	**37.09**	**22.12**

Note 29 Cost of materials consumed	2021-22	2020-21
Inventory at the beginning of the year	845.13	594.73
Add : Purchases	7,031.21	4,624.13
	7,876.34	5,218.86
Less: Closing Inventory	1,026.82	845.13
TOTAL	**6,849.52**	**4,373.73**

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Note 30 Purchases of Stock-in-Trade	2021-22	2020-21
Thermoplastic Elastomers	5.02	4.95
Lubricants	27.12	16.41
HTLS Hardware	83.74	44.51
Others	14.83	13.10
	130.71	**78.97**

Note 31 Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	2021-22	2020-21
Inventories at the beginning of the year		
Finished goods	375.13	396.64
Work-in-progress	203.51	222.82
Traded goods	15.43	13.70
	594.07	**633.16**
Inventories at the end of the year (Refer Note 31.1)		
Finished goods	591.04	375.13
Work-in-progress	290.04	203.51
Traded goods	36.35	15.43
	917.43	**594.07**
	(323.37)	**39.09**

Note 31.1 Details of Inventory	2021-22	2020-21
Finished goods		
Transformer oils and Speciality Oils	68.36	45.38
Conductors	330.59	243.52
Cables	190.51	85.16
Thermoplastic Elastomers	1.58	1.07
	591.04	**375.13**
Work-in-progress		
Transformer oils and Speciality Oils	21.94	23.74
Conductors	163.97	97.65
Cables	103.93	81.96
Thermoplastic Elastomers	0.21	0.16
	290.04	**203.52**
Traded goods		
Thermoplastic Elastomers	4.21	4.20
Lubricants	3.74	5.79
Hardware Fittings and Accessories	27.09	5.17
Others	1.32	0.27
	36.35	**15.43**

Note 32 Employee benefits expense	2021-22	2020-21
Salaries, wages, bonus, etc.	140.59	133.57
Contribution to provident and other funds	7.07	6.80
Gratuity expense	1.48	1.59
Staff welfare expenses	11.02	8.47
	160.16	**150.43**

Note 33 Finance costs	2021-22	2020-21
Interest on borrowings	7.80	8.05
Interest on suppliers credit	54.39	48.08
Interest on lease liabilities	0.70	1.27
Other borrowing cost	42.29	61.67
Applicable net loss on foreign currency transactions and translation	29.62	10.18
	134.80	**129.24**

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Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Note 34 Other expenses	2021-22	2020-21
Consumption of stores and spares	40.89	32.76
Packing materials	244.12	194.39
Storage charges	14.66	12.89
Power, electricity and fuel	89.29	77.76
Processing charges, fabrication and labour charges	183.87	166.26
Freight and forwarding charges	402.78	236.18
Rent (Refer note 51)	0.02	0.09
Statutory levies, Duties and taxes	6.38	5.29
Insurance	12.20	11.23
Repairs and maintenance		
Plant and machinery	4.53	5.35
Buildings	2.28	1.68
Others	8.17	6.90
Advertising and sales promotion	4.50	4.75
Sales commission	68.40	39.39
Travelling and conveyance	14.30	8.57
Printing and stationery	1.37	1.52
Legal and professional fees	20.52	12.27
Directors' sitting fees	0.14	0.12
Commission to Directors	6.09	3.86
Lease rental (Refer note 51)	0.89	0.64
Corporate Social Responsibility Activities (Refer note 34B below)	3.92	4.25
Donations	0.00	0.11
Royalty	39.69	39.91
Bank charges and commission	27.84	18.66
Bad debts and advances written-off	52.40	13.78
Less: Loss Allowances utilised	(45.15)	(11.27)
Loss Allowances for doubtful debts and advances	35.20	18.03
Miscellaneous expenses (Refer note 34A below)	39.39	36.54
	1,278.69	**941.91**

Note 34A: Auditors' remuneration (included in miscellaneous expenses)	2021-22	2020-21
Auditor	0.44	0.44
for other services	0.03	0.01
for reimbursement of expenses	0.00	0.02
	0.47	0.47

Note 34B : Corporate Social Responsibility Activities	2021-22	2020-21
Details of corporate social responsibility expenditure		
i) Amount required to be spent by the Company during the year	3.91	4.14
ii) Amount spent during the year (in cash)	-	-
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above (refer note below)	3.92	4.25*
iii) Contribution made to entities controlled by key management personnel or individuals having significant influence (Refer note 47 Related party transactions)	3.38	3.33
iv) Provision made for corporate social responsibility expenditure	-	-
v) Shortfall at the end of the year	-	-
vi) Total previous year shortfall	-	-
vii) Reason for shortfall	-	-

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Note 34B : Corporate Social Responsibility Activities (contd..)	2021-22	2020-21
viii) Nature of CSR activities		
Education & environmental sustainability	0.02	0.08
Education & Gender equality	-	0.21
Education & Rural Development	0.05	0.05
Education, Empowerment and Rural Development	1.00	3.28
Healthcare	2.79	0.41
Healthcare, Education and Gender equality	-	0.03
Education	0.06	-
Healthcare & Education	-	0.20

*Note - includes ₹0.07 crore pertaining to FY 2019-20

Note 35 Earnings per share (EPS)

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

Profit attributable to ordinary shareholders (basic)		March 31, 2022	March 31, 2021
Profit (loss) for the year, attributable to ordinary shareholders	A	233.60	136.82
Weighted average number of shares at March 31	B	38,268,619	38,268,619
Basic and Diluted EPS (₹)	A/B	61.04	35.75
Face value per Share (₹)		10.00	10.00

Note 36 - Ratios

Particulars	March 31, 2022	March 31, 2021	Variances%	Formulae
Current Ratio	1.23	1.23	-0.1%	Current Assets / Current Liabilities
Debt - Equity Ratio	0.15	0.16	-7.7%	Long Term borrowing + short term borrowing / Total equity
Debt service coverage ratio	1.30	0.94	38.0%	Profit after tax + Depn+ Interest on borrowings / Long term borrowing + short term borrowing +Lease payaments
Return on Equity ratio	16.2%	11.5%	40.8%	Profit after tax / Average equity
Inventory Turnover ratio	3.84	3.27	17.3%	Cost of material consumed + changes in inventories + purchase of stock in trade / Average Inventory
Trade receivable turnover ratio	8.12	6.62	22.6%	Revenue from operations / Average Trade receivables
Trade payable turnover ratio	2.49	2.02	23.1%	Purchases of materials and stock-in-trade + Other expenses / Average Trade payables
Net capital turnover ratio	10.21	10.42	-2.0%	Revenue from operations / Average Working Capital
Net profit margin	2.7%	2.3%	18.4%	Profit after tax X 100 / Revenue from operations
Return on Capital employed	18.9%	13.4%	40.3%	Profit before interest on borrowings and tax X 100 / Total equity + Long Term Borrowings + Short Term Borrowings +Deferred tax liability
Return on investment (Mutual fund & Fixed Deposits)	5%	3.1%	99.8%	Gain from sale of investments + Interest income on financial assets X 100 / Average Investments + Cash & Cash equivalent

Reason for variation of more than 25%

a. Debt service coverage ratio

The ratio has improved due to incremental PBT in current financial year as compared to last financial year

b. Return on Equity ratio

The ratio has improved due to incremental PAT in current financial year as compared to last financial year.All the divisions of the company have registered strong growth and profit during the year as compared to last year leading to an improved PAT for the company as a whole.

c. Return on Capital employed

The ratio has improved due to incremental profit before interest on borrowings and tax for the reason mentioned above in current financial year as compared to last financial year

d. Return on investment

The ratio has improved due to higher gain on sale of investments in current financial year as compared to last financial year

Notes to the Financial Statements as at March 31, 2022

Note 37 Tax expense

Tax expense

(a) Amounts recognised in profit and loss

(₹ crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	80.29	51.43
Taxes of earlier years	0.37	0.52
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	1.34	(4.07)
Deferred tax expense	1.34	(4.07)
Tax expense for the year	82.00	47.88

(b) Amounts recognised in other comprehensive income	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(6.28)	1.58	(4.70)	0.73	(0.18)	0.55
Items that will be reclassified to profit or loss						
The effective portion of gains and loss on hedging instruments in a cash flow hedge	128.90	(32.44)	96.46	105.83	(26.38)	79.45
	122.62	(30.86)	91.76	106.56	(26.56)	80.00

(c) Reconciliation of effective tax rate	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	315.60	184.70
Enacted Income tax rate in India	25.168%	25.168%
Tax using the Company's domestic tax rate	79.43	46.48
Tax effect of:		
Non-deductible tax expenses	0.99	1.11
Deduction under chapter VIA	(0.24)	(0.42)
Employee benefits	(0.47)	0.18
Others	2.29	0.53
	82.00	47.88

Note 38 Employee benefits

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Company recognised ₹1.94 crore (previous year ₹1.95 crore) for superannuation contribution and other retirement benefit contributions in the Statement of Profit and Loss.

The Company recognised ₹5.13 crore (previous year ₹4.85 crore) for provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

The Employees' Gratuity Fund Scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit seperately to build up the final obligation.

The obligation for leave encashment is recognised in the same manner as gratuity. The Company provides for leave encashment liabiltiy as per the acturial valuation carried out as at March 31, 2022. The Company has recognised ₹3.44 crore (previous year ₹1.45 crore) for leave encashment liability in the Statement of Profit and Loss.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Notes to the Financial Statements as at March 31, 2022

Movement in net defined benefit (asset) liability

(₹ crore)

Particulars	March 31, 2022 Gratuity	March 31, 2021 Gratuity
Table showing change in benefit obligation		
Defined benefit obligation at beginning of the year	18.16	16.89
a) Included in statement of profit and loss		
Current service cost	1.48	1.44
Interest cost	1.28	1.17
	2.76	**2.61**
b) Included in OCI		
Re-measurement or Actuarial (gain) / loss arising from:		
Demographic assumptions	0.95	-
Financial assumptions	4.54	(0.14)
Experience adjustment	0.85	0.32
	6.34	**0.18**
c) Other		
Benefits paid	(1.97)	(1.52)
	(1.97)	**(1.52)**
Defined Benefit obligation at end of the year	**25.29**	**18.16**

Table showing change in Fair Value of Plan Assets	March 31, 2022 Gratuity	March 31, 2021 Gratuity
Fair value of plan assets at beginning of the year	18.16	16.89
Interest income	1.28	1.17
Return on plan assets, excluding interest income	0.07	0.90
Employer Contribution	1.91	0.71
Benefit paid	(1.97)	(1.52)
Fair value of plan assets at year end	**19.45**	**18.16**
Actual return on plan assets	1.35	2.08
Expected contribution for next year	3.82	1.48

Defined benefit obligations

i) Actuarial assumptions

In arriving at the valuation for gratuity & leave benefit following assumptions were used:

Particulars	March 31, 2022	March 31, 2021
Mortality Table (LIC)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement Age	60 years	60 years
Employee Turnover rate*	4.80% p.a. to 11.60%	2.00%
Discount Rate	6.90%	7.05%
Expected rate of return on plan assets (per annum)	6.90%	7.05%
Rate of escalation in salary (per annum)*	6.90% p.a. to 10.00% p.a.	5.00%

*Range is pertaining to different divisions of the Company for Employee Turnover rate and Rate of escalation in salary.

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Notes to the Financial Statements as at March 31, 2022

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ crore)

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.49)	1.67	(1.34)	1.54
Future salary growth (1% movement)	1.63	(1.49)	1.56	(1.38)
Employee Turnover (1% movement)	(0.15)	0.14	0.22	(0.24)

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Net asset / (liability) recognised in the balance sheet as at	March 31, 2022	March 31, 2021
	Gratuity	Gratuity
Fair value of plan assets	19.45	18.16
Present value of obligation	(25.29)	(18.16)
Amount recognised in balance sheet *	(5.85)	-

*Includes amount payable to directors

	March 31, 2022	March 31, 2021
Gratuity Payable to Directors	(2.55)	(1.45)

Expense recognised during the year	March 31, 2022	March 31, 2021
	Gratuity	Gratuity
Included in statement of profit and Loss		
Current service cost	1.48	1.44
Interest cost	1.28	1.17
Net actuarial (gain) / loss		
Return on plan assets,excluding acturial gain or loss	(1.28)	(1.17)
Included in OCI		
Re-measurement or Actuarial (gain) / loss arising from:		
Demographic assumptions	0.95	-
Financial assumptions	4.54	(0.14)
Experience adjustment	0.85	0.32
Return on plan assets, excluding interest income	(0.07)	(0.90)
Net Cost	**7.76**	**0.72**

Maturity analysis of the benefit payments: from the fund	March 31, 2022	March 31, 2021
	Gratuity	Gratuity
Projected benefits payable in future years from the date of reporting		
1st following year	2.07	1.81
2nd following year	2.09	0.73
3rd following year	2.15	1.34
4th following year	2.60	1.30
5th following year	2.93	1.48
From 6 to 10 years	15.20	9.44
From 11 years and above	15.76	20.60

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Category of Plan Assets	March 31, 2022	March 31, 2021
Insurance Funds	1.14	1.07
Mutual Funds	18.13	16.86
Cash And Cash Equivalents	0.18	0.23
Fair value of plan assets	**19.45**	**18.16**

Note 39 Financial instruments – Fair values and risk management Disclosure

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ crore)

March 31, 2022	Note No.	Carrying amount					Fair value			
		Fair value-hedging instruments	FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets										
Investments										
- Non-current	3				1.67	1.67		-		-
- Current	9		30.00			30.00	30.00			30.00
Loans										
- Non-current	4				0.83	0.83				-
- Current	13				0.81	0.81				-
Trade Receivables										-
- Non-current	10A				11.29	11.29				
- Current	10				2,423.31	2,423.31				
Cash and Cash Equivalents	11				242.65	242.65				-
Other Bank Balances	12				13.44	13.44				-
Other financial assets										
- Non-current	6				12.52	12.52				-
- Current	14				169.91	169.91				
Derivatives										-
- Non-current	5	42.80	-	42.80		42.80		42.80		42.80
- Current	5	161.07	0.39	160.68		161.07		161.07		161.07
Total financial assets		**203.87**	**30.39**	**203.48**	**2,876.44**	**3,110.30**	**30.00**	**203.87**	**-**	**233.87**
						-				
Financial liabilities										
Borrowings						-				-
- Non-current	17				195.37	195.37				
- Current	22				44.43	44.43				
Lease liabiliies						-				
- Non-current					10.98	10.98				
- Current					3.08	3.08				
Other financial liabilities										
- Non-current	19				3.13	3.13				-
- Current	24				29.83	29.83				-
Derivatives										-
- Non-current	18	-	-	-		-		-		-
- Current	18	89.00	89.00	-		89.00		89.00		89.00
Trade Payables	23				3,893.95	3,893.95				-
Total financial liabilities		**89.00**	**89.00**	**-**	**4,180.78**	**4,269.78**	**-**	**89.00**	**-**	**89.00**

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

March 31, 2021	Notes	Carrying amount					Fair value			
		Fair value-hedging instruments	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets										
Investments										
- Non Current	3				1.67	1.67		-		
- Current	9		60.00			60.00	60.00			60.00
Loans & advances										
- Non-current	4				0.89	0.89				-
- Current	13				0.79	0.79				-
Trade Receivables						-				-
- Non-current	10A				7.69	7.69				
- Current	10				1,791.49	1,791.49				
Cash and Cash Equivalents	11				183.42	183.42				-
Other Bank Balances	12				15.43	15.43				-
Other financial assets										
- Non-current	6				11.14	11.14				-
- Current	14				36.96	36.96				-
Derivatives										-
- Non-current	5	4.25		4.25		4.25		4.25		4.25
- Current	5	24.21		24.21		24.21		24.21		24.21
Total financial assets		**28.47**	**60.00**	**28.47**	**2,049.48**	**2,137.95**	**60.00**	**28.47**	**-**	**88.47**
Financial liabilities										
Borrowings										-
- Non-current	17				184.63	184.63				
- Current	22				49.19	49.19				
Leases										
- Non-current					8.70	8.70				
- Current					3.61	3.61				
Other financial liabilities										
- Non-current	19				3.11	3.11				
- Current	24				17.88	17.88				
Derivatives										
- Non-current	18	0.72		0.72		0.72		0.72		0.72
- Current	18	46.92	0.61	46.32		46.92		46.92		46.92
Trade Payables	23				2,878.31	2,878.31				
Total financial liabilities		**47.65**	**0.61**	**47.04**	**3,145.44**	**3,193.08**	**-**	**47.65**	**-**	**47.65**

Notes to the Financial Statements as at March 31, 2022

B. Measurement of fair values

Valuation techniques and significant observable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant observable inputs used (if any).

Financial instruments measured at fair value

Type	Valuation technique
Mutual fund investments	Quoted NAV
Commodity futures	Basis the quotes given by the LME broker / dealer.
Derivative liability Forward contracts for foreign exchange	FEDAI rate adjusted for interpolated spreads based on residual maturity
Interest rate swap for variable foreign currency loans	Basis the quotes given by the Bank

Note: The fair value for financial instruments such as trade receivables, cash and cash equivalents, trade payables etc have not been disclosed because the carrrying values approximate the fair value.

Refer note 1.6 for different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Note 40 Financial instruments – Fair values and risk management Credit Risk

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances. The Company's export receivables are covered under ECGC credit insurance policy. The Company also takes credit insurance for its domestic receivable's in Conductor & Cable division.

The carrying amount of following financial assets represents the maximum credit exposure:

At March 31, the maximum exposure to credit risk for trade and other receivables age wise was as follows.

Trade receivables	March 31, 2022	March 31, 2021
Neither past due nor impaired	1,978.98	1,416.45
past due less than 6 months	318.10	215.35
past due 6 months - 1 year	46.76	85.26
past due 1 - 2 years	67.87	62.93
past due 2 - 3 years	26.51	34.65
past due more than 3 years	33.84	32.02
Total	2,472.06	1,846.67
Less: Loss allowance	37.46	47.48
Net Total	**2,434.60**	**1,799.19**

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Notes to the Financial Statements as at March 31, 2022

Short term loans

At March 31, the maximum exposure to credit risk for short term loans and advances age wise was as follows.

(₹ crore)

	March 31, 2022	March 31, 2021
Neither past due nor impaired	0.81	0.79
past due less than 6 months	-	-
past due 6 months - 1 year	-	-
past due 1 - 2 years	-	-
past due 2 - 3 years	-	-
past due more than 3 years	-	-
	0.81	**0.79**

Management believes that the unimpaired amounts which are past due are fully collectible.

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables and other advances.

The Company follows 'simplified approach' for recognition of impairment loss on these financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

The entity has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a division wise provision matrix. The provision matrix takes into account historical credit loss experience, delay in receipt of payments and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Provision matrix for credit loss;

Expected credit loss (%)*	Oil Division	Cable Division	Conductor Division
past due less than 6 months	0.0%	0.4%	0.0%
past due 6 months - 1 year	0.0%	0.0%	0.0%
past due 1 - 2 years	6.0%	2.1%	0.0%
past due 3 - 5 years	6.0%	2.1%	0.0%
past due more than 5 years	6.0%	2.1%	0.0%

*Expected credit loss is worked out on the trade receivables for which no specific provision is made.

Provision matrix for delay in receipts

Expected credit loss (%)*	Oil Division	Cable Division	Conductor Division
past due less than 6 months	8.7%	19.0%	12.5%
past due 6 months - 1 year	64.0%	67.7%	60.7%
past due 1 - 2 years	85.3%	91.2%	89.4%
past due 3 - 5 years	85.3%	91.2%	89.4%
past due more than 5 years	85.3%	91.2%	89.4%

The movement in the allowance for impairment in respect of trade receivable and short term loans and advances as follows

(₹ crore)

Loss Allowances for Doubtful Debts	Trade and other receivables	Short term loans and advances
Balance as on 1 April 2020	40.72	-
Amounts provided	14.17	-
Amount written back / utilised	(11.60)	-
Balance as on 31 March 2021	43.28	-
Amounts provided	35.86	-
Amount written back / utilised	(45.78)	-
Balance as on 31 March 2022	**33.36**	**-**

Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Loss Allowances for Expected Credit Loss	As at 31.3.2022	As at 31.3.2021
Balance at the beginning of the year	4.20	1.21
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(0.10)	2.99
Balance at the end of the year	**4.10**	**4.20**

Other non-current financial assets

Other non-current financial assets includes earnest money deposit, security deposits to customers. These advances and deposits were made in continuation of business related activities and are made after review as per company's policy.

Cash and cash equivalents

The Company holds cash and cash equivalents of ₹242.65 Crore (Previous Year ₹183.42 Crore). The cash and cash equivalents are held with the bank and financial institutions, with good credit ratings.

Derivatives

Derivatives are entered with counterparties who have good credit ratings.

Note 41 Financial instruments — Fair values and risk management Liquidity Risk

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments but exclude the impact of netting agreements.

March 31, 2022	Contractual cash flows					(₹ crore)
	Carrying amount	Total	1 year or less	1-2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	239.81	239.81	44.43	55.81	139.57	-
Trade and other payables	3,893.95	3,893.95	3,893.95	-	-	-
Other financial liabilities	29.83	29.83	29.83	-	-	-
Lease liabiliies	14.05	14.05	3.08	3.29	7.43	0.25
Derivative financial liabilities						
Forward exchange contracts/Futures used for hedging/Natural hedging						
- Outflow	89.00	89.00	89.00	-	-	-

March 31, 2021	Contractual cash flows					(₹ crore)
	Carrying amount	Total	1 year or less	1-2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	212.33	212.33	27.70	38.48	132.69	13.46
Short term loan from bank (Unsecured)	21.49	21.49	21.49	-	-	-
Trade and other payables	2,878.31	2,878.31	2,878.31	-	-	-
Other financial liabilities	17.88	17.88	17.88	-	-	-
Lease liabiliies	12.31	12.32	3.61	2.20	5.38	1.12
Derivative financial liabilities						
Forward exchange contracts/Futures used for hedging/Natural hedging						
- Outflow	47.65	47.65	46.92	0.72	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Contractual outflow of other non current financial liabilities amounting to ₹3.13 crores (Previous year ₹3.11 crores) has not been included above as the amount cannot be ascertained on reporting date.

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Notes to the Financial Statements as at March 31, 2022

Note 42 Financial instruments – Fair values and risk management Risk

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Commodity risk

The Company is affected by the price volatility of certain commodities viz. Aluminum, Copper and Oil. Its operating activities require the ongoing purchase and manufacture of the conductors, cables and Oil and thus requires continuous supply of these commodities. Due to the increase in volatility of the price of the commodities namely Aluminum and Copper, the Company has entered into forward contracts (for which there is an active market).

Currency risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows.

Fig. in crore

Particulars	March 31, 2022					
	USD	EUR	CAD	ETB	NPR	KES
Trade receivables	11.42	0.54	0.10	-	-	-
Cash and cash equivalents	0.76	0.01	0.00	0.97	0.23	0.04
Long term Borrowings	(2.55)	-	-	-	-	-
Trade payables	(16.19)	(0.04)	-	(0.03)	-	-
Net Exposure	**(6.57)**	**0.51**	**0.10**	**0.93**	**0.23**	**0.04**

Fig. in crore

Particulars	March 31, 2022					
	EGP	AUD	AED			
Trade receivables	-	0.00				
Cash and cash equivalents	0.01	-	0.00			
Net Exposure	**0.01**	**0.00**	**0.00**			

Fig. in Crore

Particulars	March 31, 2021					
	USD	EUR	CAD	ETB	NPR	KES
Trade receivables	6.40	0.53	0.03	(0.27)	-	-
Cash and cash equivalents	0.14	0.01	0.00	1.26	0.10	0.04
Long term Borrowings	(2.00)	-	-	-	-	-
Short term borrowings	(0.29)	-	-	-	-	-
Trade payables	(13.84)	0.01	-	(0.20)	-	-
Net Exposure	**(9.59)**	**0.55**	**0.03**	**0.79**	**0.10**	**0.04**

Fig. in crore

Particulars	March 31, 2021					
	EGP	AUD				
Trade receivables	-	(0.00)				
Cash and cash equivalents	0.01	-				
Net Exposure	**0.01**	**(0.00)**	-	-	-	-

Notes to the Financial Statements as at March 31, 2022

The following significant exchange rates have been applied during the year.

	Average rate		Year-end spot rate	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
US Dollars (USD)	74.51	74.23	75.79	73.11
Euro (EURO)	86.58	86.61	84.22	85.75
Canadian Dollars (CAD)	59.44	56.21	60.49	58.03
Pound sterling (GBP)	101.80	97.04	99.46	100.75
Ethiopian Birr (ETB)	1.60	2.01	1.47	1.79
Nepalese Rupee (NPR)	0.63	0.63	0.63	0.63
Kenyan Shilling (KES)	0.67	0.68	0.66	0.67
Egyptian Pound (EGP)	4.68	4.70	4.15	4.65
United Arab Emirates Dirham (AED)	20.27	20.17	20.64	19.91
Austrailian Dollar (AUD)	55.08	53.36	56.74	55.70

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR Crore	Profit or loss	
	Strengthening	Weakening
March 31, 2022		
USD (1% movement)	4.98	(4.98)
EUR (1% movement)	(0.43)	0.43
CAD (1% movement)	(0.06)	0.06
ETB (1% movement)	(0.01)	0.01
NPR (1% movement)	(0.00)	0.00
KES (1% movement)	(0.00)	0.00
EGP (1% movement)	(0.00)	0.00
AED (1% movement)	(0.00)	0.00
AUD (1% movement)	(0.00)	0.00
	4.47	**(4.47)**

Effect in ₹ Crore	Profit or loss	
	Strengthening	Weakening
March 31, 2021		
USD (1% movement)	7.01	(7.01)
EUR (1% movement)	(0.47)	0.47
CAD (1% movement)	(0.02)	0.02
ETB (1% movement)	(0.01)	0.01
NPR (1% movement)	(0.00)	0.00
KES (1% movement)	(0.00)	0.00
EGP (1% movement)	(0.00)	0.00
AUD (1% movement)	0.00	(0.00)
	6.51	**(6.51)**

Note 43 Financial instruments – Fair values and risk management Interest rate risk

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing borrowings because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

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Notes to the Financial Statements as at March 31, 2022

(₹ crore)

Particulars	Nominal amount	
	March 31, 2022	March 31, 2021
Fixed rate instruments	47.74	67.61
Variable-rate instruments*	2,687.44	1,465.26
	2,735.19	**1,532.87**

**Variable rate intruments include letter of credit*

Interest rate sensitivity for fixed rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through statement of profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

₹ crore

Particulars	Profit or loss	
	100 Basis Point increase	100 Basis Point decrease
March 31, 2022		
Variable-rate instruments	(26.87)	26.87
Cash flow sensitivity (net)	(26.87)	26.87
March 31, 2021		
Variable-rate instruments	(14.65)	14.65
Cash flow sensitivity (net)	(14.65)	14.65

Note 44 Financial instruments – Hedge accounting

The objective of hedge accounting is to represent, in the Company's financial statements, the effect of the Company's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss.

Currency risk-

The Company's risk management policy is to hedge its estimated foreign currency exposure in respect of highly forecasted sales. The Company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as fair value hedges. Company's policy is to match the critical terms of the forward exchange contracts with that of the hedged item.

Commodity risk

The Company's risk management policy is mitigate the impact of fluctuations in the aluminium/copper/zinc prices on highly forecast purchase transactions. The Company uses futures contract to hedge its commodity risk. Such contracts are generally designated as cash flow hedges.

Interest rate

The Company's risk management policy is to mitigate its interest rate risk exposure on floating rate borrowings by entering into fixed-rate instruments like interest rate swaps to eliminate the variability of cash flows attributable to movements in interest rates. Such hedges are designated as cash flow hedges.

For derivative contracts designated as hedge, the Company documents at inception the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The hedging book consists of transactions to hedge Balance Sheet assets or liabilities. The tenor of hedging instrument may be less than or equal to the tenor of underlying hedged asset or liability.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge.

Hedge effectiveness is assessed through the application of critical terms match method/Dollar offset method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss

Notes to the Financial Statements as at March 31, 2022

Sr. No.	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Interest rate hedge	Floating rate financial asset or liability	Floating rate financial asset or liability is converted into a fixed rate financial asset or liability using a floating to fixed interest rate swap. This is usually denominated in the currency of the underlying (which in most cases is the functional currency). if not, it may be combined currency swap.	Interest rate swap	Interest rate swap is a derivative instrument whereby the Company recieves or pays (in case of asset or a liability respectively) at a floating rate in return for a fixed rate asset or liability.	Cash flow hedge
2	Future contract	Highly probable purchase transaction	Mitigate the impact of fluctuations in aluminium copper & zinc prices, on projected purchase contracts for metal	Futures contract	Company enters into a forward derivative contract to purchase a commodity at a fixed price and at a future date. These are customized contracts transacted in the over–the–counter market. Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over–the–counter market.	Cash flow hedge
3	Forward contract	foreign currency risk of highly probable forecast transactions	Mitigate the impact of fluctuations in foreign exchange rates	Currency forward	Company enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts These are customized contracts transacted in the over–the–counter market.	Cash flow hedge
4	Forecasted Export Sales	Forecasted Export Sales	Mitigate the impact of fluctuations in foreign exchange rates	Foreign currency denominated Import Purchases	Company uses its Forecasted Foreign currency denominated Import Purchases to mitigate the risk of foreign currency movement in collection of Forecasted Export Sales	Cash flow hedge

The Company, inter alia, takes into account the following criteria for constructing a hedge structure as part of its hedging strategy:

(a) The hedge is undertaken to reduce the variability in the profit & loss i.e the profit or loss arising from the hedge structure should be lesser than the profit & loss on the standalone underlying exposure. In case of cash flow hedge for covering interest rate risk the hedge shall be only undertaken to convert floating cash flows to fixed cash flows i.e. the underlying has to be a floating rate asset or liability.

(b) At any point in time the outstanding notional value of the derivative deal(s) undertaken for the purpose of hedging shall not exceed the underlying portfolio notional. The hedge ratio therefore does not exceed 100% at the time of establishing the hedging relationship.

(c) At any point in time the maturity of each underlying forming a part of the cluster/portfolio hedged shall be higher than the maturity of the derivative hedging instrument.

Notes to the Financial Statements as at March 31, 2022

The tables below provide details of the derivatives that have been designated as hedges for the periods presented:

As at 31 March 2022

(₹ crore)

Particulars	Notional principal amounts (Net)	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to (profit) or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	600.38	0.39	0.75	(1.80)	(0.63)	NA	NA	2.05	COGS
Commodity contracts	30.94	203.48	87.43	120.70	130.19	NA	NA	9.49	COGS
Foreign currency denominated Import Purchases	133.77	-	0.82	(1.50)	(0.66)	NA	NA	0.84	Sales

As at 31 March 2021

(₹ crore)

Particulars	Notional principal amounts (Net)	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	243.17	0.07	0.93	(1.81)	(4.59)	NA	NA	(2.77)	COGS
Commodity contracts	176.66	28.40	44.73	118.72	106.93	NA	NA	(11.79)	COGS
Foreign currency denominated Import Purchases	111.54	-	0.16	(1.09)	3.49	NA	NA	4.58	Sales

The tables below provide details of the Company's hedged items under cash flow hedges:

(₹ crore)

Particulars	As at 31 March 2022			As at 31 March 2021		
	Change in the value of hedged item for the year	Balance in cash flow hedge reserve		Change in the value of hedged item for the year	Balance in cash flow hedge reserve	
		Where hedge accounting is continued	Where hedge accounting is discontinued		Where hedge accounting is continued	Where hedge accounting is discontinued
Highly probable forecast transactions	(1.80)	0.36	NA	(1.81)	0.86	NA
Highly probable purchases	120.70	(116.04)	NA	118.72	16.33	NA
Forecasted Export Sales	(1.50)	0.82	NA	(1.09)	0.16	NA

Notes to the Financial Statements as at March 31, 2022

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ crore)

Particulars	Movement in Cash flow hedge reserve for the years ended	
	March 31, 2022	March 31, 2021
Opening balance	14.81	120.65
Effective portion of changes in fair value:		
a) Interest rate risk	-	-
b) Commodity price risk	(120.70)	(118.72)
c) Foreign currency risk	1.80	1.81
d) Forecasted Export Sales	1.50	1.09
Net amount reclassified to profit or loss:		
a) Interest rate risk	-	-
b) Commodity price risk	(9.49)	11.79
c) Foreign currency risk	(2.05)	2.77
d) Forecasted Export Sales	(0.84)	(4.58)
Movements on reserves during the year		
Closing balance	(114.96)	14.81

Disclosure of effects of hedge accounting on financial performance

31st March, 2022

(₹ crore)

Type of hedge	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectieness recognisd in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Foreign exchange risk	(0.63)	NA	2.05	COGS
Commodity price risk	130.19	NA	9.49	COGS
Forecasted Export Sales	(0.66)	NA	0.84	Sales

31st March, 2021

(₹ crore)

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectieness recognisd in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Foreign exchange risk	(4.59)	NA	(2.77)	COGS
Commodity price risk	106.93	NA	(11.79)	COGS
Forecasted Export Sales	3.49	NA	4.58	Sales

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Notes to the Financial Statements as at March 31, 2022

Note 45 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves . The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

(₹ crore)

	As at arch 31, 2022	As at March 31, 2021
Borrowings	239.81	233.82
Less : Cash and cash equivalent	242.65	183.42
Adjusted net debt	**(2.84)**	**50.40**
Total equity	1,585.10	1,296.08
Less : Hedging reserve	85.34	(11.11)
Adjusted equity	**1,499.76**	**1,307.20**
Adjusted net debt to adjusted equity ratio	**(0.00)**	**0.04**

Note 46 Segment reporting

A. General Information

(a) Factors used to identify the entity's reportable segments, including the basis of organisation -
The operations of the Company are segmented into Primary Segment (Business Segment) & Secondary Segment (Geographical Segment).

(b) Following are reportable segments
Reportable segment
Conductor
Transformer & Specialities Oils
Power/Telecom Cables

(c) Identification of segments:
The Chief Operating Decision Maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on Profit or Loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products / services.

(d) Segment revenue and results:
The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

(e) Segment assets and liabilities::
Segment assets include all operating assets used by the operating segment and mainly consist of property plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

Notes to the Financial Statements as at March 31, 2022

B. Information about reportable segments

(₹ crore)

For the year ended March 31, 2022							
Particulars	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total Reportable segments	Other segments	Elimination	Total
External revenues (Gross)	3,770.79	2,805.42	1,962.90	8,539.11	56.64		8,595.75
Other income	8.62	13.58	7.10	29.30	0.04		29.34
Unallocable Income	-	-	-	-	-		7.75
Intersegment revenue	425.69	11.59	30.90	468.18	0.12	(468.30)	-
Segment revenue	**4,205.10**	**2,830.59**	**2,000.90**	**9,036.59**	**56.80**	**(468.30)**	**8,632.84**
Segment profit (loss) before tax & Finance Cost	150.68	248.33	79.79	478.79	3.70		482.49
Less :- Interest expense							134.80
Less:- Other unallocated expenditure net of unallocable income							32.09
Profit before tax							315.60
Tax expenses							82.00
Profit after tax							233.61
Capital Employed							
Segment assets	3,216.96	1,377.58	1,635.22	6,229.75	37.20	(224.09)	6,042.86
Unallocable corporate and other assets				-			113.50
Total Asset	3,216.96	1,377.58	1,635.22	6,229.75	37.20	(224.09)	6,156.37
Segment liabilities	2,547.61	873.43	1,033.66	4,454.71	7.77	(224.09)	4,238.38
Unallocable corporate and other liabilities							40.57
Total Liabilities	2,547.61	873.43	1,033.66	4,454.71	7.77	(224.09)	4,278.95
Capital expenditure	29.13	19.29	61.46	109.88	2.22		112.10
Capital expenditure -Unallocable							3.84
Depreciation and Amortisation expense	35.97	11.96	31.46	79.40	0.96		80.36
Depreciation and Amortisation- Unallocable							6.38

(₹ crore)

For the year ended March 31, 2021	Reportable segments						
Particulars	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total Reportable segments	Other segments	Elimination	Total
External revenues (Gross)	2,742.82	1,929.77	1,246.76	5,919.35	41.47		5,960.82
Other income	11.44	6.81	0.34	18.59	0.09		18.69
Unallocable Income							3.43
Intersegment revenue	165.21	6.64	22.68	194.53	1.48	(196.01)	-
Segment revenue	**2,919.48**	**1,943.22**	**1,269.78**	**6,132.47**	**43.05**	**(196.01)**	**5,982.94**
Segment profit (loss) before tax & Finance Cost	68.34	235.63	32.80	336.77	3.46		340.23
Less :- Interest expense							129.24
Less:- Other unallocated expenditure net of unallocable income							26.29
Profit before tax							184.70
Tax expenses							47.88
Profit after tax							136.82
Capital Employed							
Segment assets	2,084.72	1,213.00	1,164.60	4,462.32	50.57	-	4,512.89
Unallocable corporate and other assets				-			142.82
Total Segment Asset	**2,084.72**	**1,213.00**	**1,164.60**	**4,462.32**	**50.57**	**-**	**4,655.71**
Segment liabilities	1,581.94	761.27	725.03	3,068.24	8.43	-	3,076.67
Unallocable corporate and other liabilities				-			28.83
Total Segment Liabilities	**1,581.94**	**761.27**	**725.03**	**3,068.24**	**8.43**	**-**	**3,105.50**
Capital expenditure	12.71	11.14	25.26	49.11	1.67	-	50.78
Capital expenditure -Unallocable							7.06
Depreciation and Amortisation expense	35.62	12.64	30.55	78.81	0.77	-	79.58
Depreciation and Amortisation- Unallocable				-			5.29

Notes to the Financial Statements as at March 31, 2022

C. Information about geographical areas

(₹ crore)

(a) Revenue from external customers	For the year ended March 31, 2022	For the year ended March 31, 2021
- Within India*	5,817.35	3,840.84
- Outside India	2,778.39	2,119.98
	8,595.75	**5,960.82**

*include deemed exports ₹42.54 crore (Previous year ₹77.52 crore)

(₹ crore)

Revenue from external customers outside India currency wise	March 31, 2022	March 31, 2021
USD (US Dollar)	2,500.42	1,612.27
EUR (EURO)	180.89	150.23
GBP (British Pound)	0.75	-
CAD (Canadian Dollar)	5.08	97.09
SGD (Singapore Dollar)	0.08	0.13
AUD (Australian Dollar)	3.16	13.82
NPR (Nepalese Rupee)	0.24	-
INR	87.77	246.44
Total	**2,778.39**	**2,119.98**

(₹ crore)

(b) Segment Assets	For the year ended March 31, 2022	For the year ended March 31, 2021
- Within India	6,156.11	4,655.45
- Outside India	0.26	0.26
	6,156.37	**4,655.71**

(₹ crore)

Segment assets outside India currency wise	March 31, 2022	March 31, 2021
SGD (Singapore Dollar)	0.26	0.26
Total	**0.26**	**0.26**

(c). Information about Major Customers

Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Company's total revenue.

Note 47 Related party relationships, transactions and balance

The Company's related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business. All the transactions with related parties are on arm's length basis.

A. List of Related Parties

a). Subsidiary Companies:

(1). Petroleum Specialties Pte. Ltd, Singapore (Wholly owned subsidiary)

(2). Petroleum Specilities FZE, Sharjah (Wholly owned subsidiary of Petroleum Specialities Pte. Ltd)

(3). APAR Transmission & Distribution Projects Private Limited (Wholly owned subsidiary)

(4). APAR Distribution & Logistics Private Limited (Wholly owned subsidiary)

b). Associate Company:

(1) Ampoil Apar Lubricants Private Limited (Share of APAR Industries Limited - 40%) (w.e.f. September 19, 2020)

c). Key Managerial Personnel:

Mr. K. N. Desai - Chairman & Managing Director

Mr. C. N. Desai - Managing Director

Mr. Rishabh Kushal Desai - Non Executive and Non Independent Director

Mr. Ramesh Iyer- Chief Financial Officer (w.e.f. February 3, 2022)

Mr. V C Diwadkar - Chief Financial Officer (till February 2, 2022)

Mr. Sanjaya Kunder- Company Secretary

d). Independent Directors

Mrs. Nina Kapasi

Mr. F. B. Virani

Mr. Rajesh Sehgal

Mr. Kaushal Sampat

Notes to the Financial Statements as at March 31, 2022

e). Relatives of Key Managerial Personnel

Ms. Maithili N. Desai

Mrs. Noopur Kushal Desai

Mrs. Harshana R. Desai

Ms. Gaurangi K. Desai

Mrs. Jinisha C. Desai

Mr. Devharsh C. Desai

Ms. Nitika C. Desai

f). Entities controlled by key management personnel/ individuals having significant influence:

APAR Corporation Private Ltd and its' subsidiaries, viz

a) APAR Investment (Singapore) Pte. Ltd

b) APAR Investment Inc.

APAR Technologies Private Limited

APAR Technologies Pte. Ltd.

Chaitanya N. Desai Family Private Trust

Maithili N. Desai Family Private Trust

Maithili N. Desai Family Private Trust No. 2

Catalis World Private Ltd

Gayatri Associates

Maithili Trusteeship Services Private Limited

Kushal N. Desai Family Private Trust

Narendra D. Desai Family Private Trust

Hari Haribol Dairy Products Private Limited

EM & EM Personal Care Private Limited

Cutting Chai Technologies Private Limited

Annamrita Foundation, Mumbai

DDMM Heart Institute (GMCC Care & Research Society)

Dharmsinh Desai Foundation

Sri Nityanand Education Trust

B. Related Party Transactions in ordinary course of business

(i) Subsidiary companies:

(₹ crore)

Sr. No.	Transactions	2021-22	2020-21
1	Sale of finished goods/ Raw materials / traded goods	95.41	11.39
2	Purchase of finished goods/ Raw materials / traded goods	69.53	52.92
3	Investment made	-	0.99
4	Rent Income	0.03	0.03
5	Commission Expenses	1.44	1.42
6	Guarantee commission from the subsidiary	1.44	1.62
7	Reimbursement of Expenses received (net)	2.68	2.10

(₹ crore)

Sr. No.	Balances outstanding as at year end	2021-22	2020-21
1	Receivable from subsidiary company for supply of raw material, finished goods, capital goods, dividend and services	75.28	4.12
2	Payable to subsidiary company for supply of raw material, finished goods, capital goods, dividend and services	21.74	21.55
3	Short term advances given	0.37	0.24
4	Guarantee given by the company on behalf of subsidiary	454.76	237.61
5	Committments	12.55	18.56

(ii) Associate company:

(₹ crore)

Sr. No.	Transactions	2021-22	2020-21
1	Sale of finished goods/ Raw materials / traded goods	0.52	0.30

Sr. No.	Balances outstanding as at year end		
1	Investment made	0.40	0.40
2	Receivable from associate company for supply of raw material & finished goods	0.24	0.28

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Notes to the Financial Statements as at March 31, 2022

(iii) Key Managerial Personnel:

(₹ crore)

Sr. No.	Transactions	2021-22	2020-21
1	Remuneration	11.83	5.82
2	Dividends paid (payment basis)	17.56	-
3	Sitting fees	0.14	0.12

(₹ crore)

Sr No.	Balances outstanding as at year end	2021-22	2020-21
1	Commission payable	6.09	3.86

(iv) Relatives of Key Managerial Personnel:

Sr. No.	Transactions	2021-22	2020-21
1	Dividends paid (payment basis)	0.13	-
2	Salary paid	0.10	0.04

(v) Entities controlled by key management personnel/individuals having significant influence:

(₹ crore)

Sr. No.	Transactions	2021-22	2020-21
1	Rent paid	1.32	1.30
2	Dividends paid (payment basis)	4.29	-
3	Sale of finished goods/ Raw materials / traded goods/services	0.05	0.04
4	Purchase of finished goods/ Raw materials / traded goods/services	0.30	0.03
5	Corporate social responsibility expenses	3.38	3.33

(₹ crore)

Sr. No.	Balances outstanding as at year end	2021-22	2020-21
1	Receivable for supply of finished goods / services / reimbursements	0.14	0.08
2	Payable for supply of finished goods / services / reimbursements	0.03	0.00
3	Security deposit given	0.11	0.08
4	Committments	7.76	1.19

C. Compensation of key management personnel of the Company

(₹ crore)

Sr. No.	Nature of transaction	2021-22	2020-21
1	Short-term employment benefits	11.55	5.50
2	Post Employment benefis	0.15	0.15
3	Other Long term employee benefits	0.12	0.17
		11.83	**5.82**

Note 47A Disclosure pursuant to Section 186 of the Companies Act, 2013

(₹ crore)

Sr. No.	Nature of Transactions (Loans given/ Investment made/guarantee provided)	Purpose of the transactions	2021-22	2020-21
a	Short Term Advances			
i	Subsidiary Companies			
	Petroleum Specialities FZE	Reimbursement of Expenses	0.16	0.15
	APAR Distribution & Logistics Private Limited	Reimbursement of Expenses	0.21	0.09
b	Investment made			
i	Subsidiary Companies			
	Petroleum Specialities Pte. Ltd	Capital Contribution	0.26	0.26
	APAR Transmission & Distribution Projects Private Limited	Capital Contribution	0.01	0.01
	APAR Distribution & Logistics Private Limited	Capital Contribution	1.00	1.00
ii	Associate company			
	Ampoil Apar Lubricants Private Limited	Capital Contribution	0.40	0.40
c	Guarantees			
i	Subsidiary Companies			
	Petroleum Specialities Pte. Ltd	Corporate Guarantee for subsidiary's debt	3.79	3.66
	Petroleum Specialities FZE	Corporate Guarantee for subsidiary's debt	450.97	233.95

Notes to the Financial Statements as at March 31, 2022

Note 48 Contingent liabilities and Commitments

(₹ crore)

Particulars	March 31, 2022	March 31, 2021
A) Contingent liabilities not provided for:		
Contingent liabilities		
a) Claims against the Company not acknowledged as debts -		
i) Demand/ Show cause-cum-demand notices received and contested by the Company with the relevant appellate authorities:		
Excise duty	7.08	6.03
GST	15.39	21.73
Customs duty	2.40	2.40
Sales tax	12.99	12.66
Income tax	10.74	12.03
ii) Arbitration award regarding dispute of alleged contractual non-performance by the Company, against which the Company is in appeal before Bombay High Court.	15.00	14.54
iii) Labour matters	0.05	0.05
iv) Others	17.13	19.23
b) Corporate Guarantees		
i) Guarantee given by the Company for credit facilities enjoyed by Petroleum Specialities Pte Ltd.,a wholly-owned subsidiary	3.79	3.66
ii) Guarantee given by the Company for term loan facilities enjoyed by Petroleum Specialities FZE, a downstream subsidiary company.	450.97	233.95
B) Capital commitments		
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	39.63	10.92

Notes:

1 It is not practicable for the Company to estimate the timing of the cash outflows, if any, in respect of the matters in note a (i) to a (iv) of claims against the Company not acknowleged as debts mentioned in A - Contingent Liabilities, pending resolution of the arbitration/appallate proceedings. The liability mentioned as aforesaid includes interest except in cases where the Company has determined that the possibility of such levy is very remote.

2 The cash outflows in respect of Corporate Guarantees mentioned in note b of A - contingent liabilities, could generally occur upto the period over which the validity of such guarantees extends or it could occur any time during the subsistence of the borrowing to which the guarantees relate.

3 The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 49 Expenditure on Research and Development:

(₹ crore)

(A)	R & D Center-OIL (Rabale - DSIR Recognised)	2022-21	2020-21
(a)	Salary, wages and other benefits	2.37	2.17
	Consumables and Other expenses	0.14	0.19
	sub-Total	2.51	2.36
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	-	0.42
		-	0.42
	Total	**2.51**	**2.78**

(B)	R & D Center-Conductor (Silvassa)	2022-21	2020-21
(a)	Salary, wages and other benefits	-	-
	Consumables and other expenses	0.86	2.03
	sub-Total	0.86	2.03
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	0.54	0.51
		0.54	0.51
		1.40	**2.55**

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Notes to the Financial Statements as at March 31, 2022

(₹ crore)

(C)	R & D Center-Cable (Khatalwada)	2022-21	2020-21
(a)	Salary, wages and other benefits	0.28	0.21
	Consumables and other expenses	3.77	1.08
	sub-Total	4.05	1.29
	Plant and machinery	-	-
(b)	Capital expenditure		
	Building	-	-
	Total	4.05	1.29
	Grand Total (A+B+C)	7.97	6.62

Note 50 IND AS 115 - Revenue from Contracts with Customers

(₹ crore)

i.	Revenue from contracts with customers	2021-22	2020-21
	Revenue recognised at point in time	8,500.08	5,870.09
	Revenue recognised over time	91.65	77.50
	Total revenue from contracts with customers	8,591.73	5,947.59

ii. Disaggregated revenue

The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on Profit or Loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products / services.

The company uses the same operating segment information for reporting purposes in all its communication to various stakeholders i.e. annual report, investor presentations

	2021-22	2020-21
Within India (including deemed exports)	5,817.36	3,840.84
Outside India	2,778.39	2,119.98
	8,595.75	5,960.82
iii. Sales by performance obligation		
Upon shipment	8,500.08	5,870.09
Upon providing of services	91.65	77.50
	8,591.73	5,947.59
iv. Contract balances		
<u>Contract assets</u>		
<u>Unbilled revenue</u>		
Opening Balance as at April 1	0.73	6.15
Add: Addition during the year	6.11	0.73
	6.84	6.88
Less: Trasferred to receivable	0.73	6.15
Closing balance as at Mar 31	6.11	0.73
<u>Contract liabilities</u>		
<u>Advances from customers</u>		
Opening Balance as at April 1	106.50	69.77
Add: Addition during the year	290.49	64.73
	396.99	134.50
Less: Revenue recognised during the year	201.21	28.00
Closing balance as at Mar 31	195.78	106.50

Refer note no 14 - for contract assets balances & note no 25 for contract liabilities

v. Remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are having performance obligations, which are a part of the contracts that has an original expected duration of one year or less.Hence, the company has applied practical expedient as per para 121 of the Ind As 115 in regards to remaining performance obligations.

Notes to the Financial Statements as at March 31, 2022

Note 51 IND AS 116 - Leases

(₹ crore)

Particulars	2021-22	2020-21
Right of use Assets		
Addition during the year	9.70	0.41
Deletion during the year	(6.24)	(4.32)
Amortisation for the year	3.39	5.33
Carrying value at the end of the year	13.32	11.10
Maturity Analysis of lease liabilities		
Less than 1 year	3.08	3.61
1 - 2 years	3.29	2.20
3 - 5 years	7.43	5.38
More than 5 years	0.25	1.12
Total undiscounted lease liabilities at the year end	14.05	12.32
Recognised into statement of Financial Position		
Non Current	10.98	8.70
Current	3.08	3.61
Amount recognised into Profit & Loss account		
Amortisation of Right of use assets	3.39	5.33
Interest expenses on Lease liabilities	0.70	1.27
Expenses relating to Short term leases & low value assets leases	0.91	0.72
The expense relating to variable lease payments not included in the measurement of lease liabilities Income from subleasing right-of-use assets	-	-
Gains or losses arising from sale and leaseback transactions	-	-
Amount recognised into Cash flows		
Total cash outflows of lease payments (including short term leases & low value assets leases	4.61	6.29

The Company has applied paragraph 6 of IND AS 116; for accounting of Short term leases having lease period of less than 12 months and leases for which the underlying asset if of low value. Lease payments associated with these leases are accounted either on straight line basis over the lease term or another systematic basis which is more representative of the lease payment pattern.

Note 52 Master Netting

The following table presents the recognised financial instruments that are subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2022 and March 31, 2021.

₹ crore

Particulars	Effects of offsetting on the balance sheet		
	Gross and net amounts of financial instruments in the balance sheet	Related amounts that are not off set	Net amounts
March 31, 2022			
Financial assets			
Derivative instruments			
Forward contract/Futures	203.87	86.90	116.97
Total	**203.87**	**86.90**	**116.97**
Financial liabilities			
Derivative instruments			
Forward contract/Futures	89.00	86.90	2.10
Total	**89.00**	**86.90**	**2.10**

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Notes to the Financial Statements as at March 31, 2022

₹ crore

Particulars	Effects of offsetting on the balance sheet		
	Gross and net amounts of financial instruments in the balance sheet	Related amounts that are not off set	Net amounts
March 31, 2021			
Financial assets			
Derivative instruments			
Forward contract	28.46	22.58	5.88
Total	**28.46**	**22.58**	**5.88**
Financial liabilities			
Derivative instruments			
Forward contract	47.65	22.58	25.07
Total	**47.65**	**22.58**	**25.07**

Company enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreement. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in same currency are aggregated into a single net amount that is payable by one party to other.

In certain circumstances e.g. when a credit event such as default occurs-all outstanding transactions under the agreement are terminated, the termination value is assessed and only a net amount is payable in the settlement of all transactions.

The ISDA master netting agreement do not meet the criteria for offsetting in the balance sheet. This is because the Company does not have currently legally enforceable right to offset recognized amounts, because the right to offset is enforceable only on default.

Note 53 Additional Disclosures

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The Company did not have any material transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the financial year.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the period/year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

viii) The Company is not declared as willful defaulter by any bank or financial Institution or other lender.

ix) During the year company has not entered into any scheme of arrangement.

Notes to the Financial Statements as at March 31, 2022

Note 54 Additional Disclosures

Interest paid on delayed payment of Income Tax for the Financial Year 2015-16 to Financial Year 2018-19 had been erroneously recorded into "Non-current Tax Assets" instead of charging it to the Profit and Loss of the respective years. As a consequence, profit for these respective years has been overstated. During the reporting year, the error has been rectified as per IND AS 8 by charging it to the retained earnings as on April 1, 2020 (the earliest prior period presented). Accordingly, restated financial position as on April 1, 2020 and March 31, 2021 is as under;

(₹ in crore)

Particulars	As on March 31, 2021	Adjustment	As on March 31, 2021
	Previously Reported		Restated
Non current Tax Assets (net)	24.48	(9.68)	14.80
Total non current assets	819.07	(9.68)	809.39
TOTAL ASSETS	**4,665.38**	**(9.68)**	**4,655.70**
Other equity	1,267.49	(9.68)	1,257.81
Total equity	1,305.76	(9.68)	1,296.08
TOTAL EQUITY AND LIABILITIES	**4,665.38**	**(9.68)**	**4,655.70**

(₹ in crore)

Particulars	As on April 1, 2020	Adjustment	As on April 1, 2020
	Previously Reported		Restated
Non current Tax Assets (net)	21.68	(9.68)	12.00
Total non current assets	845.19	(9.68)	835.51
TOTAL ASSETS	**4,313.69**	**(9.68)**	**4,304.01**
Other equity	1,050.69	(9.68)	1,041.01
Total equity	1,088.95	(9.68)	1,079.28
TOTAL EQUITY AND LIABILITIES	**4,313.69**	**(9.68)**	**4,304.01**

Note 55 Figures for previous year have been regrouped, wherever necessary

As per our report attached

CNK & Associates LLP
Chartered Accountants
Firm's Registration No.: 101961W / W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391

Place: Mumbai **Date:** 27th May, 2022

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman, Managing Director
& Chief Executive Officer
DIN: 00008084

Nina P. Kapasi
Director
DIN: 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

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Independent Auditor's Report

To the Members of Apar Industries Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS:

Opinion

We have audited the accompanying Consolidated Financial Statements of **Apar Industries Limited** (hereinafter referred to as 'the Holding Company') , its subsidiaries (the Holding Company and; its subsidiaries together referred to as 'the Group') and its associate comprising of the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement for the year then ended, the Consolidated Statement of Changes in Equity and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Group as at 31st March 2022, its consolidated profit including Other Comprehensive Income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Litigations, Provisions and Contingent Liabilities There are several litigations pending before various forums against the Company. These also include matters under various statutes and involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities. We identified this as a key matter as the estimate of these amounts involve a significant degree of management judgement and high estimation uncertainty. (Refer Note 49 to the Consolidated Financial Statements).	To address this key audit matter, our procedures included: Obtaining from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations. • Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions for direct and indirect taxes and process followed to decide provisioning or disclosure as Contingent Liabilities. • Discussing with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company. • We also involved our firm's internal expert to evaluate the management's underlying judgements in making their estimates with regard to such matters.

Other Information

The Holding Company's Board of Directors is responsible for the preparation of the Other Information. The Other Information comprises the information included in the boards report including Annexures, Management Discussion and Analysis Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with the audit of the Consolidated Financial Statements, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether the Other Information is materially inconsistent with the Consolidated Financial Statements or the knowledge obtained during the course of the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error;

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so;

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group

Auditor's Responsibility for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing my opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.;
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of the Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represents the underlying transactions and events in a manner that achieve fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditor. For the other entities included in the Consolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion;

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of 3 subsidiary companies included in the audited consolidated financial results, whose audited financial results reflect total assets of ₹154.01 crores as at 31st March 2022, total revenue of ₹77.09 crores, total net profit after tax of ₹9.08 crores, total comprehensive income of ₹9.08 crores and total cash outflow of ₹13.09 crores for the year ended 31st March; 2022.

We did not audit the financial statements of 1 associate, included in the Consolidated Financial Statements, whose financial statements include group share of total net profit / (loss) of ₹ (0.00)* for the year ended 31st March 2022.

*Amount less than ₹50 lakhs

The financial statements of these subsidiaries and the associate have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and the associate and the report in terms of Section 143(3) of the Act, in so far as it relates to the subsidiaries incorporated in India and associate, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on the audit and on the consideration of the reports of the other auditors on separate financial statements we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit of the aforesaid Consolidated Financial Statements;

   b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from the examination of those books and the reports of the other auditors;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the auditors of the subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India, is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Companies covered under the Act and the operating effectiveness of such controls, refer to the separate Report in 'Annexure A';

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements:

      i. The Consolidated Financial Statements has disclosed the impact of pending litigations on consolidated financial position of the Group in Note 49 to the Consolidated Financial Statements;

      ii. There were no long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the companies incorporated in India;

      iv. i. The Holding Company Management has represented that, to the best of it's knowledge and belief, (refer Note No. 54(v) to the Consolidated Financial Statements) no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company, its subsidiaries and its associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, its subsidiaries and its associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      ii. The Holding Company Management has represented, that, to the best of it's knowledge and belief, (refer Note No. 54(vi) to the Consolidated Financial Statements) no funds have been received by the Holding Company, its subsidiaries and its associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its subsidiaries and its associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement;

v. The final dividend declared and paid by the Holding Company during the year in respect of the the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of Dividend.

As stated in Note no.16A(f) to the Financial Statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditors' report, according to the information and explanations given to us and based on the CARO report issued by us for the Holding Company and based on CARO reports issued by other auditors in respect of subsidiary companies and, associate, audited by other auditors respectively and included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391
UDIN: 22037391AJRYDB9378

Place: Mumbai
Date: 27th May 2022

Annexure A to Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Apar Industries Limited** ("the Company") and in respect of its subsidiaries incorporated in India and an associate wherein such audit of internal financial controls over financial reporting was carried out by other Auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as on 31st March 2022 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies incorporated in India and the associate, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company, its subsidiary companies incorporated in India and the associate considering essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective companies' policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies incorporated in India and the associate, based on the audit. We conducted the audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. The audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for my audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the companies are being made only in accordance with authorizations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company, its subsidiary companies incorporated in India and its associate have, in all material respects, an internal financial controls with reference to financial statements of the Company and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and the operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary companies incorporated in India and associate company are solely based on the corresponding reports of the auditors of such companies.

Our Opinion is not modified in respect of above matter.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391
UDIN: 22037391AJRYDB9378

Place: Mumbai
Date: 27th May 2022

Consolidated Balance Sheet as at March 31, 2022

(₹ crore)

Particulars	Note	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	817.50	819.10	830.18
Right to use Assets	2A	62.26	57.00	52.05
Capital work-in-progress	2	38.33	28.71	54.67
Other Intangible assets	2B	1.48	1.81	2.43
Intangible asset under development	2B	0.16	-	0.04
Financial Assets				
Investments	3	0.52	0.40	-
Trade receivables	10A	11.29	7.69	3.06
Loans	4	0.83	0.89	1.01
Derivative assets	5	42.80	4.25	-
Other financial assets	6	14.91	12.51	12.50
Non current Tax Assets (net)		24.10	15.67	12.16
Other non-current assets	7	35.49	8.38	8.79
Total non current assets		1,049.67	956.41	976.89
Current Assets				
Inventories	8	2,138.66	1,562.71	1,331.43
Financial Assets				
Investments	9	30.00	60.00	-
Trade receivables	10	2,531.13	1,860.57	1,892.44
Cash and cash equivalents	11	253.16	207.02	163.92
Bank balances other than above	12	13.44	15.43	13.05
Loans	13	7.40	8.85	9.34
Derivative assets	5	161.07	24.21	24.79
Other financial assets	14	173.63	37.23	64.65
Other current assets	15	249.36	266.55	167.61
Total current assets		5,557.85	4,042.57	3,667.23
TOTAL ASSETS		6,607.52	4,998.98	4,644.12
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	16A	38.27	38.27	38.27
(b) Other equity	16B,16C	1,676.96	1,361.25	1,118.48
Equity attributable to owners of APAR Industries Limited		1,715.23	1,399.52	1,156.75
Non-controlling interests		-	-	-
Total equity		1,715.23	1,399.52	1,156.75
Non current liabilities				
Financial liabilities				
Borrowings	17	195.37	191.59	187.93
Lease liabiliies		60.93	55.11	48.55
Derivative liabilities	18	-	0.72	7.34
Other financial liabilities	19	3.13	3.11	3.37
Provisions	20	12.32	8.13	8.18
Deferred tax liabilities (net)	21	52.34	20.18	0.67
Total non current liabilities		324.09	278.84	256.04
Current liabilities				
Financial liabilities				
Borrowings	22	57.48	72.58	129.26
Lease liabiliies		6.35	5.53	5.80
Trade payables	23			
a) Total Outstanding dues of micro enterprises and small enterprises		20.01	27.77	17.23
b) Total outstanding dues of creditors other than micro enterprises and small enterprises.		4,102.46	3,010.31	2,821.48
Derivative liabilities	18	89.00	46.92	124.50
Other financial liabilities	24	30.15	18.12	40.80
Other current liabilities	25	243.47	125.01	90.83
Provisions	26	6.37	3.05	1.43
Current tax liabilities (net)		12.91	11.33	-
Total current liabilities		4,568.20	3,320.62	3,231.33
Total liabilities		4,892.29	3,599.46	3,487.37
Total Equity and Liabilities		6,607.52	4,998.98	4,644.12
See accompanying notes to financial statement	1			

As per our report attached

CNK & Associates LLP
Chartered Accountants
Firm's Registration No.: 101961W / W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391

Place: Mumbai **Date:** 27th May, 2022

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman, Managing Director
& Chief Executive Officer
DIN: 00008084

Nina P. Kapasi
Director
DIN: 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

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Consolidated Statement of Profit and Loss for the Year Ended March 31, 2022

(₹ crore)

Particulars	Note	For the year ended March 31 2022	2021
Revenue			
I. Revenue from operations	27	9,319.99	6,388.02
II. Other income	28	32.49	18.61
III. Total revenue		**9,352.48**	**6,406.63**
IV. Expenses			
Cost of materials consumed	29	7,418.32	4,675.78
Purchases of Stock-in-Trade	30	130.71	78.97
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	31	(341.21)	45.35
Employee benefits expense	32	172.49	160.38
Finance costs	33	140.62	136.04
Depreciation and amortization expense	2,2A,2B	97.84	93.44
Other expenses	34	1,391.83	1,008.40
Total expenses		**9,010.60**	**6,198.36**
V. Profit before share of profit/(loss) of an associate and exceptional items		**341.88**	**208.27**
VI. Share in net profit / (loss) of associate*		**0.12**	**(0.00)**
VII. Profit before exceptional items (V + VI)		**342.00**	**208.27**
VIII. Exceptional items		-	-
IX. Profit before tax		**342.00**	**208.27**
X. Tax expense:			
1. Current tax		83.61	51.45
2. Deferred tax		1.29	(4.20)
3. Taxes of earlier years		0.36	0.52
		85.27	**47.77**
XI. Profit/(Loss) for the year from Continuing Operations (IX-X)		**256.73**	**160.50**
XII. Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Items that will not be reclassified to profit or loss		(6.28)	0.73
Income tax relating to items that will not be reclassified to profit or loss		1.58	(0.18)
Items that will be reclassified to profit or loss			
Items that will be reclassified to profit or loss		132.48	105.27
Income tax relating to items that will be reclassified to profit or loss		(32.44)	(23.52)
Total Other comprehensive income (OCI)		**95.34**	**82.30**
XIII. Total comprehensive income for the year (XI+XII) (Comprising profit and other comprehensive income for the period)		**352.07**	**242.80**
Profit for the year attributable to			
a) Owners of the Parent		**256.73**	**160.50**
b) Non-Controlling Interests		-	-
Other comprehensive income attributable to			
a) Owners of the Parent		**95.34**	**82.30**
b) Non-Controlling Interests		-	-
Total comprehensive income attributable to			
a) Owners of the Parent		**352.08**	**242.80**
b) Non-Controlling Interest		-	-
XIV. Earnings per equity share (Face value of ₹10 each)	35		
Basic		**67.09**	**41.94**
Diluted		**67.09**	**41.94**
Significant accounting policies	1		
*Amount Less than ₹0.50 lacs			

As per our report attached

CNK & Associates LLP
Chartered Accountants
Firm's Registration No.: 101961W / W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391

Place: Mumbai
Date: 27th May, 2022

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman, Managing Director & Chief Executive Officer
DIN: 00008084

Nina P. Kapasi
Director
DIN: 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Consolidated Statement of Cash Flows for the Year Ended March 31, 2022

(₹ crore)

Particulars	For the year ended March 31 2022	For the year ended March 31 2021
Cash flow from operating activities		
Profit before tax	341.88	208.27
Adjustments for		
Depreciation on non current assets	89.35	84.96
Amortisation of Right of use assets	7.72	7.60
Amortisation of intangible assets	0.78	0.89
(Gain) / loss on sale of property, plant and equipment	(0.22)	(0.49)
Interest costs	67.10	61.59
Interest income	(6.27)	(5.40)
Bad debts/ Provision for Doubtful Debts made / (written back/reversed)	42.69	19.34
Unrealised exchange loss/(gain)	12.97	(3.11)
Profit on sale of investments	(7.40)	(1.05)
Movement in working capital		
(Increase) / decrease in trade and other receivables	(999.46)	(67.89)
(Increase) / decrease in inventories	(575.96)	(231.27)
Increase / (decrease) in trade and other payables	1,361.41	252.07
Tax paid	(90.83)	(44.14)
Net cash generated by / (used in) operating activities	**243.75**	**281.37**
Cash flow from investing activities		
Acquisition of property, plant and equipment	(130.03)	(55.57)
Acquisition of intangibles	(0.44)	(0.24)
Proceeds from sale of property, plant and equipment	1.22	0.68
(Purchase) / Sale of investments (net)	38.64	(59.17)
Sale / (purchase) of investment in Ampoil Apar Lubricants Pvt Ltd	-	(0.40)
Net cash generated by / (used in) investing activities	**(90.61)**	**(114.70)**
Cash flow from financing activities		
Proceeds/(repayments) from short-term borrowings - net	(21.49)	(72.53)
Proceeds/(repayments) of long-term borrowings - net	4.44	21.09
Repayment of Lease Liabilities	(5.59)	(5.31)
Interest received / (paid) - net	(47.35)	(66.29)
Dividend Payment	(36.36)	(0.12)
Net cash (used in) / generated by financing activities	**(106.35)**	**(123.16)**
Net increase / (decrease) in cash and cash equivalents	46.79	43.51
Effect of exchanges rate changes on cash and cash equivalents	(0.65)	(0.41)
Cash and cash equivalents at the beginning of the year	207.02	163.92
Cash and cash equivalents at the end of the year	**253.16**	**207.02**

Notes:
1) Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 Statement of cash flows.
2) Purchase of property, plant and equipment includes movement of capital work-in-progress during the year.
3) Cash and cash equivalents represents cash and bank balances and includes unrealised loss of ₹0.65 crore; (previous year unrealised loss of ₹0.41 crore) on account of translation of foreign currency bank balances.

Changes in liabilities arising from Financing Activities

₹ crore

Particulars*	Long Term Borrrowings	Short Term Borrowings	Total
Opening balance as at April 1, 2020	224.89	94.02	318.91
Proceeds/(repayments) from financing activities - net	21.09	(72.54)	(51.45)
Foreign exchange adjustments	(2.67)	0.00	(2.67)
Closing balance as on March 31, 2021	243.31	21.49	264.79
Proceeds/(repayments) from financing activities - net	4.44	(21.49)	(17.05)
Foreign exchange adjustments	5.10	-	5.10
Closing balance as on March 31, 2022	252.85	-	252.84
*Please refer note 17C for long term borrowings & note 22 for short term borrowings.			

As per our report attached

CNK & Associates LLP
Chartered Accountants
Firm's Registration No.: 101961W / W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391

Place: Mumbai **Date:** 27th May, 2022

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman, Managing Director
& Chief Executive Officer
DIN: 00008084

Nina P. Kapasi
Director
DIN: 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

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Consolidated Statement of Changes in Equity

(a) Equity share capital	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount ₹ crore	No. of Shares	Amount ₹ crore
Balance at the beginning of the reporting period	38,268,619	38.27	38,268,619	38.27
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	38,268,619	38.27	38,268,619	38.27
Changes in equity share capital during the current year	-	-	-	-
Balance at the end of the reporting period	38,268,619	38.27	38,268,619	38.27

(₹ crore)

(b) Other equity	Reserves and Surplus					Items of OCI			Total	Attributable to	
For the year ended	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings - surplus	Foreign Currency translation re+serve	Hedging reserve	Other items of OCI		Owners of the Parent	Non - controlling interest
Balance at April 1, 2021	23.46	205.18	14.98	268.30	853.06	9.30	(11.10)	(1.91)	1,361.25	1,361.25	-
Total comprehensive income for the year											
Profit for the year					256.73				256.73	256.73	-
Other comprehensive income for the year						3.58	96.46	(4.70)	95.34	95.34	-
Total comprehensive income for the year	-	-	-	-	256.73	3.58	96.46	(4.70)	352.07	352.07	-
Transactions with the owners of the Company											
Contributions and distributions											
Dividends (including tax on dividend)					(36.36)				(36.36)	(36.36)	-
Transfer / Receipt	-			24.00	(24.00)		-		-	-	-
Balance at March 31, 2022	23.46	205.18	14.98	292.30	1,049.43	12.88	85.34	(6.62)	1,676.96	1,676.96	-
Balance at April 1, 2020 (Restated)	23.77	205.18	14.98	254.00	706.52	8.50	(92.01)	(2.46)	1,118.48	1,118.48	-
Total comprehensive income for the year											
Profit for the year					160.50				160.50	160.50	-
Other comprehensive income for the year						0.80	80.95	0.55	82.30	82.30	-
Total comprehensive income for the year	-	-	-	-	160.50	0.80	80.95	0.55	242.79	242.79	-
Transactions with the owners of the Group											
Dividends (including tax on dividend)				-					-	-	-
Transfer / Receipt	(0.30)			14.30	(13.96)		(0.04)		(0.00)	(0.00)	-
Balance at March 31, 2021	23.46	205.18	14.98	268.30	853.06	9.30	(11.10)	(1.91)	1,361.27	1,361.25	-
Balance at April 1, 2019	23.77	205.18	14.98	240.00	682.69	3.33	(4.26)	(1.59)	1,164.10	1,164.10	-
Total comprehensive income for the year											
Profit for the year					135.15				135.15	135.15	-
Other comprehensive income for the year						5.17	(87.75)	(0.87)	(83.45)	(83.45)	-
Total comprehensive income for the year	-	-	-	-	135.15	5.17	(87.75)	(0.87)	51.70	51.70	-
Transactions with the owners of the Company											
Contributions and distributions											
Dividends					(87.64)				(87.64)	(87.64)	-
Transfer / Receipt				14.00	(14.00)				-		-
Balance at March 31, 2020	23.77	205.18	14.98	254.00	716.20	8.50	(92.00)	(2.46)	1,128.17	1,128.17	-
Adjustment for earlier years					(9.68)				(9.68)	(9.68)	-
Balance at April 1, 2020 (Restated)	23.77	205.18	14.98	254.00	706.52	8.50	(92.00)	(2.46)	1,118.48	1,118.48	-

Consolidated Statement of Changes in Equity (contd..)

Nature and purpose of reserves

i. Hedging reserve
The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in statement of profit or loss as the hedged cash flows or items that affect profit or loss.

ii. Securities premium
The Securities Premium used to record the premium received on the issue of shares. It is utilised in accordance with the provisions of the Companies Act 2013. The reserve also comprises the profit on treasury shares sold off 16,35,387 in FY 2015-16

iii. Capital reserve
The reserve comprises of profits/gains of capital nature earned by the Group and credited directly to such reserve.

iv. Capital redemption reserve
Capital redemption reserve represents amounts set aside by the Group for future redemption of capital.

v. General reserve
General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

vi. Foreign currency translation reserve
The exchange differences arising from the translation of financial statements of foreign subsidiaries with functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

As per our report attached	For and on behalf of the Board of Directors	
CNK & Associates LLP Chartered Accountants **Firm's Registration No.:** 101961W / W-100036	**Kushal N. Desai** Chairman, Managing Director & Chief Executive Officer **DIN:** 00008084	**Nina P. Kapasi** Director **DIN:** 02856816
Himanshu Kishnadwala Partner **Membership No.:** 037391	**Ramesh Iyer** Chief Financial Officer	**Sanjaya R. Kunder** Company Secretary

Place: Mumbai **Date:** 27th May, 2022

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Notes to the Consolidated Financial Statements as at March 31, 2022

Note 1 – Significant Accounting Policies

1. General information

   APAR Industries Limited ("the Company"), founded by Late Shri. Dharmsinh D. Desai in the year 1958 is one among the best established companies in India, operating in the diverse fields of electrical and metallurgical engineering offering value added products and services in Power Transmission Conductors, Petroleum Specialty Oils and Power & Telecom Cables. The Company is incorporated in India. The registered office of the Company is situated at 301, Panorama Complex, R. C. Dutt Road, Vadodara, Gujarat – 390 007. The Company has manufacturing plants in state of Maharashra, Gujarat, Orissa & Union Territory of Dadra and Nagar Haveli.

   These financial statements are approved for issue by the Board of Directors on May 27, 2022.

2. Statement of compliance

   These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions of the 2013 Act (to the extent notified) read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

   Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

3. Functional and presentation currency

   These consolidated financial statements are presented in Indian Rupees (₹), which is the Group's functional currency. All amounts have been rounded off to two decimal places to the nearest crore, unless otherwise indicated.

4. Basis of preparation

   The consolidated financial statements have been prepared on a going concern basis using the historical cost basis except for the following items:

   - certain financial assets and liabilities (including mutual fund investments and derivatives) that are measured at fair value;
   - defined benefit plans – plan assets measured at fair value; and
   - share-based payments.

5. Key estimates and assumptions

   The preparation of consolidated financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the (i) balance sheet and (ii) statement of profit and loss. The actual amounts may differ from these estimates.

   Estimates and assumptions are required in particular for:

   - Determination of the estimated useful lives of tangible assets and intangible assets

     Useful lives of assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

   - Recognition and measurement of defined benefit obligations

     The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds corresponds to the probable maturity of the post-employment benefit obligations.

   - Recognition of deferred tax assets

     Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and unabsorbed depreciation and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

   - Evaluation of control

     The Group makes assumptions, when assessing whether it exercises control, joint control or significant influence over companies in which it holds less than 100 percent of the voting rights. These assumptions are made based on the contractual rights with the other shareholders, relevant facts and circumstances which indicate that the Group has power over the potential subsidiary or that joint control exists. Changes to contractual arrangements or facts and circumstances are monitored and are evaluated to determine whether they have a potential impact on the assessment as to whether the Group is exercising control over its investment

   - Recognition and measurement of other provisions

     The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

Notes to the Consolidated Financial Statements as at March 31, 2022

- Discounting of long-term financial assets/liabilities

  All financial assets/liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities which are required to subsequently measure at amortised cost, interest is accrued using the effective interest method.

- Fair value of financial instruments

  Derivatives and investments in mutual funds are carried at fair value. Derivative includes Foreign Currency Forward Contracts, Commodity futures contracts and Interest Rate Swaps. Fair value of Foreign Currency Forward Contracts and Commodity future contracts are determined using the fair value reports provided by merchant bankers and London Metal Exchange (LME) brokers respectively. Fair values of Interest Rate Swaps are determined with respect to current market rate of interest.

- Sales incentives and Customer Loyalty Programs

  Rebates are generally provided to distributors or dealers as an incentive to sell the Group's products. Rebates are based on purchases made during the period by distributor / customer. The Group determines the estimates of benefits accruing to the distributors/ dealers based on the schemes introduced by the Group.

  The amount allocated to the loyalty program/ incentive is deferred and is recognised as revenue when the Group has fulfilled its obligations to supply the discounted products under the terms of the program or when it is no longer probable that the points under the program will be redeemed.

  The cash incentives offered under various schemes are in the nature of sales promotion and provisions is made for such incentives.

6. Measurement of fair values

   The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

   The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant observable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

   When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

   - *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
   - *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
   - *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

   If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

   The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

7. Significant accounting policies followed by the Group

   A. Basis of consolidation

      i. Business combinations

         The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in equity under the head 'Capital reserve'. Transaction costs are expensed as incurred, except if related to the issue of equity securities.

         The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

         Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

      ii. Subsidiaries

         Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

      iii. Non-controlling interests (NCI)

         NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

         Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Notes to the Consolidated Financial Statements as at March 31, 2022

iv. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, net of deferred taxes, are eliminated.

v. Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

B. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of profit and loss.

The Group has adopted Appendix B to Ind AS 21, Foreign Currency transactions and advance considerations notified in the Companies (Indian Accounting Standards) Rules, 2018. Accordingly, the exchange rate for translation of foreign currency transaction; in cases when the Group receives or pays advance consideration is earlier of;

- the date of initial recognition of non-monetary prepayment asset or deferred income liability or
- the date that the related item is recognized in the financial statements.

Notes to the Consolidated Financial Statements as at March 31, 2022

If the transaction is recognized in stages; then a transaction date will be established for each stage.

C. Revenue recognition

i. Revenue from contract with customers for sale of goods and provision of services

The Group recognizes revenue from contracts with the customers based on five step model defined in Ind AS 115. The Group satisfies a performance obligation and recognizes revenue over time, if any of the conditions given in Ind AS 115 are satisfied; else revenue is recognized at point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenues are recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue & costs, if applicable, can be measured reliably.

a. Performance Obligation

The Group derives its revenue from selling products and services in Power Transmission Conductors, Transformer & Speciality Oils and Cables.

The Group is required to assess each of its contracts with customers to determine whether performance obligation is satisfied over time or at a point in time in order to determine the appropriate method for recognizing of revenue. The Group recognizes the revenue over time only if it satisfies the criteria given in Ind AS 115. Where the criteria as per Ind AS 115 are not met, revenue is recognized at a point in time.

The Group satisfies its performance obligation when the control over the goods is transferred to the customer or benefits of the services being provided is received and consumed by the customer.

In cases where the Group determines that performance obligation is satisfied at a point in time, revenue is recognized when the control over the goods is transferred to the customer or benefits of the services being provided is received by the customer. The Group considers that the customer has obtained the control of promised goods or services; when the goods have been dispatched/delivered to the destination as per terms of the contract or services has been provided to the customer as per agreed terms and the Group has unconditional right to consideration.

In cases where the Group determines that performance obligation is satisfied over time, then revenue is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction (Input Method). The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

1. The amount of revenue can be measured reliably;
2. It is probable that the economic benefits associated with the transaction will flow to the Group;
3. The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Stage of completion is determined by the proportion of actual costs incurred to-date, to the estimated total costs of the transaction.

The Group considers that the use of the input method, which requires revenue recognition on the basis of the Group's efforts to the satisfaction of performance obligation, provides the best reference of revenue actually earned. In applying the input method, the Group estimates the efforts or inputs to the satisfaction of a performance obligation. In addition to the cost of meeting contractual obligation to the customers, these estimates mainly include;

- For service contracts, the time elapsed

b. Transaction Price

The Group is required to determine the transaction price in respect of each of its contracts with customers.

Contract with customers for sale of goods or services are either on a fixed price or on variable price basis.

For allocating the transaction price, the Group measures the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Group also assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

In determining the impact of variable consideration if any, the Group uses the "most likely amount" method

Notes to the Consolidated Financial Statements as at March 31, 2022

as per IND AS 115 whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

c. Discounts, Rebates & Incentive to Customers

The Group accounts for volume discounts, rebates and pricing incentives to customers based on the ratable allocation of the discounts / rebates to each of the underlying performance obligation that corresponds to the progress made by the customer towards earning that discount, rebate or incentive. The Group also recognises the liability based on the past performance of the customers fulfilling the criteria to get the discounts, rebates or incentives and the future outflow of the same is probable. If it is probable that the criteria for the discounts will not be met or if the amounts thereof cannot be estimated reliably, then the discount is not recognised until the payment is probable and the amount can be estimated reliably. The Group accounts for discounts, rebates and pricing incentives in the year of payment where customer qualifies for the same and wherein provision was not made due to Group's inability to make reliable estimates based on the available data at reporting date.

ii. Lease income:

The Group has determined that the payments by the lessee are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. Accordingly rental income arising from operating leases is accounted for on an accrual basis as per the terms of the lease contract

iii. Interest income is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable.

iv. Dividend income is recognised when the right to receive the payment is established.

D. Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plans

- Provident Fund Scheme

The Group makes specified monthly contributions towards employee provident fund directly to the Government under the Employees Provident Fund Act, 1952.

- Superannuation Scheme

The Group makes specified contributions to the superannuation fund administered by the Group and the return on investments is adequate to cover the commitments under the scheme. The Group's contribution paid/payable under the scheme is recognised as expense in the statement of profit and loss during the period in which the employee renders the related service.

iii. Defined benefit plans

The following post – employment benefit plans are covered under the defined benefit plans:

- Gratuity Fund

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit/liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense/(income) on the net defined liability/(assets) is computed by applying the discount rate, used to measure the net defined liability/(asset), to the net defined liability/(asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Long-term Compensated Absences are provided for on

Notes to the Consolidated Financial Statements as at March 31, 2022

the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

E. Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL
- exchange differences arising from monetary assets and liabilities

Interest income or expense is recognised using the effective interest rate method.

F. Grants/ Subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the grant relates to an asset the cost of the asset is shown at gross value and grant thereon is treated as capital grant. The capital grant will be recognised as income in the statement of profit and loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognised in the statement of profit and loss in the same period as the related cost, which they are intended to compensate are accounted for.

G. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except;

a. to the extent that it relates to a business combination, or

b. items recognised directly in equity or in OCI. Such as;

i. Items that will not be reclassified to profit or loss and their related income tax effects

1. Re-measurements of the defined benefit plans

ii. Items that will be reclassified to profit or loss and its related income tax effects;

1. The effective portion of gain and loss on hedging instruments in a cash flow hedge

i. Current tax

Current tax comprises the expected tax payable on taxable income or receivable on taxable loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

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Notes to the Consolidated Financial Statements as at March 31, 2022

Deferred tax assets / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

H. Inventories

Inventories are measured at the lower of cost and net realizable value. Inventory of scrap is valued at estimated realizable value. The cost of inventories is determined using the weighted average cost method. Cost includes direct materials, labour, other direct cost and manufacturing overheads. Inventories of finished goods also includes applicable taxes.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

I. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the statement of profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

The cost of the property, plant and equipment's at 1st April 2015, the Group's date of transition to Ind AS, was determined with reference to its carrying value at that date.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

iii. Depreciation

Depreciation is provided, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except in the case where the estimated useful life based on management experience and technical evaluation differs.

Depreciation is charged on the Straight-Line method (SLM) or the Written Down Value method (WDV) based on the method consistently followed by the respective entities in the Group.

The depreciation method followed by each division is as below:

Particulars	Conductor Division	Oil Division	Cable Division	Head Office
Leasehold Land	SLM	SLM	SLM	SLM
Buildings	SLM	SLM	SLM	SLM
Plant and Equipment's	SLM	SLM	SLM	SLM
Furniture and Fixtures	SLM	WDV	SLM	WDV
Office Equipment's	SLM	WDV	SLM	WDV
Motor Vehicles	SLM	WDV	SLM	WDV

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

Capital expenditure in respect of which ownership does not vest with the Group is amortized over a period of five years. Leasehold land is amortised over the period of lease.

Notes to the Consolidated Financial Statements as at March 31, 2022

Useful life as per Group's technical estimates in Plant & Equipment's are as below:

Description of Assets	Useful Life in Schedule II	Useful Life as per technical estimates
Plant and Equipment's –Oil division (other than filling lines)	15 Years	20 Years
Plant and Equipment's - Conductor Division	15 Years	20 Years
Plant and Equipment's -Cable Division	15 Years	25 Years

J. Intangible Assets

Intangible assets which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss.

Enterprise Resource Planning Software cost: Cost of implementation of ERP Software including all related direct expenditure is amortized over a period of 5 years on successful implementation.

The cost of the intangible assets at 1st April 2015, the Group's date of transition to Ind AS, was determined with reference to its carrying value at that date.

K. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

L. Share-based payments:

a. Employees of the Group receives remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

c. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/ or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

e. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

M. Treasury Shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in securities premium.

N. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as Foreign Exchange Forward Contracts, Commodity Future Contracts, Interest Rate Swaps, Currency Options and Embedded Derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

i. Financial assets

Classification

The financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for management of the financial assets and the contractual cash flow characteristics of the financial asset.

Notes to the Consolidated Financial Statements as at March 31, 2022

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Debt instruments at amortised cost

- A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
  a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

  Debt instrument at Fair Value Through Profit And Loss (FVTPL)
- Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as Fair Value through Other Comprehensive Income (FVOCI), is classified as at FVTPL.
- In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
- Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.
- Investments into Equity instruments and Mutual Funds
- All investments in the scope of Ind-AS 109 are measured at fair value. Equity instruments and mutual funds which are held for trading are classified as at FVTPL. For all other equity instruments and mutual funds, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- Equity instruments and mutual funds included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

- A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's balance sheet) when:
- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset
- When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. Financial liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iii. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash Flow Hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under the "effective portion of cash flow hedges". The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on the present value basis, from the inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit and loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the other equity is included directly in the initial cost

Notes to the Consolidated Financial Statements as at March 31, 2022

of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to profit and loss in the same period or periods during which the hedged expected future cash flows affect profit and loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial items cost of initial recognition or for other cash flow hedges, it is reclassified to profit and loss in the same period as the hedged future cash flows affect the profit and loss.

If the hedged cash flows are no longer expected to occur, then the amounts that have been accumulated in the other equity are immediately reclassified to profit and loss.

Provisions and contingent liabilities

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible outflow of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the consolidated financial statements where an inflow of economic benefit is probable.

O. Leases

The Group has adopted Ind AS 116, effective from annual reporting period beginning April 1, 2019 and applied the standard to its existing leases, with the modified retrospective method. This has resulted into recognition of Right of use assets at an amount equals to Lease liability on date of initial application (April 1, 2019).

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception is comprising of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the Group's incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to;

Notes to the Consolidated Financial Statements as at March 31, 2022

1. Short-term leases of all assets that have a lease term of 12 months or less, and
2. Leases for which the underlying asset is of low value.

The lease payments associated with above 2 types of leases are recognized as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease, the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

P. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

Q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group cash management.

R. Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit or loss in the consolidated financial statements. Operating segments have been identified on the basis of nature of products / services.

The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Group. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

S. Earnings per share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

T. Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the Group are segregated based on available information.

U. Dividends

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

8. Recent Amendments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

Notes to the Consolidated Financial Statements as at March 31, 2022

Note - 2 Property, plant and equipment

(₹ crore)

Particulars	Gross Carrying Amount					Depreciation				Net block	
	As at 01-04-2021	Additions	Deductions	Effect of movement in exchange rates	As at 31-03-2022	As at 01-04-2021	For the year	Deductions/ adjustments	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
(i) Tangible assets											
Land-Freehold	39.23	0.22			39.45	-			-	39.45	39.23
Land-Leasehold	10.63	0.28			10.90	0.84	0.14		0.98	9.92	9.79
Building (Refer Note below)	297.54	16.62		1.04	315.20	45.72	11.08		56.80	258.40	251.82
Plant and equipments (Refer Note below)	744.86	62.44	(7.64)	2.34	802.00	265.94	69.68	(6.24)	329.38	472.62	478.92
Furniture and fixtures	13.98	0.37		0.01	14.36	5.20	2.01		7.21	7.15	8.78
Office Equipments	42.65	2.73	(0.15)	0.23	45.46	15.93	5.02	(0.09)	20.87	24.59	26.72
Motor vehicles	9.49	3.21	(2.35)	0.01	10.36	5.65	1.43	(2.09)	4.99	5.38	3.84
Sub total (i)	**1,158.38**	**85.86**	**(10.15)**	**3.63**	**1,237.72**	**339.28**	**89.36**	**(8.42)**	**420.22**	**817.50**	**819.10**
(ii) Capital work-in-progress											
Buildings					-				-	16.08	6.84
Plant and equipments					-				-	22.26	21.87
Sub total (ii)	-	-	-	-	-	-	-	-	-	38.33	28.71
Grand Total										855.84	847.81

Particulars	Gross Carrying Amount					Depreciation				Net block	
	As at 01-04-2020	Additions	Deductions	Effect of movement in exchange rates	As at 31-03-2021	As at 01-04-2020	For the year	Deductions/ adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
(i) Tangible assets											
Land- Freehold	38.68	0.55	-	-	39.23	-	-	-	-	39.23	38.68
Land-Leasehold	10.63	-	-	-	10.63	0.70	0.14	-	0.84	9.79	9.93
Building (Refer Note below)	273.62	24.84	(0.00)	(0.92)	297.54	35.01	10.71	(0.00)	45.72	251.82	238.61
Plant and equipments (Refer Note below)	709.99	38.07	(0.53)	(2.67)	744.86	199.19	66.97	(0.22)	265.94	478.92	510.80
Furniture and fixtures	10.21	3.83	(0.05)	(0.01)	13.98	3.51	1.71	(0.02)	5.20	8.78	6.70
Office Equipments	33.28	9.32	(0.47)	0.52	42.65	12.01	4.34	(0.42)	15.93	26.72	21.27
Motor vehicles	9.65	0.84	(0.99)	(0.01)	9.49	5.47	1.08	(0.90)	5.65	3.84	4.19
Sub total (i)	1,086.07	77.45	(2.04)	(3.09)	1,158.38	255.89	84.95	(1.56)	339.28	819.10	830.18
(ii) Capital work-in-progress											
Buildings					-				-	6.84	22.55
Plant & Equipment										21.87	32.12
Sub total (ii)	-	-	-	-	-	-	-	-	-	28.71	54.67
Grand Total										847.81	884.85

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Notes to the Consolidated Financial Statements as at March 31, 2022

CWIP Ageing Schdule

(₹ crore)

Particulars	FY 2022				Total	FY2021				Total
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years		Less than 1 year	1 - 2 years	2- 3 years	More than 3 years	
Projects in progress	33.90	1.14	1.91	0.21	37.16	19.25	8.73	0.71	0.02	28.71
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	33.90	1.14	1.91	0.21	37.16	19.25	8.73	0.71	0.02	28.71

Particulars	FY 2020				Total
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years	
Projects in progress	35.71	18.67	0.29	-	54.67
Projects temporarily suspended	-	-	-	-	-
Total	35.71	18.67	0.29	-	54.67

CWIP Completion Schedule

(₹ crore)

Particulars	FY 2022				Particulars	FY2021			
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years		Less than 1 year	1 - 2 years	2- 3 years	More than 3 years
CTC - COLD ROLLING MILL	0.58				CTC - COLD ROLLING MILL	0.49	-	-	-
CONFOMRING LINE - 1 NO.	3.73								
MODIFICATION OF TROLLEY WD 2	0.40								
Total	4.71	-	-	-		0.49	-	-	-

Particulars	FY 2022			
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years
VILLAGE ROAD REPAIRING WORK 2.0 KM	0.06	-	-	-
CCR for Lapanga plant	-	-	0.29	-
BAR CODING SOLUTION FOR RECYCLE DRUM	0.13	-	-	-
DOUBLE TWIST BUNCHING M/C 1250-4 SETS (8 ROBBINS)	0.01	-	-	-
CONTRACT LABOUR MANAGEMENT SYSTEM - RAKHOLI	-	0.04	-	-
DEVLOPMENT OF COATED CONDUCTOR	0.08	-	-	-
GREASE HOGGER WITH GREASE SCRAPPING M/C-2 NO	0.16	-	-	-
Total	0.43	0.04	0.29	-

Note - 2A Right of use assets

(₹ crore)

Particulars	Gross Carrying Amount					Amortisation				Net block	
	As at 01-04-2021	Additions	Deductions	Effect of movement in exchange rates	As at 31-03-2022	As at 01-04-2021	For the year	Deductions/ adjustments	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Right of use Assets	69.78	15.76	(6.29)	1.46	80.71	12.78	7.72	(2.06)	18.44	62.27	57.00
Total	69.78	15.76	(6.29)	1.46	80.71	12.78	7.72	(2.06)	18.44	62.27	57.00

Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

Particulars	Gross Carrying Amount					Amortisation				Net block	
	As at 01-04-2020	Additions	Deductions	Effect of movement in exchange rates	As at 31-03-2021	As at 01-04-2020	For the year	Deductions/ adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Righ of use Assets	59.55	14.55	(4.32)	-	69.78	7.50	7.60	(2.32)	12.78	57.00	52.05
Grand Total	59.55	14.55	(4.32)	-	69.78	7.50	7.60	(2.32)	12.78	57.00	52.05

Note - 2B Intangible assets

(₹ crore)

Particulars	Gross block					Amortisation				Net block	
	As at 01-04-2021	Additions	Deductions	Other adjustments	As at 31-03-2022	As at 01-04-2021	For the year	Deductions/ adjustments	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Specialised software	7.23	0.44	-	-	7.67	5.50	0.72	-	6.22	1.45	1.73
Non compete fee	0.41	-	-	-	0.41	0.33	0.05	-	0.38	0.03	0.08
	7.64	0.44	-	-	8.08	5.83	0.78	-	6.61	1.48	1.81
Intangible asset under development										0.16	-
TOTAL	7.64	0.44	-	-	8.08	5.83	0.78	-	6.61	1.63	1.81

Particulars	Gross block					Amortisation				Net block	
	As at 01-04-2020	Additions	Deductions	Other adjustments	As at 31-03-2021	As at 01-04-2020	For the year	Deductions/ adjustments	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Specialised software	6.96	0.27	-	-	7.23	4.66	0.84		5.50	1.73	2.29
Non compete fee	0.41	-	-	-	0.41	0.28	0.05		0.33	0.08	0.13
TOTAL	7.37	0.27	-	-	7.64	4.94	0.89	-	5.83	1.81	2.43
Intangible asset under development										-	-
TOTAL	7.37	0.27	-	-	7.64	4.94	0.89	-	5.83	1.81	2.43

Note:

a. Includes expenditure on Research and development ₹0.54 crore, (Previous year ₹0.94 crore) for Plant and machinery (Refer Note 50).

b. Addition to fixed assets includes ₹2.56 crore (Previous Year ₹6.99 crore) on account of interest cost capitalised on foreign currency borrowings. The unamortised amount of such interest cost is ₹0 crore (Previous Year ₹0 crore)

c. The Group had contractual commitments of ₹41.86 crore for the year ended 31 March 2022 (Previous year ₹10.92 crore).

d. Existence and amounts of restrictions on the title, and PPE pledged as securities. Refer Note 17 (a) on long term borrowing.

e. The Group has capitalised the CWIP for building of ₹0.50 crore during current year in Lapanga (Freehold land - ₹0.22 crore and Lease hold land ₹0.28 crore). During previous year, ₹0.50 crore was held in CWIP building due to pending registration of the property in the name of the Group.

f. The Group holds all the title deeds of immovable property and there are no immovable property which are not being held in the name of the Group during current year and previous year.

Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

Note 3 Investments - Non Current	March 31, 2022	March 31, 2021	April 1, 2020
a. Investments in equity instruments			
In Associate Company			
- 400,000 (Previous year: 400,000) Equity shares of AMPOIL Apar Lubricants Private Limited of ₹10 each, fully paid up	0.52	0.40	-
	0.52	**0.40**	**-**
a. Aggregate amount of quoted investments	-	-	-
b. Aggregate amount of un-quoted investments	0.52	0.40	
c. Aggregate amount of impairment in values of investments	-	-	-

Note 4 Loans - non current	March 31, 2022	March 31, 2021	April 1, 2020
Loan to employees	0.83	0.89	1.01
	0.83	**0.89**	**1.01**

Note 5 Derivative assets	March 31, 2022	March 31, 2021	April 1, 2020
Derivative contracts used for hedging - Non current	42.80	4.25	-
Derivative contracts used for hedging - Current	161.07	24.21	24.79
	203.87	**28.47**	**24.79**

Note 6 Other financial assets - non current	March 31, 2022	March 31, 2021	April 1, 2020
Unsecured, considered good			
Security deposits	10.63	9.74	9.72
Other financial assets (Refer Note i below)	4.28	2.78	2.78
	14.91	**12.51**	**12.50**

Note i : Includes fixed deposit of ₹2.95 crore (Previous Year ₹2.78 crore) under lien.

Note 7 Other assets - non current	March 31, 2022	March 31, 2021	April 1, 2020
Capital advances	33.06	5.10	5.25
Balance with government authorities	2.43	3.28	3.54
	35.49	**8.38**	**8.79**

Note 8 Inventories	March 31, 2022	March 31, 2021	April 1, 2020
Raw materials and components	777.10	582.44	500.99
Raw materials-in transit	375.63	342.79	147.76
Work-in-progress	290.07	203.63	222.83
Finished goods	504.11	359.18	382.91
Finished goods - in transit	107.15	18.24	22.07
Stock-in-trade	36.35	15.23	13.70
Stock-in-trade - in transit	-	0.20	-
Stores and spares	48.24	41.00	41.17
	2,138.66	**1,562.71**	**1,331.43**

Note : Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of input tax credits

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Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

Note 9 Current investments	March 31, 2022	March 31, 2021	April 1, 2020
a. Investment in mutual funds			
Canara Robeco Liquid Fund Direct Growth Plan No. of units : 58835.34 (March 31, 2021: Nil)	15.00		
Union KBC Liquid Fund Growth - Direct Plan No. of units : 73150.1 (March 31, 2021: 50455.28)	15.00	10.00	-
Application for units of Union KBC Liquid Fund Growth - Direct Plan No. of units : 252156.72 (March 31, 2020: Nil) (refer note below)	-	50.00	-
Note: Application money of ₹50.00 crore was paid on March 31, 2021 against which 252156.72 units were allotted on April 5, 2021	-	-	-
	30.00	**60.00**	
a. Aggregate amount of quoted investments			
Book value	30.00	10.00	-
Market value	30.00	10.00	-
b. Aggregate amount of un-quoted investments	-	-	
c. Aggregate amount of impairment in values of investments	-	-	

All the above securities have been classified and measured at FVTPL. Information about the Group's exposure to credit & market risks fair value measurements is included in note 40.

Note 10 Trade receivables - current	March 31, 2022	March 31, 2021	April 1, 2020
Considered good, secured	1,479.50	980.80	883.23
Considered good, unsecured (refer note (iv) below)	1,057.01	884.94	1,011.27
Trade Receivables which have significant increase in credit risk	0.34	5.75	3.05
Trade receivables, credit impaired	33.02	37.53	37.66
	2,569.87	1,909.02	1,935.22
Less: Loss allowance (refer note (ii) below)	38.74	48.45	42.78
	2,531.13	**1,860.57**	**1,892.44**

Note

i) For receivables offered as security against borrowing refer note 22.

ii) Including allowances for Expected Credit Loss ₹5.39 crore (Previous year ₹5.17 crore) - refer note 41.

iii) The Group's exposure to credit and currency risk related to trade receivables are disclosed in note 41 and note 43 respectively.

iv) Includes receivable from associate and contract assets as below;

	March 31, 2022	March 31, 2021	April 1, 2020
Due from related party (refer note 48)	0.24	0.28	-
	0.24	**0.28**	

v) Trade receivable ageing - (current)

(₹ crore)

As at March 31, 2022	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	2,033.61	358.17	47.23	66.27	20.00	11.23	2,536.51
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	0.35	-	-	0.35
iii) Undisputed trade receivables - Credit Impaired	-	0.31	1.57	2.03	6.07	11.19	21.16
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	-	0.00	0.44	11.42	11.86
Total	2,033.61	358.48	48.80	68.65	26.50	33.83	2,569.88
Less: Loss Allowances							38.74
Trade receivable - current							2,531.14

Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

As at March 31, 2021	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	1,454.24	238.40	85.53	55.62	27.94	4.01	1,865.74
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	2.12	3.63	5.75
iii) Undisputed trade receivables - Credit Impaired	-	-	0.07	7.80	4.60	12.18	24.66
iv) Disputed trade receivables - considered good		-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	0.00	0.44	0.23	12.21	12.88
Total	**1,454.24**	**238.40**	**85.60**	**63.86**	**34.89**	**32.02**	**1,909.02**
Less: Loss Allowances							48.45
Trade receivable - current							**1,860.57**

As at April 1, 2020	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	1,177.86	533.46	121.38	43.55	10.74	7.52	1,894.51
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	3.05	3.05
iii) Undisputed trade receivables - Credit Impaired	-	0.18	2.36	12.95	3.75	7.24	26.47
iv) Disputed trade receivables - considered good		-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	-	0.23	5.32	5.64	11.19
Total	**1,177.86**	**533.65**	**123.73**	**56.73**	**19.81**	**23.44**	**1,935.22**
Less: Loss Allowances							42.78
Trade receivable - current							**1,892.44**

Note 10A Trade receivables (non - current)	March 31, 2022	March 31, 2021	April 1, 2020
Considered good, secured	-	-	-
Considered good, unsecured	11.29	7.69	3.06
Trade Receivables which have significant increase in credit risk	-	-	-
Trade receivables, credit impaired	-	-	-
	11.29	7.69	3.06
Less: Loss allowance	-	-	-
	11.29	**7.69**	**3.06**

Trade receivable ageing - (non-current)	March 31, 2022	March 31, 2021	April 1, 2020
Amount not due	11.29	7.69	3.06
	11.29	**7.69**	**3.06**

Note 11 Cash and cash equivalents	March 31, 2022	March 31, 2021	April 1, 2020
Balances with banks	233.43	188.41	128.04
Deposits with original maturity of less than three months*	0.17	0.00	35.00
Balance in cash credit bank account	12.46	18.05	-
Cash on hand	0.26	0.30	0.24
Cheques on hand	0.20	0.26	0.64
Funds in transit	6.64	-	-
	253.16	**207.02**	**163.92**

* Amount less than ₹0.05 lakhs

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Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

Note 12 Bank balances other than (Note 11) above	March 31, 2022	March 31, 2021	April 1, 2020
Deposits with original maturity for more than 3 months but less than 12 months (refer note i below)	11.08	12.35	12.15
Margin money deposit (refer note ii below)	0.02	-	0.01
On unclaimed dividend account (refer note iii below)	0.77	0.77	0.89
Balances with bank in foreign currencies having restriction on repatriation (refer note iv below)	1.57	2.31	-
	13.44	**15.43**	**13.05**

Note:

i Includes fixed deposit of ₹10.90 crore (Previous Year ₹11.47 crore) under lien.

ii Against letters of credit for Group's import of raw materials and working capital loans.

iii There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2022 (Previous year : Nil)

iv Bank balances of ₹1.57 crore (Previous Year ₹2.31 crore) held in foreign currencies which have restriction on repatriation.

Note 13 Loans	March 31, 2022	March 31, 2021	April 1, 2020
Considered good - Unsecured, unless otherwise stated #			
Loans to related parties	-	-	-
Others			
Loan to employees	0.81	0.79	1.00
Loans to Others	6.59	8.07	8.34
	7.40	**8.85**	**9.34**

Note 14 Other financial assets - current	March 31, 2022	March 31, 2021	April 1, 2020
Security deposits	13.38	14.67	26.64
Advances to related parties (refer note 48)	0.47	0.08	0.04
Contract assets (refer note 51)	8.77	0.73	6.15
Advances to vendors	151.01	21.74	31.82
	173.63	**37.23**	**64.65**

Note 15 Other current assets	March 31, 2022	March 31, 2021	April 1, 2020
Balances with statutory/government authorities	165.33	171.59	91.81
Prepayments	31.22	28.75	23.06
Claims receivable	50.56	63.74	48.80
Other receivable	2.26	2.47	3.94
	249.36	**266.55**	**167.61**

Note 16A Equity share capital	March 31, 2022	March 31, 2021	April 1, 2020
a Authorised:			
101,998,750 (Previous year 101,998,750) Equity shares of ₹10 each	102.00	102.00	102.00
TOTAL	102.00	102.00	102.00
b Issued:			
38,268,619 (Previous year 38,268,619) Equity shares of ₹10 each	38.27	38.27	38.27
TOTAL	38.27	38.27	38.27
c Subscribed and paid up:			
38,268,619 (Previous year 38,268,619) Equity shares of ₹10 each	38.27	38.27	38.27
	38.27	**38.27**	**38.27**

Notes to the Consolidated Financial Statements as at March 31, 2022

Note 16A Equity share capital	March 31, 2022	March 31, 2021	April 1, 2020
d Reconciliation of number of shares outstanding at the beginning and end of the year:			
Outstanding at the beginning of the year	38,268,619	38,268,619	38,268,619
Changes during the year (Issued/Buy back during the year)	-	-	
Outstanding at the end of the year	**38,268,619**	**38,268,619**	**38,268,619**
e Aggregate no. and class of shares bought back during the period of five years immediately preceding the reporting date:			
No of Shares bought back			
Equity Shares bought back (FY 2016-17)	228,150	228,150	228,150
	228,150	**228,150**	**228,150**

f Terms/rights attached to equity shares

i) The Company has one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Events after the reporting date

The Company declares and pays dividends in Indian rupees. The Board of Directors of the Company have recommended final dividend for the financial year 2021 - 22 @ ₹15 per share aggregating to ₹57.40 crore on 38,268,619 Equity shares of ₹10/- each fully paid. This will be paid after approval by shareholders at the ensuing Annual General Meeting.

The actual dividend amount is dependent upon the relevant share capital outstanding as on the record date / book closure.

g Shareholders holding more than 5% shares in the company is set below:	March 31, 2022		March 31, 2021		April 1, 2020	
	No of shares	%	No of shares	%	No of shares	%
Kushal N. Desai	9,208,503	24.06	9,208,503	24.06	9,048,503	23.65
Chaitanya N. Desai	9,097,432	23.77	9,058,946	23.67	8,964,946	23.43
Maithili N. Desai Family Pvt. Trust No. 2 - Trustee Maithili Trusteeship Services Private Limited	4,402,687	11.51	4,402,687	11.51	4,360,000	11.39
HDFC Trustee Company Limited	3,310,837	8.65	3,539,727	9.25	3,539,727	9.25
Reliance Capital Trustee Company Limited	-	-	-	-	2,412,738	6.31
L&T Mutual Fund Trustee Limited	-	-	2,021,139	5.28	2,341,249	6.12

Shares reserved for issue under options

There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

Note 16B Other Equity (Refer Note below)	March 31, 2022	March 31, 2021	April 1, 2020
Capital reserve	23.46	23.46	23.77
Securities premium	205.18	205.18	205.18
Capital Redemption Reserve	14.98	14.98	14.98
General reserve	292.30	268.30	254.00
Retained earnings - Surplus	1,049.43	853.06	706.52
	1,585.36	**1,364.99**	**1,204.45**
Capital reserve			
Opening balance	23.46	23.77	23.77
Increase/(decrease) during the year	-	(0.31)	-
Closing Balance	**23.46**	**23.46**	**23.77**
Securities premium			
Opening balance	205.18	205.18	205.18
Increase/(decrease) during the year	-	-	-
Closing balance	**205.18**	**205.18**	**205.18**

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Notes to the Consolidated Financial Statements as at March 31, 2022

Shares reserved for issue under options (contd..)
There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

Note 16B Other Equity (Refer Note below)	March 31, 2022	March 31, 2021	April 1, 2020
Capital Redemption Reserve			
Opening balance	14.98	14.98	14.98
Increase/(decrease) during the year	-	-	
Closing balance	**14.98**	**14.98**	**14.98**
General reserve			
Opening balance	268.30	254.00	240.00
Increase/(decrease) during the year	24.00	14.30	14.00
Closing balance	**292.30**	**268.30**	**254.00**
Retained earnings - Surplus			
Opening balance	853.06	706.52	682.69
Increase/(decrease) during the year	196.37	146.54	33.51
Adjustment for earlier years	-	-	(9.68)
Closing balance	**1,049.43**	**853.06**	**706.52**

Note 16C Items of other comphrehensive income (OCI)	March 31, 2022	March 31, 2021	April 1, 2020
Currency fluctuation reserve	**12.88**	**9.30**	**8.50**
Hedging reserve	85.34	(11.10)	(92.01)
Other items of OCI	(6.62)	(1.91)	(2.46)
	91.60	**(3.72)**	**(85.97)**
Currency fluctuation reserve			
Opening balance	9.30	8.50	3.33
Increase/(decrease) during the year	3.58	0.80	5.17
Closing balance	**12.88**	**9.30**	**8.50**
Hedging reserve			
Opening balance	(11.10)	(92.01)	(4.26)
Increase/(decrease) during the year	96.44	80.91	(87.75)
Closing balance	**85.34**	**(11.10)**	**(92.01)**
Other items of OCI			
Opening balance	(1.91)	(2.46)	(1.59)
Increase/(decrease) during the year	**(4.70)**	**0.55**	**(0.87)**
Closing balance	**(6.61)**	**(1.91)**	**(2.46)**

Note: The nature, purpose and movement of each of the Reserves have been explained under Statement of changes in Equity.

Note 17 Borrowings	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
	Non current			Current		
Term loans (Secured)						
Rupee term loans from banks	23.88	47.74	67.61	23.87	19.87	16.87
Foreign currency term loans from banks	171.50	136.89	120.32	20.57	7.83	18.37
Term loans (Unsecured)						
Foreign currency term loans from others	-	**6.96**	-	**13.04**	**23.40**	-
	195.37	**191.59**	**187.93**	**57.48**	**51.09**	**35.24**

Information about the Group's exposure to liquidity risk, foreign currency and interest rate are included in Note 42, 43 and 44 respectively.

Notes to the Consolidated Financial Statements as at March 31, 2022

Rupee term loan and foreign currency loan from banks are secured as under:

a Details of security

i The Foreign Currency Term Loan from State Bank of India, Tokyo is secured by way of a First Charge on movable and immovable fixed assets of the company by way of Hypothecation/Equitable Mortgage of Khatalwad Unit and Office Building (Building No. 4 Corporate park, Chembur). Minimum Fixed Assets Coverage Ratio(FACR) of 1.25 to be maintained during the entire tenor of the loan.

ii The rupees term loan from Kotak Mahindra Bank is secured by charge on property located at Jharsuguda and Lapanga (Movable & Immovable Fixed Assets)

iii The foreign currency term loan from Arab Banking Corporation (ABC) Bank, kingdom of Bahrain was secured by:

a) Mortgage over specified assets situated at Plot No. 1C-02D1, Hamriyah Free Zone,Sharjah - UAE.

b) Joint and several guarantees of Petroleum specialities PTE Ltd - Singapore and APAR Industries Limited - India.

c) This has been paid on 29th March 2021.

b Terms of repayment of term loan:

i In respect of foreign currency term loan from ABC Bank, Kingdom of Bahrain; the group has repaid entire outstanding amount of ₹34.77 crore on 29 March 2021

ii In respect of Rupee Term Loan from Kotak Bank, it has a moratorium period of 18 months and loan will be repaid in 10 half yearly installments. The repayment has started from 08 September 2019 onwards, first 2 installments of ₹7.50 crore each, next 2 installment of ₹8.50 crore each, subsequent next 2 installment of ₹10.00 crore each and last 4 installments of ₹12.00 crore each. The interest is payable at 8.30% p.a.

iii In respect of foreign currency term loan from State Bank of India, Tokyo, it has a moratorium period of 18 months and loan will be repaid in 20 quarterly installments. The repayment has started from 05 September 2021 onwards, next installments of ₹3.79 crore will be paid in June 2022, thereafter next 5 installment of ₹5.69 crore each, next 1 installment of ₹7.57 crore, next 5 installment of ₹13.26 crore each, subsequent 2 installment of ₹15.16 crore each and last 3 installments of ₹18.95 crore each. The interest is payable at 3 months Libor + 1.70% on quarterly basis.

iv In respect of foreign currency term loan from APAR Invesment, INC, the last installment of ₹13.04 crore will be repaid by 30 June 2022. The interest is payable at 3 months Libor + 2.25% p.a. on quarterly basis

The Group does not have any continuing default as on the consolidated Balance Sheet date in repayment of loans and interest.

c Borrowings reconciliation

(₹ crore)

Borrowings as at	March 31, 2022	March 31, 2021
Short term borrowings (Refer note 22)	-	21.49
Interest accrued but not due on above	-	-
Long term borrowings	252.85	242.69
Interest accrued but not due on above	0.80	0.63
Net borrowings	253.65	264.81

(₹ crore)

Note 18 Derivatives-Liability	March 31, 2022	March 31, 2021	April 1, 2020
Derivatives used for hedging - Non Current	-	0.72	7.34
Derivatives used for hedging - Current	89.00	46.92	124.50
	89.00	47.65	131.84

Note 19 Other financial liabilities - non current	March 31, 2022	March 31, 2021	April 1, 2020
Deposits from dealers (Refer Note*)	3.13	3.11	3.37
	3.13	3.11	3.37

*Note: Measured at amortised cost

Note 20 Provisions - non current	March 31, 2022	March 31, 2021	April 1, 2020
Provision for employee benefits (refer note 39)			
Provision for gratuity - In respect of directors	2.55	1.45	1.29
Provision for leave benefits	9.77	6.68	6.13
Provision for gratuity - In respect of other employees	-	-	0.76
	12.32	8.13	8.18

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Notes to the Consolidated Financial Statements as at March 31, 2022

Note 21 DEFERRED TAX BALANCES (NET)

(₹ crore)

(a) Movement in deferred tax balances		2021-22		March 31, 2022		
Particulars	Net balance April 1, 2021	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(40.30)	0.86		(39.44)	-	(39.44)
Derivatives	4.37	0.77	(32.44)	(27.30)	-	(27.30)
Loans and borrowings	(0.48)	0.11		(0.37)	-	(0.37)
Employee benefits	2.97	(0.16)	1.58	4.40	4.40	-
Lease Expenses	0.44	(0.18)		0.26	0.26	-
Deferred income	0.10	0.04		0.15	0.15	-
Provisions	12.71	(2.73)		9.98	9.98	-
Investments	-	(0.00)		(0.00)	-	(0.00)
Security Deposits	0.00	(0.00)		-	-	-
Other items	-	-	-	-	-	-
Tax assets (liabilities)	(20.18)	(1.29)	(30.86)	(52.33)	14.78	(67.11)
Set off of deferred tax asset						14.78
Net tax assets (liabilities)	(20.18)	(1.29)	(30.86)	(52.33)	14.78	(52.33)

(₹ crore)

(b) Movement in deferred tax balances		2020-21		March 31, 2021		
Particulars	Net balance April 1, 2020	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(40.57)	0.27	-	(40.30)	-	(40.30)
Derivatives	29.91	0.84	(26.38)	4.37	4.37	-
Loans and borrowings	(0.58)	0.10	-	(0.48)	-	(0.48)
Employee benefits	2.54	0.62	(0.18)	2.97	2.97	-
Lease Expenses	0.33	0.11	-	0.44	0.44	-
Deferred income	-	0.10	-	0.10	0.10	-
Provisions	10.55	2.16	-	12.71	12.71	-
Investments	-	-	-	-	-	-
Security Deposits	0.00	(0.00)	-	0.00	0.00	-
Other items	(2.85)	-	2.85	-	-	-
Tax assets (Liabilities)	(0.67)	4.20	(23.71)	(20.18)	20.60	(40.78)
Set off of deferred tax asset						20.60
Net tax Assets (Liabilities)						(20.18)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Notes to the Consolidated Financial Statements as at March 31, 2022

Note 22 Borrowings	March 31, 2022	March 31, 2021	April 1, 2020
Secured Loans			
Working capital loans from banks (refer notes below)			
Bank Overdraft	-	-	0.00
Packing credit loan in foreign currency from banks	-	-	63.75
Current portion of long-term foreign currency loan (Refer Note 17)	20.57	31.23	18.37
Current portion of long-term Rupee loan (Refer Note 17)	23.87	19.87	16.87
Current portion of long-term Foreign currency term loans from others (Refer Note 17)	13.04	-	-
Unsecured Loans			
Buyer's credit facilities	-	21.49	-
Loan from Related Party	-	-	30.27
	57.48	72.58	129.26

Note:

Working capital loans from banks are secured by:

(i) hypothecation of specified stocks, specified book debts specified movable fixed assets of the Group.

(ii) first charge by way of equitable mortgage by deposit of title deeds of Group's specified immovable properties, both present and future.

(iii) The Group does not have any continuing default as on the Balance Sheet date in repayment of loans and interest.

(iv) The Group has obtained financing from banks for managing its short term and long term funding requirements. None of the group companies except Parent is availing Funds based facilities from the banks. Hence, only parent is submitting statement of current assets to banks. Kindly refer note 22(iv) of standalone financial statement disclosures for reconciliation between quarterly returns filed by the Parent with its banks and standalone books of accounts.

Note 23 Trade payables	March 31, 2022	March 31, 2021	April 1, 2020
Acceptances	2,756.80	2,053.58	1,738.38
Due to Micro, Small and Medium Enterprises	20.01	27.77	17.23
Due to other than micro and small and medium enterprises	1,345.66	956.73	1,083.10
Total	4,122.47	3,038.08	2,838.71

There are no Micro, Small and Medium Enterprises, to whom the Group owes dues, which are outstanding for more than 45 days as at the consolidated balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

The disclosure as per the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).

	March 31, 2022	March 31, 2021	April 1, 2020
(a) i) Principal amount unpaid as on March 31	-	-	-
ii) Interest due as on March 31	-	-	-
(b) Total interest paid on all delayed payments during the year under the provision of the Act	0.07	-	-
(c) Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act	0.05	0.05	-
(d) Interest accrued but not due	-	-	-
(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-	-

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Notes to the Consolidated Financial Statements as at March 31, 2022

Trade Payable ageing schedule

(₹ crore)

As at March 31, 2022	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	20.01	-	-	-	-	20.01
ii) Others	4,012.38	70.50	6.66	10.40	2.53	4,102.46
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	4,032.39	70.50	6.66	10.40	2.53	4,122.47

As at March 31, 2021	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	27.77	-	-	-	-	27.77
ii) Others	2,941.21	43.39	18.01	3.60	4.09	3,010.31
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	2,968.98	43.39	18.01	3.60	4.09	3,038.08

As at April 1, 2020	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	17.23	-	-	-	-	17.23
ii) Others	2,730.69	73.48	3.95	5.70	7.66	2,821.48
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	2,747.92	73.48	3.95	5.70	7.66	2,838.71

Note 24 Other financial liabilities - current	March 31, 2022	March 31, 2021	April 1, 2020
Interest accrued but not due	21.38	8.44	18.49
Creditors for capital expenditure	6.87	8.45	15.87
Channel Finance	-	-	1.62
Bill Discounting with Recourse	-	-	0.83
Unclaimed dividend (Refer Note*)	0.77	0.77	0.89
Book Overdraft	-	-	2.43
Deposit from Dealers	1.13	0.45	0.67
	30.15	18.12	40.80

*Note :-
There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as on 31st March 2022. (Previous year Nil)

Note 25 Other liabilities - current	March 31, 2022	March 31, 2021	April 1, 2020
Contract liabilities (refer note 51)	216.93	106.39	64.08
Statutory dues towards government	7.12	7.78	5.39
Salary, wages and others benefits payable to employees	8.57	8.11	9.25
Other payables	10.85	2.73	12.11
	243.47	125.01	90.83

Note 26 Provisions - current	March 31, 2022	March 31, 2021	April 1, 2020
Provision for employee benefits (refer note 39)			
Provision for gratuity	4.78	1.05	-
Provision for leave benefits	1.59	2.00	1.43
	6.37	3.05	1.43

Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

Note 27 Revenue from operations	2021-22	2020-21
Sale of products		
Finished goods	8,893.22	6,128.94
Raw materials	124.48	54.29
Traded goods	173.97	98.86
Total	**9,191.67**	**6,282.09**
Sale of services	**98.96**	**77.42**
Other operating revenue		
Scrap Sales	25.34	15.19
Export Incentives	0.02	12.50
Duty Drawback	4.00	0.82
Total	29.36	28.51
Revenue from operations	**9,319.99**	**6,388.02**

Note 28 Other Income	2021-22	2020-21
Interest income on financial assets measured at amortized cost	6.27	5.40
Gain on foreign exchange translations (net)	8.99	4.07
Profit on sale of Property, plant and equipments (net)	0.22	0.49
Gain on sale of investments (net)	7.40	1.05
Provision no longer required (net)	4.44	4.35
Miscellaneous Income	5.17	3.25
TOTAL	**32.49**	**18.61**

Note 29 Cost of materials consumed	2021-22	2020-21
Inventory at the beginning of the year	925.23	648.75
Add : Purchases	7,645.83	4,952.26
	8,571.05	5,601.01
Less: Closing Inventory	1,152.74	925.23
TOTAL	**7,418.32**	**4,675.78**

(₹ crore)

Note 30 Purchases of Stock-in-Trade	2021-22	2020-21
Thermoplastic Elastomers	5.02	4.95
Lubricants	27.12	16.41
Aluminium,HTLS Hardware & GSW Steel Wire, etc.	83.74	44.51
Others	14.83	13.10
	130.71	**78.97**

Note 31 Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	2021-22	2020-21
Inventories at the beginning of the year		
Finished goods	377.10	404.98
Work-in-progress	203.63	222.83
Traded goods	15.43	13.70
	596.16	**641.51**
Inventories at the end of the year		
Finished goods	610.94	377.10
Work-in-progress	290.07	203.63
Traded goods	36.35	15.43
	937.36	**596.16**
	(341.21)	**45.35**

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Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

Note 32 Employee benefits expense	2021-22	2020-21
Salaries, wages, bonus, etc.	151.24	142.71
Contribution to provident and other funds	7.18	6.47
Gratuity expense	1.93	1.92
Staff welfare expenses	12.14	9.28
	172.49	**160.38**

Note 33 Finance costs	2021-22	2020-21
Interest on borrowings	8.49	9.60
Interest on suppliers credit	56.17	49.45
Interest on lease liabilities	2.44	2.54
Other borrowing cost	43.90	64.26
Applicable net loss on foreign currency transactions and translation	29.62	10.18
	140.62	**136.04**

(₹ crore)

Note 34 Other expenses	2021-22	2020-21
Consumption of stores and spares	41.40	33.49
Packing materials	272.72	214.28
Storage charges	17.21	17.12
Power, electricity and fuel	89.98	78.28
Processing charges, fabrication and labour charges	173.92	160.66
Freight and forwarding charges	468.67	264.46
Rent	0.87	0.93
Statutory levies, Duties and taxes	6.38	5.31
Insurance	13.40	12.29
Repairs and maintenance		
Plant and machinery	4.53	5.35
Buildings	2.28	1.68
Others	8.80	7.76
Advertising and sales promotion	4.51	4.75
Sales commission	72.88	43.57
Travelling and conveyance	15.17	10.10
Printing and stationery	1.45	1.58
Legal and professional fees	21.00	13.69
Directors' sitting fees	0.14	0.12
Commission to Directors	6.09	3.86
Lease rental	1.12	0.85
Corporate Social Responsibility Activities	3.93	4.28
Donations	0.01	0.11
Royalty	39.69	39.91
Bank charges and commission	30.12	20.72
Bad debts and advances written-off	52.40	13.78
Less: Allowances for doubtful debts utilised	(45.15)	(11.27)
Allowances for doubtful debts and advances	35.47	18.16
Miscellaneous expenses	52.84	42.58
	1,391.83	**1,008.40**

Notes to the Consolidated Financial Statements as at March 31, 2022

Note 35 Earnings per share (EPS)

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

Profit attributable to ordinary shareholders (basic)		March 31, 2022	March 31, 2021
Profit (loss) for the year, attributable to ordinary shareholders	A	256.73	160.50
Weighted average number of shares at March 31	B	38,268,619	38,268,619
Basic and Diluted EPS (₹)	A/B	67.09	41.94
Face value per Share (₹)		10	10

Note 36 - Ratios				
Particulars	March 31, 2022	March 31, 2021	Variances%	Formulae
Current Ratio	1.22	1.22	-0.1%	Current Assets / Current Liabilities
Debt - Equity Ratio	0.15	0.17	-16.0%	Long Term borrowing + short term borrowing / Total equity
Debt service coverage ratio	0.83	0.50	67.4%	Profit after tax + Depn+ Interest on borrowings / Long term borrowing + short term borrowing +Lease payments
Return on Equity ratio	16.5%	12.6%	31.3%	Profit after tax / Average equity
Inventory Turnover ratio	3.89	3.32	17.4%	Cost of material consumed + changes in inventories + purchase of stock in trade / Average Inventory
Trade receivable turnover ratio	4.23	3.39	24.5%	Revenue from operations / Average Trade receivables
Trade payable turnover ratio	2.56	2.06	24.6%	Purchases of materials and stock-in-trade + Other expenses / Average Trade payables
Net capital turnover ratio	10.89	11.03	-1.3%	Revenue from operations / Average Working Capital
Net profit margin	2.8%	2.5%	9.6%	Profit after tax X 100 / Revenue from operations
Return on Capital employed	18.9%	13.8%	37.1%	Profit before interest on borrowings and tax X 100 / Total equity + Long Term Borrowings + Short Term Borrowings +Deferred tax liability
Return on investment	4.7%	2.8%	68.2%	Gain from sale of investments + Interest income on financial assets X 100 / Average Investments + Cash & Cash equivalent

Reason for variation of more than 25%

a. Debt service coverage ratio

The ratio has improved due to incremental PBT in current financial year as compared to last financial year

b. Return on Equity ratio

The ratio has improved due to incremental PAT in current financial year as compared to last financial year.All the divisions of the company have registered strong growth and profit during the year as compared to last year leading to an improved PAT for the company as a whole.

c. Return on Capital employed

The ratio has improved due to incremental profit before interest on borrowings and tax for the reason mentioned above in current financial year as compared to last financial year

d. Return on investment

The ratio has improved due to higher gain on sale of investments in current financial year as compared to last financial year

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Notes to the Consolidated Financial Statements as at March 31, 2022

Note 37 Additional information, as required under Schedule III to the Companies Act, 2013, of entities consolidated as subsidiaries
Statement of net assets & profit or loss attributable to owners & non controlling interest

Name of the entity	Net Assets i.e. Total assets minus Total liabilities		Share in profit/ (loss)		Share in Other Comprehensive income		Share in Total Comprehensive income	
	As % of consolidated net assets	Amount ₹ crore	As % of consolidated profit or loss	Amount ₹ crore	As % of consolidated profit or loss	Amount ₹ crore	As % of consolidated profit or loss	Amount ₹ crore
Parent								
APAR Industries Limited	92.41	1,585.10	90.99	233.61	96.25	91.76	92.42	325.37
Subsidiaries								
Indian								
APAR Transmission & Distribution Projects Pvt Ltd	0.72	12.27	3.52	9.02	-	-	2.56	9.02
APAR Distribution and Logistics Pvt Ltd	0.09	1.52	0.27	0.69	(0.00)	(0.00)	0.19	0.69
Foreign								
Petroleum Specialities Pte Limited	5.99	102.76	(0.25)	(0.63)	0.82	0.78	0.04	0.15
Petroleum Specialities FZE	5.59	95.85	5.42	13.92	2.94	2.80	4.75	16.72
Non-controlling interests in all subsidiaries / associate								
Subsidiaries								
Indian	-	-	-	-	-	-	-	-
Foreign	-	-	-	-	-	-	-	-
Associate (Investment as per the equity method)								
Indian								
Ampoil Apar Lubricants Private Limited	0.03	0.52	0.05	0.12	-	-	0.03	0.12
Adjustments / Eliminations	(4.83)	(82.80)	-	-	-	-	-	-
Total	100.00	1,715.23	100.00	256.73	100.00	95.34	100.00	352.07

Note 38 Tax expense

Tax expense

(a) Amounts recognised in profit and loss

(₹ crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	83.61	51.45
Taxes of earlier years	0.36	0.52
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	1.29	(4.20)
Deferred tax expense	1.29	(4.20)
Tax expense for the year	85.27	47.77

Notes to the Consolidated Financial Statements as at March 31, 2022

(b) Amounts recognised in other comprehensive income	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(6.28)	1.58	(4.70)	0.73	(0.18)	0.55
Items that will be reclassified to profit or loss						
The effective portion of gains and loss on hedging instruments in a cash flow hedge	132.48	(32.44)	100.04	105.27	(23.52)	81.75
	126.21	**(30.86)**	**95.34**	**106.00**	**(23.71)**	**82.30**

(c) Reconciliation of effective tax rate	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	**342.00**	**208.00**
Enacted Income tax rate in India	25.168%	25.168%
Tax using the Company's domestic tax rate	86.08	52.48
Tax effect of:		
Non-deductible tax expenses	0.99	1.11
Deduction Under Chapter VI A	(0.24)	(0.42)
Others	2.26	0.52
Employee Benefits	(0.47)	0.18
Non-Taxable subsidiaries and effect of Differential tax rate under various jurisdication	(3.35)	(6.04)
	85.27	**47.77**

Note 39 Employee benefits

(i) Defined Contribution Plans:

The Group makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Group recognised ₹1.94 crore (previous year ₹1.95 crore) for superannuation contribution and other retirement benefit contributions in the consolidated statement of profit and loss.

The Group has recognised ₹5.24 crore (previous year ₹4.85 crore) for provident fund contributions in the consolidated statement of profit and loss.

The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

The Employees' Gratuity Fund Scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit seperately to build up the final obligation.

The obligation for leave encashment is recognised in the same manner as gratuity. The group provides for leave encashment liabiltiy as per the acturial valuation carried out as at March 31, 2022. The Group has recognised ₹3.51 crore (previous year ₹1.45 crore) for leave encashment liability in the Statement of Profit and Loss.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

In case of foreign subsidiaries, the Group has recognised ₹0.45 crore (previous year ₹0.28 crore) towards defined benefit obligation in the consolidated statement of profit and loss.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's consolidated financial statements as at consolidated balance sheet date:

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Notes to the Consolidated Financial Statements as at March 31, 2022

Movement in net defined benefit (asset) liability

(₹ crore)

Particulars	March 31, 2022 Gratuity	March 31, 2021 Gratuity
Table showing change in benefit obligation		
Defined benefit obligation at beginning of the year	18.16	16.89
a) Included in consolidated statement of profit and loss		
Current service cost	1.49	1.44
Interest cost	1.28	1.17
Acturial Gain/loss	-	-
	2.77	2.61
b) Included in OCI		
Re-measurement or Actuarial (gain) / loss arising from:		
Demographic assumptions	0.95	-
Financial assumptions	4.54	(0.14)
Experience adjustment	0.85	0.32
	6.34	0.18
c) Other		
Benefits paid	(1.97)	(1.52)
Liabilities transferred in / Acquisitions	0.05	-
	(1.92)	(1.52)
Defined Benefit obligation at end of the year	25.36	18.16

Table showing change in Fair Value of Plan Assets	March 31, 2022 Gratuity	March 31, 2021 Gratuity
Fair value of plan assets at beginning of the year	18.16	16.89
Interest income	1.28	1.17
Return on plan assets, excluding interest	0.07	0.90
Employer Contribution	1.91	0.71
Benefit paid	(1.97)	(1.52)
Fair value of plan assets at year end	19.45	18.16
Actual return on plan assets	1.35	2.08
Expected Contribution for next year	3.82	1.48

Defined benefit obligations

i) Actuarial assumptions

In arriving at the valuation for gratuity & leave benefit following assumptions were used:

Particulars	March 31, 2022	March 31, 2021
Mortality Table (LIC)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement Age	60 years	60 years
Employee Turnover rate	2.00% p.a. to 11.60%	2.00%
Discount Rate	6.90% to 7.35%	7.05%
Expected rate of return on plan assets (per annum)	NA to 6.90%	7.05%
Rate of escalation in salary (per annum)	5.80% p.a. to 10.00% p.a.	5.00%

*Range is pertaining to different divisions of the Group for Employee Turnover rate and Rate of escalation in salary.

Notes to the Consolidated Financial Statements as at March 31, 2022

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ crore)

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.50)	1.68	(1.34)	1.54
Future salary growth (1% movement)	1.64	(1.50)	1.56	(1.38)
Employee Turnover (1% movement)	(0.15)	0.14	0.22	(0.24)

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's Consolidated financial statements as at balance sheet date:

Net asset / (liability) recognised in the consolidated balance sheet as at	March 31, 2022	March 31, 2021
	Gratuity	Gratuity
Fair value of plan assets	19.45	18.16
Present value of obligation	(25.36)	(18.16)
Amount recognised in consolidated balance sheet*	(5.92)	-

*Includes amount payable to directors

	March 31, 2022	March 31, 2021
Gratuity Payable to Directors	(2.55)	(1.45)

Expense recognised during the year	March 31, 2022	March 31, 2021
	Gratuity	Gratuity
Included in consolidated statement of profit and Loss		
Current service cost	1.49	1.44
Interest cost	1.28	1.17
Net actuarial (gain) / loss		
Return on plan assets,excluding acturial gain or loss	(1.28)	(1.17)
Included in OCI		
Re-measurement or Actuarial (gain) / loss arising from:		
Demographic assumptions	0.95	-
Financial assumptions	4.54	(0.14)
Experience adjustment	0.85	0.32
Return on plan assets, excluding interest	(0.07)	(0.90)
Net Cost	**7.78**	**0.72**

Maturity analysis of the benefit payments: from the fund	March 31, 2022	March 31, 2021
	Gratuity	Gratuity
Projected benefits payable in future years from the date of reporting		
1st following year	2.07	1.81
2nd following year	2.10	0.73
3rd following year	2.16	1.34
4th following year	2.60	1.30
5th following year	2.93	1.48
From 6 to 10 years	15.21	9.44
From 11 years and above	15.96	20.60

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Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

Category of Plan Assets	March 31, 2022	March 31, 2021
Insurance Funds	1.14	1.07
Mutual Funds	18.13	16.86
Cash And Cash Equivalents	0.18	0.23
Fair value of plan assets	**19.45**	**18.16**

Note 40 Financial instruments – Fair value measurement

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ crore)

March 31, 2022	Note No.	Carrying amount					Fair value			
		Fair value-hedging instruments	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets										
Investments										
- Non-current	3				0.52	0.52				-
- Current	9		30.00			30.00	30.00			30.00
Loans										
- Non-current	4				0.83	0.83				-
- Current	13				7.40	7.40				-
Trade Receivables										-
- Non-current	10A				11.29	11.29				-
- Current	10				2,531.13	2,531.13				-
Cash and Cash Equivalents	11				253.16	253.16				-
Other Bank Balances	12				13.44	13.44				-
Other financial assets						-				
- Non-current	6				14.91	14.91				-
- Current	14				173.63	173.63				-
Derivatives								-		
- Non-current	5	42.80	-	42.80		42.80		42.80		42.80
- Current	5	161.07	0.39	160.68		161.07		161.07		161.07
Total financial assets		**203.87**	**30.39**	**203.48**	**3,006.31**	**3,240.17**	**30.00**	**203.87**	**-**	**233.86**
						-				
Financial liabilities										
Borrowings						-				-
- Non-current	17				195.37	195.37				-
- Current	22				57.48	57.48				
Lease liabiliies										
- Non-current					60.93	60.93				
- Current					6.35	6.35				
Other financial liabilities										
- Non-current	19				3.13	3.13				-
- Current	24				30.15	30.15				-
Derivatives										-
- Non-current	18	-	-	-		-		-		-
- Current	18	89.00	89.00	-		89.00		89.00		89.00
Trade Payables	23				4,122.47	4,122.47				-
Total financial liabilities		**89.00**	**89.00**	**-**	**4,475.89**	**4,564.89**	**-**	**89.00**	**-**	**89.00**

Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

March 31, 2021	Notes	Carrying amount					Fair value			
		Fair value-hedging instruments	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets										
Investments										
- Non Current					0.40	0.40				-
- Current	9		60.00			60.00	60.00			60.00
Loans & advances										-
- Non-current	4				0.89	0.89				-
- Current	13				8.85	8.85				-
Trade Receivables						-				-
- Non-current	10A				7.69	7.69				
- Current	10				1,860.57	1,860.57				
Cash and Cash Equivalents	11				207.02	207.02				-
Other Bank Balances	12				15.43	15.43				-
Other financial assets										-
- Non-current	6				12.51	12.51				-
- Current	14				37.23	37.23				-
Derivatives						-		-		-
- Non-current	5	4.25		4.25		4.25		4.25		4.25
- Current	5	24.21		24.21		24.21		24.21		24.21
Total financial assets		**28.47**	**60.00**	**28.47**	**2,150.60**	**2,239.06**	**60.00**	**28.47**	**-**	**88.47**
Financial liabilities										
Borrowings										-
- Non-current	17				191.59	191.59				
- Current					72.58	72.58				
Leases										
- Non-current	22				55.11	55.11				-
- Current					5.53	5.53				
Other financial liabilities										
- Non-current	19				3.11	3.11				-
- Current	24				18.12	18.12				-
Derivatives										
- Non-current	18	0.72	-	0.72		0.72		0.72		0.72
- Current	18	46.92	0.60	46.32		46.92		46.92		46.92
Trade Payables	23				3,038.08	3,038.08				-
Total financial liabilities		**47.65**	**0.60**	**47.04**	**3,384.12**	**3,431.76**	**-**	**47.64**	**-**	**47.64**

B. **Measurement of fair values**

Valuation techniques and significant observable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant observable inputs used (if any).

Financial instruments measured at fair value

Type	Valuation technique	Level
Mutual fund investments	Quoted NAV	1
Commodity futures	Basis the quotes given by the LME broker / dealer.	2
Derivative liability Forward contracts for foreign exchange	FEDAI rate adjusted for interpolated spreads based on residual maturity	2
Interest rate swap for variable foreign currency loans	Basis the quotes given by the Bank	1

Note: The fair value for financial instruments such as trade receivables, cash and cash equivalents, trade payables etc have not been disclosed because the carrrying values approximate the fair value.

Refer note 1.6 for different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

Notes to the Consolidated Financial Statements as at March 31, 2022

C. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors are responsible for developing and monitoring the Group's risk management.

The Group's risk management framework, are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Note 41 Financial instruments – Fair values and risk management Credit Risk

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans and advances. The Group's export receivables are covered under ECGC credit insurance policy. The group has also taken credit insurance for its domestic receivables in cable and conductor division.

The carrying amount of following financial assets represents the maximum credit exposure:

At March 31, the maximum exposure to credit risk for trade and other receivables age wise was as follows.

Trade receivables	March 31, 2022	March 31, 2021
Neither past due nor impaired	2,044.91	1,461.93
past due less than 6 months	358.48	238.40
past due 6 months - 1 year	48.80	85.60
past due 1 - 2 years	68.65	63.86
past due 2 - 3 years	26.50	34.89
past due more than 3 years	33.83	32.02
Total	2,581.17	1,916.71
Less: Loss allowance	38.74	48.45
Net Total	**2,542.43**	**1,868.26**

Management believes that the unimpaired amounts which are past due are fully collectible.

Short term loans and advances

At March 31, the maximum exposure to credit risk for short term loans and advances age wise was as follows. (₹ crore)

	March 31, 2022	March 31, 2021
Not due	7.40	8.85
past due less than 6 months	-	-
past due 6 months - 1 year	-	-
past due 1 - 2 years	-	-
past due 2 - 3 years	-	-
past due more than 3 years		
	7.40	8.85

Management believes that the unimpaired amounts which are past due are fully collectable.

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables and other advances. The entity has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a division wise prov. matrix. The Provision matrix takes into account historical credit loss experience, delay in receipt of payments and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days of receivables are due and the rates are given in prov. matrix. The provision matrix at the end of reporting period is as follows. The Group follows 'simplified approach' for recognition of impairment loss on these financial assets. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

Notes to the Consolidated Financial Statements as at March 31, 2022

The entity has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a division wise provision matrix. The provision matrix takes into account historical credit loss experience, delay in receipt of payments and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows :

Provision matrix for credit loss;

Expected credit loss (%)*	Oil Division	Cable Division	Conductor Division
past due less than 6 months	0.0%	0.4%	0.0%
past due 6 months - 1 year	0.0%	0.0%	0.0%
past due 1 - 2 years	6.0%	2.1%	0.0%
past due 2 - 3 years	6.0%	2.1%	0.0%
past due more than 3 years	6.0%	2.1%	0.0%

*Expected credit loss is worked out on the trade receivables for which no specific provision is made.

Provision matrix for delay in receipts

Expected credit loss (%)*	Oil Division	Cable Division	Conductor Division
past due less than 6 months	8.7%	19.0%	12.5%
past due 6 months - 1 year	64.0%	67.7%	60.7%
past due 1 - 2 years	85.3%	91.2%	89.4%
past due 2 - 3 years	85.3%	91.2%	89.4%
past due more than 3 years	85.3%	91.2%	89.4%

The movement in the allowance for impairment in respect of trade receivable and short term loans and advances as follows

(₹ crore)

Loss Allowances for Doubtful Debts	Trade and other receivables	Short term loans and advances
Balance as on 1 April 2020	40.72	-
Amounts provided	14.17	-
Amount written back / utilised	(11.60)	-
Balance as on 31 March 2021	43.28	-
Amounts provided	35.86	-
Amount written back / utilised	(45.78)	-
Balance as on 31 March 2022	**33.36**	**-**

(₹ crore)

Loss Allowances for Expected Credit Loss	As at 31.3.2022	As at 31.3.2021
Balance at the beginning of the year	5.17	2.06
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	0.22	3.11
Balance at the end of the year	**5.39**	**5.17**

Other non-current financial assets

Other non-current financial assets includes earnest money deposit, security deposits to customers. These advances and deposits were made in continuation of business related activities and are made after review as per companies policy.

Cash and cash equivalents

The Group holds cash and cash equivalents of ₹253.16 Crore as on 31 March 2022 (₹207.02 Crore as on 31 March 2021). The cash and cash equivalents are held with the bank and financial institutions, with good credit ratings.

Derivatives

Derivatives are entered with counterparties who have good credit ratings.

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Notes to the Consolidated Financial Statements as at March 31, 2022

Note 42 Financial instruments — Fair values and risk management Liquidity Risk

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments but exclude the impact of netting agreements.

March 31, 2022	Contractual cash flows					(₹ crore)
	Carrying amount	Total	1 year or less	1-2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	239.81	239.81	44.43	55.81	139.57	-
Term loans from others	13.04	13.04	13.04	-	-	-
Trade and other payables	4,122.47	4,122.47	4,122.47	-	-	-
Other financial liabilities	30.15	30.15	30.15	-	-	-
Leases	67.28	67.31	6.35	7.27	18.62	35.07
Derivative financial liabilities						
Forward exchange contracts/Futures used for hedging/Natural hedging						
- Outflow	89.00	89.00	89.00	-	-	-

March 31, 2021	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	212.33	212.33	27.70	38.48	132.69	13.46
Term loans from others	30.36	30.36	23.40	6.96	-	-
Short term loan from bank (Unsecured)	21.49	21.49	21.49	-	-	-
Trade and other payables	3,038.08	3,038.08	3,038.08	-	-	-
Other financial liabilities	18.12	18.12	18.12	-	-	-
Leases	60.65	60.65	5.53	4.40	14.14	36.57
Derivative financial liabilities						
Forward exchange contracts/Futures used for hedging/Natural hedging						
- Outflow	47.64	47.64	46.92	0.72	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Contractual outflow of other non current financial liabilities amounting to ₹3.13 crores (Previous year ₹3.11 crores) can not be ascertained on reporting date.

Notes to the Consolidated Financial Statements as at March 31, 2022

Note 43 Financial instruments – Fair values and risk management

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Commodity risk

The Group is affected by the price volatility of certain commodities viz. Aluminum, Copper and Oil. Its operating activities require the ongoing purchase and manufacture of the conductors, cables and Oil and thus requires continuous supply of these commodities. Due to the increase in volatility of the price of the commodities namely Aluminum and Copper, the Group has entered into forward contracts (for which there is an active market).

Currency risk

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.
Group does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows.

Fig. in crore

Particulars	March 31, 2022					
	USD	EUR	CAD	ETB	NPR	KES
Trade receivables	13.64	0.54	0.10	-	-	-
Cash and cash equivalents	0.89	0.01	0.00	0.97	0.23	0.04
Long term Borrowings	(2.55)	-	-	-	-	-
Short term borrowings	(0.17)	-	-	-	-	-
Trade payables	(19.05)	(0.04)	-	-	-	-
Net Exposure	**(7.24)**	**0.51**	**0.10**	**0.97**	**0.23**	**0.04**

Fig. in crore

Particulars	March 31, 2022					
	EGP	AUD	AED			
Trade receivables	-	0.00	-			
Cash and cash equivalents	0.01	-	0.00			
Net Exposure	**0.01**	**0.00**	**0.00**	-	-	-

Fig. in Crore

Particulars	March 31, 2021					
	USD	EUR	CAD	ETB	NPR	KES
Trade receivables	7.40	0.53	0.03	(0.27)		-
Cash and cash equivalents	0.46	0.01	0.00	1.26	0.10	0.04
Long term Borrowings	(2.42)	-	-	-	-	
Short term borrowings	(0.29)	-	-	-	-	-
Trade payables	(16.22)	0.01	-	(0.20)		-
Net outstanding payable / (receivable)	**(11.07)**	**0.55**	**0.03**	**0.79**	**0.10**	**0.04**

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Notes to the Consolidated Financial Statements as at March 31, 2022

Fig. in crore

Particulars	March 31, 2021					
	EGP	AUD				
Trade receivables	-	(0.00)				
Cash and cash equivalents	0.01	-				
Net Exposure	**0.01**	**(0.00)**	-	-	-	-

The following significant exchange rates have been applied during the year.

Particulars	Average rate		Year-end spot rate	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
US Dollars (USD)	74.51	74.23	75.79	73.11
Euro (EURO)	86.58	86.61	84.22	85.75
Canadian Dollars (CAD)	59.44	56.21	60.49	58.03
Pound sterling (GBP)	101.80	97.04	99.46	100.75
Ethiopian Birr (ETB)	1.60	2.01	1.47	1.79
Nepalese rupee (NPR)	0.63	0.63	0.63	0.63
Kenyan Shilling (KES)	0.67	0.68	0.66	0.67
Egyptian Pound (EGP)	4.68	4.70	4.15	4.65
United Arab Emirates Dirham (AED)	20.27	20.17	20.64	19.91
Austrailian Dollar (AUD)	55.08	53.36	56.74	55.70

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR Crore	Profit or loss	
	Strengthening	Weakening
March 31, 2022		
USD (1% movement)	5.48	(5.48)
EUR (1% movement)	(0.43)	0.43
CAD (1% movement)	(0.06)	0.06
ETB (1% movement)	(0.01)	0.01
NPR (1% movement)	(0.00)	0.00
KES (1% movement)	(0.00)	0.00
EGP (1% movement)	(0.00)	0.00
AED (1% movement)	(0.00)	0.00
AUD (1% movement)	(0.00)	0.00
	4.98	**(4.98)**

Effect in ₹ Crore	Profit or loss	
	Strengthening	Weakening
March 31, 2021		
USD (1% movement)	8.09	(8.09)
EUR (1% movement)	(0.47)	0.47
CAD (1% movement)	(0.02)	0.02
ETB (1% movement)	(0.01)	0.01
NPR (1% movement)	(0.00)	0.00
KES (1% movement)	(0.00)	0.00
EGP (1% movement)	(0.00)	0.00
AUD (1% movement)	0.00	(0.00)
	7.59	**(7.59)**

Notes to the Consolidated Financial Statements as at March 31, 2022

Note 44 Financial instruments – Fair values and risk management Interest rate risk

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing borrowings because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Gruop's interest rate risk arises from borrowings. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ crore)

Particulars	Nominal amount	
	March 31, 2022	March 31, 2021
Fixed rate instruments	47.74	67.61
Variable-rate instruments*	2,812.87	1,547.77
	2,860.61	**1,615.38**

**Variable rate intruments include letter of credit*

Interest rate sensitivity for fixed rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through statement of profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

₹ crore

Particulars	Profit or loss	
	100 Basis Point increase	100 Basis Point decrease
March 31, 2022		
Variable-rate instruments	(28.13)	28.13
Cash flow sensitivity (net)	(28.13)	28.13
March 31, 2021		
Variable-rate instruments	(15.48)	(15.48)
Cash flow sensitivity (net)	(15.48)	15.48

Note 45 Financial instruments – Hedge accounting

The objective of hedge accounting is to represent, in the Group's consolidated financial statements, the effect of the Group's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss.

Currency risk

The Group's risk management policy is to hedge its estimated foreign currency exposure in respect of highly forecasted purchase transactions. The Group uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges. Group's policy is to match the critical terms of the forward exchange contracts with that of the hedged item.

Commodity risk

The Group's risk management policy is mitigate the impact of fluctuations in the aluminium, copper and zinc prices on highly forecast purchase transactions. The Group uses futures contract to hedge its commodity risk. Such contracts are generally designated as cash flow hedges.

Notes to the Consolidated Financial Statements as at March 31, 2022

Interest rate

The Group's risk management policy is to mitigate its interest rate risk exposure on floating rate borrowings by entering into fixed-rate instruments like interest rate swaps to eliminate the variability of cash flows attributable to movements in interest rates. Such hedges are designated as cash flow hedges.

For derivative contracts designated as hedge, the Group documents at inception the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The hedging book consists of transactions to hedge Balance Sheet assets or liabilities. The tenor of hedging instrument may be less than or equal to the tenor of underlying hedged asset or liability.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Group assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge.

Hedge effectiveness is assessed through the application of critical terms match method/Dollar offset method. Any ineffectiveness in a hedging relationship is accounted for in the consolidated statement of profit and loss

Sr. No.	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Interest rate hedge	Floating rate financial asset or liability	Floating rate financial asset or liability is converted into a fixed rate financial asset or liability using a floating to fixed interest rate swap. This is usually denominated in the currency of the underlying (which in most cases is the functional currency). if not, it may be combined currency swap.	Interest rate swap	Interest rate swap is a derivative instrument whereby the Group recieves or pays (in case of asset or a liability respectively) at a floating rate in return for a fixed rate asset or liability.	Cash flow hedge
2	Future contract	Highly probable purchase transaction	Mitigate the impact of fluctuations in aluminium, copper & zinc prices, on projected purchase contracts for metal.	Futures contract	Group enters into a forward derivative contract to purchase a commodity at a fixed price and at a future date. These are customized contracts transacted in the over—the—counter market. Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over—the—counter market.	Cash flow hedge
3	Forward contract	foreign currency risk of highly probable forecast transactions using forward contracts	Mitigate the impact of fluctuations in foreign exchange rates	Currency forward	Group enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts. These are customized contracts transacted in the over—the—counter market.	Cash flow hedge
4	Forecasted Export Sales	Forecasted Export Sales	Mitigate the impact of fluctuations in foreign exchange rates	Foreign currency denominated Import Purchases	Group uses its Forecasted Foreign currency denominated Import Purchases to mitigate the risk of foreign currency movement in collection of Forecasted Export Sales	Cash flow hedge

Notes to the Consolidated Financial Statements as at March 31, 2022

The Group, inter alia, takes into account the following criteria for constructing a hedge structure as part of its hedging strategy:

(a) The hedge is undertaken to reduce the variability in the profit & loss i.e the profit or loss arising from the hedge structure should be lesser than the profit & loss on the standalone underlying exposure. In case of cash flow hedge for covering interest rate risk the hedge shall be only undertaken to convert floating cash flows to fixed cash flows i.e. the underlying has to be a floating rate asset or liability.

(b) At any point in time the outstanding notional value of the derivative deal(s) undertaken for the purpose of hedging shall not exceed the underlying portfolio notional. The hedge ratio therefore does not exceed 100% at the time of establishing the hedging relationship.

(c) At any point in time the maturity of each underlying forming a part of the cluster/portfolio hedged shall be higher than the maturity of the derivative hedging instrument.

The tables below provide details of the derivatives that have been designated as hedges for the periods presented:

As at 31 March 2022									(₹ crore)
Particulars	Notional principal amounts (Net)	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Foreign exchange forward contracts	600.38	0.39	0.75	(1.80)	(0.63)	NA	NA	2.05	COGS
Commodity contracts	30.94	203.48	87.43	120.70	130.19	NA	NA	9.49	COGS
Foreign currency denominated Import Purchases	133.77	-	0.82	(1.50)	(0.66)	NA	NA	0.84	Sales

As at 31 March 2021									(₹ crore)
Particulars	Notional principal amounts (Net)	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Interest rate swaps	-	-	-	(0.86)	0.61	NA	NA	1.47	Finance Cost
Foreign exchange forward contracts	18.28	0.07	0.93	(1.81)	(4.59)	NA	NA	(2.77)	COGS
Commodity contracts	120.27	28.40	44.73	118.72	106.93	NA	NA	(11.79)	COGS
Foreign currency denominated Import Purchases	111.54	-	0.16	(1.09)	3.49	NA	NA	4.58	Sales

The tables below provide details of the Group's hedged items under cash flow hedges:

(₹ crore)

Particulars	As at 31 March 2022			As at 31 March 2021		
	Change in the value of hedged item for the year	Balance in cash flow hedge reserve		Change in the value of hedged item for the year	Balance in cash flow hedge reserve	
		Where hedge accounting is continued	Where hedge accounting is discontinued		Where hedge accounting is continued	Where hedge accounting is discontinued
Floating rate borrowing	-	-	NA	(0.86)	-	NA
Highly probable purchases	(1.80)	0.36	NA	(1.81)	0.86	NA
Highly probable forecast transactions	120.70	(116.04)	NA	118.72	16.33	NA
Forecasted Export Sales	(1.50)	0.82	NA	(1.09)	0.16	NA

Notes to the Consolidated Financial Statements as at March 31, 2022

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ crore)

Particulars	Movement in Cash flow hedge reserve for the years ended	
	March 31, 2022	March 31, 2021
Opening balance	14.82	121.26
Effective portion of changes in fair value:		
a) Interest rate risk	-	0.86
b) Commodity price risk	(120.70)	(118.72)
c) Foreign currency risk	1.80	1.81
d) Forecasted Export Sales	1.50	1.09
Net amount reclassified to profit or loss:		
a) Interest rate risk	-	(1.47)
b) Commodity price risk	(9.49)	11.79
c) Foreign currency risk	(2.05)	2.77
d) Forecasted Export Sales	(0.84)	(4.58)
Movements on reserves during the year		
Closing balance	(114.96)	14.82

Disclosure of effects of hedge accounting on financial performance

31st March, 2022

(₹ crore)

Type of hedge	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectieness recognisd in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in consolidated statement of profit and loss because of the reclassification
Cash Flow Hedge				
Foreign exchange risk	(0.63)	NA	2.05	COGS
Commodity price risk	130.19	NA	9.49	COGS
Forecasted Export Sales	(0.66)	NA	0.84	Sales

31st March, 2021

(₹ crore)

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectieness recognisd in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in consolidated statement of profit and loss because of the reclassification
Cash Flow Hedge				
Interest rate risk	0.61	NA	1.47	Finance Cost
Foreign exchange risk	(4.59)	NA	(2.77)	COGS
Commodity price risk	106.93	NA	(11.79)	COGS
Highly Probable Purchases	3.49	NA	4.58	Sales

Notes to the Consolidated Financial Statements as at March 31, 2022

Note 46 Capital Management

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves . The primary objective of the Groups Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Group monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

(₹ crore)

	As at arch 31, 2022	As at March 31, 2021
Borrowings	252.85	264.17
Less : Cash and cash equivalent	253.16	207.02
Adjusted net debt	**(0.31)**	**57.15**
Total equity	1,715.23	1,399.52
Less : Hedging reserve	85.34	(11.10)
Adjusted equity	**1,629.90**	**1,410.61**
Adjusted net debt to adjusted equity ratio	**(0.00)**	**0.04**

Note 47 Segment reporting

A. General Information

(a) Factors used to identify the entity's reportable segments, including the basis of organisation -
The operations of the Group are segmented into Primary Segment (Business Segment) & Secondary Segment (Geographical Segment).

(b) Following are reportable segments
Reportable segment
Conductor
Transformer & Specialities Oils
Power/Telecom Cables

(c) Identification of segments:
The Chief Operating Decision Maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on Profit or Loss and is measured consistently with profit or loss in the consolidated financial statements. Operating segments have been identified on the basis of nature of products / services.

(d) Segment revenue and results:
The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

(e) Segment assets and liabilities:
Segment assets include all operating assets used by the operating segment and mainly consist of property plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

B. Information about reportable segments

(₹ crore)

For the year ended March 31, 2022							
Particulars	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total Reportable segments	Other segments	Elimination	Total
External revenues (Gross)	3,778.17	3,523.44	1,961.74	9,263.35	56.64	-	9,319.99
Other income	5.83	11.78	7.10	24.70	0.03	-	24.74
Unallocable Income							7.75
Intersegment revenue	425.69	37.00	32.00	494.68	0.12	(494.80)	-
Segment revenue	**4,209.68**	**3,572.22**	**2,000.83**	**9,782.73**	**56.79**	**(494.80)**	**9,352.48**
Segment profit (loss) before tax & Finance Cost	162.75	268.36	79.79	510.90	3.70	-	514.60
Less :- Interest expense							140.62
Less:- Other unallocated expenditure net of unallocable income							32.10
Add : -Share in net profit / (loss) of associate		0.12		0.12			0.12
Profit before tax							342.00
Tax expenses							85.27
Profit after tax							256.73

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Notes to the Consolidated Financial Statements as at March 31, 2022

B. Information about reportable segments (contd..)

(₹ crore)

For the year ended March 31, 2022							
Particulars	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total Reportable segments	Other segments	Elimination	Total
Capital Employed							
Segment assets	3,240.93	1,825.31	1,614.82	6,681.06	37.20	(224.09)	6,494.17
Unallocable corporate and other assets				-			113.35
Total Asset	**3,240.93**	**1,825.31**	**1,614.82**	**6,681.06**	**37.20**	**(224.09)**	**6,607.52**
Segment liabilities	2,559.23	1,170.04	1,033.58	4,762.85	7.77	(224.09)	4,546.53
Unallocable corporate and other liabilities				-			40.57
Total Liabilities	**2,559.23**	**1,170.04**	**1,033.58**	**4,762.85**	**7.77**	**(224.09)**	**4,587.10**
Capital expenditure	23.47	33.98	65.37	122.82	2.41	-	125.23
Capital expenditure -Unallocable							5.24
Depreciation and Amortisation expense	36.02	23.02	31.46	90.51	0.96	-	91.47
Depreciation and Amortisation- Unallocable							6.38

(₹ crore)

For the year ended March 31, 2021	Reportable segments						
Particulars	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total Reportable segments	Other segments	Elimination	Total
External revenues	2,742.82	2,357.19	1,246.54	6,346.55	41.47	-	6,388.02
Other income	9.44	5.37	0.26	15.07	0.10	-	15.17
Unallocable Income							3.44
Intersegment revenue	165.21	6.64	22.97	194.82	1.48	(196.30)	-
Segment revenue	**2,917.47**	**2,369.20**	**1,269.77**	**6,556.44**	**43.05**	**(196.30)**	**6,406.63**
Segment profit (loss) before tax & Finance Cost	68.00	266.33	32.80	367.14	3.46	-	370.60
Less :- Interest expense							136.04
Less:- Other unallocated expenditure net of unallocable income							26.28
Profit before tax							208.28
Tax expenses							47.77
Share in net profit (loss) of associates / JV accounted by Equity method	-	(0.00)	-	(0.00)	-	-	(0.00)
Profit after tax							160.51
Capital Employed							
Segment assets	2,090.00	1,551.42	1,164.31	4,805.73	50.57	-	4,856.31
Unallocable corporate and other assets							142.67
Total Asset	2,090.00	1,551.42	1,164.31	4,805.73	50.57	-	4,998.98
Segment liabilities	1,584.00	968.81	725.03	3,277.84	8.43	-	3,286.27
Unallocable corporate and other liabilities							28.83
Total Liabilities	1,584.00	968.81	725.03	3,277.84	8.43	-	3,315.10
Capital expenditure	12.83	9.24	25.26	47.34	1.67	-	49.01
Capital expenditure -Unallocable	-	-	-	-	-	-	6.80
Depreciation and Amortisation- Expense	35.69	21.14	30.55	87.38	0.77	-	88.15
Depreciation and Amortisation- Unallocable				-			5.29

C. Information about geographical areas

(₹ crore)

(a) Revenue from external customers	For the year ended March 31, 2022	For the year ended March 31, 2021
- Within India*	5,712.04	3,829.53
- Outside India	3,607.95	2,558.49
	9,319.99	**6,388.02**

*include deemed exports ₹42.54 crore (Previous year ₹77.52 crore)

Notes to the Consolidated Financial Statements as at March 31, 2022

(₹ crore)

Revenue from external customers outside India currency wise	March 31, 2022	March 31, 2021
USD (US Dollar)	3,291.05	2,050.78
EUR (EURO)	180.89	150.23
GBP (British Pound)	0.75	-
CAD (Canadian Dollar)	5.08	97.09
SGD (Singapore Dollar)	0.08	0.13
AUD (Australian Dollar)	3.16	13.82
NPR (Nepalese Rupee)	0.24	
INR	126.70	246.43
Total	**3,607.95**	**2,558.49**

(b) Segment Assets	For the year ended March 31, 2022	For the year ended March 31, 2021
- Within India	6,116.40	4,662.81
- Outside India	491.12	336.17
	6,607.52	**4,998.98**

Segment assets outside India currency wise	March 31, 2022	March 31, 2021
USD (US Dollar)	491.12	336.17
Total	**491.12**	**336.17**

(c). Information about Major Customers

Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Group's total revenue.

Note 48 Related party relationships, transactions and balances

A. List of Related Parties:

The Group's related party transactions and outstanding balances are with related parties with whom the Group routinely enter into transactions in the ordinary course of business. All the transactions with related parties are on arm's length basis.

a). Key Managerial Personnel:

Mr. K. N. Desai - Chairman & Managing Director

Mr. C. N. Desai - Managing Director

Mr. Rishabh Kushal Desai - Non Executive and Non Independent Director

Mr. Ramesh Iyer- Chief Financial Officer (w.e.f. February 3, 2022)

Mr. V C Diwadkar - Chief Financial Officer (till February 2, 2022)

Mr. Sanjaya Kunder- Company Secretary

b). Independent Directors

Mrs. Nina Kapasi

Mr. F. B. Virani

Mr. Rajesh Sehgal

Mr. Kaushal Sampat

c). Associate Company

Ampoil Apar Lubricants Private Limited (40% shareholding acquired for ₹0.40 crores w.e.f. Sep 19, 2020)

d). Relatives of Key Managerial Personnel

Ms. Maithili N. Desai

Mrs. Noopur Kushal Desai

Mrs. Harshana R. Desai

Ms. Gaurangi K. Desai

Mrs. Jinisha C. Desai

Mr. Devharsh C. Desai

Ms. Nikita C. Desai

e). Entities controlled by key management personnel/ individuals having significant influence:

APAR Corporation Private Ltd and its' subsidiaries, viz

a) APAR Investment (Singapore) Pte. Ltd.

b) APAR Investment Inc.

APAR Technologies Private Limited

APAR Technologies Pte Ltd

Chaitanya N. Desai Family Private Trust

Maithili N. Desai Family Private Trust

Maithili N. Desai Family Private Trust No. 2

Catalis World Private Ltd

Gayatri Associates

Maithili Trusteeship Services Private Limited

Kushal N. Desai Family Private Trust

Narendra D. Desai Family Private Trust

Hari Haribol Dairy Products Private Limited

EM & EM Personal Care Private Limited

Cutting Chai Technologies Private Limited

Annamrita Foundation, Mumbai

DDMM Heart Institute (GMCC Care & Research Society)

Dharmsinh Desai Foundation

Sri Nityanand Education Trust

Notes to the Consolidated Financial Statements as at March 31, 2022

B. Related Party Transactions

(i) Associate company:

(₹ crore)

Sr. No.	Transactions	2021-22	2020-21
1	Sale of finished goods/ Raw materials / traded goods	0.52	0.30

Sr. No.	Balances outstanding as at year end	2021-22	
1	Investment made	0.40	0.40
2	Receivable from associate company for supply of raw material & finished goods	0.24	0.28

(ii) Key Managerial Personnel :

(₹ crore)

Sr. No.	Transactions	2021-22	2020-21
1	Remuneration	12.33	6.31
2	Dividends paid (payment basis)	17.56	-
3	Sitting fees	0.14	0.12

(₹ crore)

Sr No.	Balances outstanding as at year end	2021-22	2020-21
1	Commission payable	6.09	3.86

(iii) Relatives of Key Managerial Personnel:

Sr. No.	Transactions	2021-22	2020-21
1	Dividends paid (payment basis)	0.13	-
2	Salary paid	0.10	0.04

(iv) Entities controlled by key management personnel/individuals having significant influence:

(₹ crore)

Sr. No.	Transactions	2021-22	2020-21
1	Rent paid	1.32	1.30
2	Dividends paid (payment basis)	4.29	-
3	Sale of finished goods/ Raw materials / traded goods/services	0.05	0.04
4	Purchase of finished goods/ Raw materials / traded goods/services	0.30	0.03
5	Corporate social responsibility expenses	3.38	3.33

(₹ crore)

Sr. No.	Balances outstanding as at year end	2021-22	2020-21
1	Receivable for supply of finished goods / services	0.48	0.08
2	Payable for supply of finished goods / services	0.03	0.00
3	Borrowings	13.04	30.36
4	Security deposit given	0.11	0.08
5	Commitments	7.76	1.19

C. Compensation of key management personnel of the Group

(₹ crore)

Sr. No.	Nature of transaction	2021-22	2020-21
1	Short-term employment benefits	12.01	5.95
2	Post Employment benefis	0.20	0.19
3	Other Long term employee benefits	0.12	0.17
		12.33	**6.31**

Notes to the Consolidated Financial Statements as at March 31, 2022

Note 49 Contingent liabilities and Commitments

(₹ crore)

Particulars	March 31, 2022	March 31, 2021
A) Contingent liabilities and commitments (to the extent not provided for)		
Contingent liabilities		
a) Claims against the group not acknowledged as debts -		
i) Demand/ Show cause-cum-demand notices received and contested by the group with the relevant appellate authorities:		
Excise duty	7.08	6.03
GST	15.39	21.73
Customs duty	2.40	2.40
Sales tax	12.99	12.66
Income tax	10.74	12.03
ii) Arbitration award regarding dispute of alleged contractual non-performance by the Group, against which the Group is in appeal before Bombay High Court.	15.00	14.54
iii) Labour matters	0.05	0.05
iv) Others	17.13	19.23
b) Guarantees		
i) Letter of Guarantees given by the Group.	4.65	8.59
B) Capital commitments		
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	41.86	37.87

Notes:

1 It is not practicable for the Group to estimate the timing of the cash outflows, if any, in respect of the matters in note a (i) to a (v) of claims against the Group not acknowleged as debts mentioned in A - Contingent Liabilities, pending resolution of the arbitration/appallate proceedings. The liability mentioned as aforesaid includes interest except in cases where the Group has determined that the possibility of such levy is very remote.

2 The cash outflows in respect of Corporate Guarantees mentioned in note b of A - contingent liabilities, could generally occur upto the period over which the validity of such guarantees extends or it could occur any time during the subsistence of the borrowing to which the guarantees relate.

3 The Group does not expect any reimbursements in respect of the above contingent liabilities.

4 The guarantee given are issued in the ordinary course of business from which it is anticipated that no material liability will arise.

Note 50 Expenditure on Research and Development:

(₹ crore)

(A)	R & D Center-OIL (Rabale - DSIR Recognised)	2022-21	2020-21
(a)	Salary, wages and other benefits	2.37	2.17
	Consumables and Other expenses	0.14	0.19
	sub-Total	2.51	2.36
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	-	0.42
		-	0.42
	Total	**2.51**	**2.78**

(₹ crore)

(B)	R & D Center-Conductor (Silvassa)	2022-21	2020-21
(a)	Salary, wages and other benefits	-	-
	Consumables and other expenses	0.86	2.03
	sub-Total	0.86	2.03
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	0.54	0.51
		0.54	0.51
		1.40	**2.55**

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Notes to the Consolidated Financial Statements as at March 31, 2022

(C)	R & D Center-Cable (Khatalwada)	2022-21	2020-21
(a)	Salary, wages and other benefits	0.28	0.21
	Consumables and other expenses	3.77	1.08
	sub-Total	4.05	1.29
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	-	-
	Total	**4.05**	**1.29**
	Grand Total (A+B+C)	**7.97**	**6.62**

Note 51 IND AS 115 - Revenue from Contracts with Customers

(₹ crore)

i. Revenue from contracts with customers	2021-22	2020-21
Revenue recognised at point in time	9,221.03	6,310.60
Revenue recognised over time	98.96	77.42
Total revenue from contracts with customers	**9,319.99**	**6,388.01**

ii. Disaggregated revenue

The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on Profit or Loss and is measured consistently with profit or loss in the consolidated financial statements. Operating segments have been identified on the basis of nature of products / services.

The Group uses the same operating segment information for reporting purposes in all its communication to various stakeholders i.e. annual report, investor presentations

	2021-22	2020-21
Within India (including deemed exports)	5,712.04	3,829.53
Outside India	3,607.95	2,558.49
	9,319.99	**6,388.02**
iii. Sales by performance obligation		
Upon shipment	9,221.03	6,310.60
Upon providing of services	98.96	77.42
	9,319.99	**6,388.01**
iv. Contract balances		
Contract assets		
As at April 1	0.73	6.15
Add: Addition during the year	8.77	0.73
	9.50	6.88
Less: Trasferred to Receivable	0.73	6.15
As at Mar 31	**8.77**	**0.73**
Contract liabilities		
Advances from customers		
As at April 1	106.39	64.08
Add: Addition during the year	311.76	70.31
	418.14	134.38
Less: Revenue recognised during the year	201.22	28.00
As at Mar 31	**216.93**	**106.39**

Refer note no 14 - for contract assets balances & note no 25 for contract liabilities

v. Remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are having performance obligations, which are a part of the contracts that has an original expected duration of one year or less.Hence, the Group has applied practical expedient as per para 121 of the Ind As 115 in regards to remaining performance obligations.

Notes to the Consolidated Financial Statements as at March 31, 2022

Note 52 IND AS 116 - Leases

(₹ crore)

Particulars	2021-22	2020-21
Right of use Assets		
Addition during the year	15.76	14.55
Deletion during the year	(6.29)	(4.32)
Amortisation for the year	7.72	7.60
Carrying value at the end of the year	62.27	57.00
Maturity Analysis of lease liabilities		
Less than 1 year	6.35	5.53
1 - 2 years	7.27	4.40
3 - 5 years	18.62	14.14
More than 5 years	35.07	36.57
Total undiscounted lease liabilities at the year end	67.31	60.65
Recognised into statement of Financial Position		
Non Current	60.93	55.11
Current	6.35	5.53
Amount recognised into Profit & Loss account		
Amortisation of Right of use assets	7.72	7.60
Interest expenses on Lease liabilities	2.44	2.54
Expenses relating to Short term leases & low value assets leases	1.99	1.78
The expense relating to variable lease payments not included in the measurement of lease liabilities Income from subleasing right-of-use assets	-	-
Gains or losses arising from sale and leaseback transactions	-	-
Amount recognised into Cash flows		
Total cash outflows of lease payments (including short term leases & low value assets leases	10.01	9.63

The Group has applied paragraph 6 of IND AS 116; for accounting of Short term leases having lease period of less than 12 months and leases for which the underlying asset if of low value.

Lease payments associated with these leases are accounted either on straight line basis over the lease term or another systematic basis which is more representative of the lease payment pattern.

Note 53 Master Netting

The following table presents the recognised financial instruments that are subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2022 and March 31, 2021.

₹ crore

Particulars	Effects of offsetting on the consolidated balance sheet		
	Gross and net amounts of financial instruments in the consolidated balance sheet	Related amounts that are not off set	Net amounts
March 31, 2022			
Financial assets			
Derivative instruments			
Forward contract/Futures	203.87	86.90	116.96
Total	**203.87**	**86.90**	**116.96**
Financial liabilities			
Derivative instruments			
Forward contract/Futures	89.00	86.90	2.10
Total	**89.00**	**86.90**	**2.10**

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Notes to the Consolidated Financial Statements as at March 31, 2022

₹ crore

Particulars	Effects of offsetting on the consolidated balance sheet		
	Gross and net amounts of financial instruments in the consolidated balance sheet	Related amounts that are not off set	Net amounts
March 31, 2021			
Financial assets			
Derivative instruments			
Forward contract / futures	28.47	22.58	5.89
Total	**28.47**	**22.58**	**5.89**
Financial liabilities			
Derivative instruments			
Forward contract / futures	47.65	22.58	25.07
Total	**47.65**	**22.58**	**25.07**

Group enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreement. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in same currency are aggregated into a single net amount that is payable by one party to other.

In certain circumstances e.g. when a credit event such as default occurs-all outstanding transactions under the agreement are terminated, the termination value is assessed and only a net amount is payable in the settlement of all transactions.

The ISDA master netting agreement do not meet the criteria for offsetting in the consolidated balance sheet. This is because the Group does not have any currently legally enforceable right to offset recognized amounts, because the right to offset is enforceable only on default.

Note 54 Additional Disclosures

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.

(ii) The Group did not have any material transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the financial year.

(iii) The group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The group have not traded or invested in Crypto currency or Virtual Currency during the period/year.

(v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

vii) The group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

viii) The group is not declared as willful defaulter by any bank or financial Institution or other lender.

ix) During the year group has not entered into any scheme of arrangement.

Notes to the Consolidated Financial Statements as at March 31, 2022

Note 55 Additional Disclosures

Interest paid on delayed payment of Income Tax for the Financial Year 2015-16 to Financial Year 2018-19 had been erroneously recorded into "Non-current Tax Assets" instead of charging it to the Profit and Loss of the respective years. As a consequence, profit for these respective years has been overstated. During the reporting year, the error has been rectified as per IND AS 8 by charging it to the retained earnings as on April 1, 2020 (the earliest prior period presented). Accordingly, restated financial position as on April 1, 2020 and March 31, 2021 is as under;

Particulars	As on March 31, 2021	Adjustment	As on March 31, 2021
	Previously Reported		Restated
Non current Tax Assets (net)	25.35	(9.68)	15.67
Total non current assets	966.09	(9.68)	956.41
TOTAL ASSETS	**5,008.66**	**(9.68)**	**4,998.98**
Other equity	1,370.93	(9.68)	1,361.25
Total equity	1,409.20	(9.68)	1,399.52
TOTAL EQUITY AND LIABILITIES	**5,008.66**	**(9.68)**	**4,998.98**

Particulars	As on April 1, 2020	Adjustment	As on April 1, 2020
	Previously Reported		Restated
Non current Tax Assets (net)	21.84	(9.68)	12.16
Total non current assets	986.57	(9.68)	976.89
TOTAL ASSETS	**4,653.80**	**(9.68)**	**4,644.12**
Other equity	1,128.16	(9.68)	1,118.48
Total equity	1,166.43	(9.68)	1,156.75
TOTAL EQUITY AND LIABILITIES	**4,653.80**	**(9.68)**	**4,644.12**

Note 56 Figures for previous year have been regrouped, wherever necessary

As per our report attached

CNK & Associates LLP
Chartered Accountants
Firm's Registration No.: 101961W / W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391

Place: Mumbai **Date:** 27th May, 2022

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman, Managing Director
& Chief Executive Officer
DIN: 00008084

Nina P. Kapasi
Director
DIN: 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

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