

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.

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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)	State	District	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 Implementation Direct (Yes/No)	Name	Mode of Implementation Through Implementing Agency. 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 healthcare research centre.	i	No	Gujarat	Kheda	1,98,00,000	No	Dharmsinh Desai Foundation, Nadiad	CSR00007252

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(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:

- Independent Directors and Non Executive –Non Independent Director are paid only sitting fees.
- The percentage increase in the median remuneration of employees for the financial year 2021-22 was around 4.90%.
- There were 1,428 permanent employees on the rolls of Company as on March 31, 2022.
- 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.
- Remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.