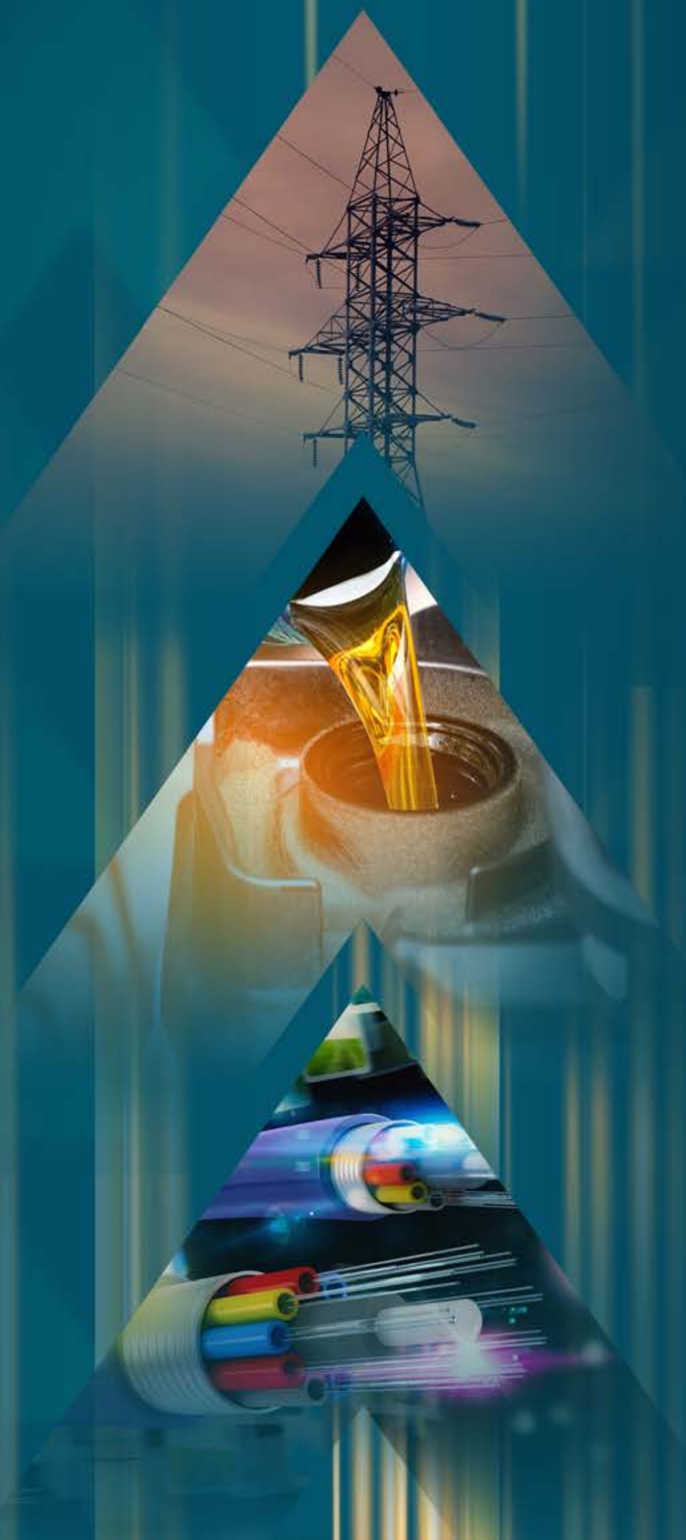
APAR

Tomorrow's solutions today

Ascending Passionately, Achieving Responsibly.



APAR Industries Limited

Annual Report 2022-23

INDEX

The term **"APAR,"** which is the Sanskrit word for limitless, appropriately expresses our relentless dedication to significantly enhance the energy efficiency, environmental sustainability and safety of our world. It embodies the idea of making boundless contributions to these aspects.

Our determination of staying ahead of market trends and anticipating future needs has propelled us to become a leading market player across seven diverse business portfolios, encompassing cable solutions, conductors, lubricants, specialty oils, specialty automotive, polymers and telecom solutions.

For more than 64 years, we have pursued prowess in manufacturing and distribution, catering to the energy sector's production, distribution and consumption demands of tomorrow. Our contribution has led us to grow into the 1.75-billion-dollar diversified company present in over 140 countries.

In the fiscal year 2023, we achieved remarkable top-line and bottom-line performance expansion, driven by factors such as heightened demand for green energy, globalisation, elevated export revenue, premiumisation and the provision of unique custom-made products.

As we continue to grow, we remain committed to making a positive impact on the world around us, upholding the highest standards of integrity and social stewardship. Our Corporate Social Responsibility (CSR) programs ensure that it is our core morality to give back to society, transforming over one million lives each year and extending our achievements beyond business success.

Therefore, APAR embodies the endless pursuit of excellence, where our DNA drives us to keep **Ascending Passionately, Achieving Responsibly.**

India and the world are currently experiencing a surge in power generation requirements, an immense drive towards renewable energy and rapid advancements in the infrastructure sector. By effectively meeting this escalating demand and delivering impactful solutions to our valued clients, we achieved a consolidated revenue growth of 54% to reach ₹ 14,352 crore in FY23. Furthermore, our net profit reached an all-time high of 638 crore, representing a 148% increase from the previous fiscal year.

Over the years, APAR has solidified its reputation as a trusted leader, serving prominent companies in power generation, transmission, distribution, automotive, telecom, railways and defence sectors globally.

This annual report emphasises our unwavering dedication to exemplifying our company tagline of "Tomorrow's solutions today" while placing utmost importance on customer satisfaction and longevity in every aspect of our operations.

Leading the Innovation Curve

At APAR, we are passionately gearing up to tackle the biggest challenges of the 21st century, including fair global business practices and sustainability. Fuelled with an innovation-first mindset to deliver solutions that make anything possible has led us to become:

#1

World's Largest aluminium & alloy conductor manufacturer

India's largest and world's 3rd Largest transformer oils manufacturer

India's largest exporter and producer of renewable & speciality cables

Top 10

Lubricant players in India

1st

and only Indian company to provide end-to-end telecom solutions in copper and fibre

Indian company to get AdBlue certification by VDA, Germany

Key Highlights of FY23

Financials (₹ in Crore)

14,352
Revenue from operations

1,320
EBITDA

638
Profit after tax

People

1,600+
Employees

10,00,000+
Lives impacted

Environmental highlights

25% ↓
in carbon intensity

12% ↓
Water footprint

10% ↓
GHG (greenhouse gas) emission

15%
Energy from renewable sources

Operational (₹ in Crore)

6,994
Export business

140+
Countries active presence

7,358
Domestic business

248
Capex

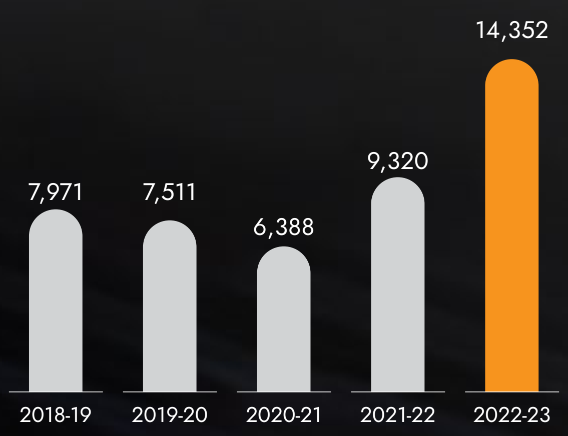
The Ascending Journey

The transformational journey over the past decade and investment in R&D made during the past several years has helped us achieve an all-time high on top-line, bottom-line and export revenues in FY23.

Here is a synopsis of how we have ascended over the years delivering sustainable and customised solutions to our customers:

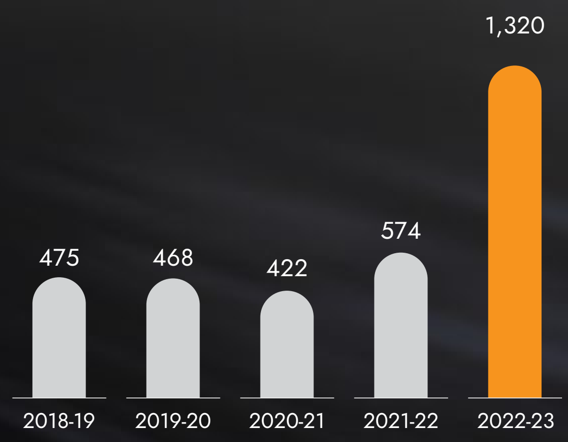
Revenue from operations

(₹ in Crore)



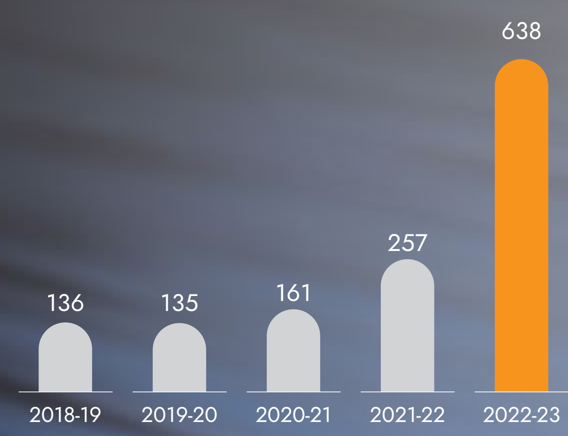
EBITDA

(₹ in Crore)



Net Profit

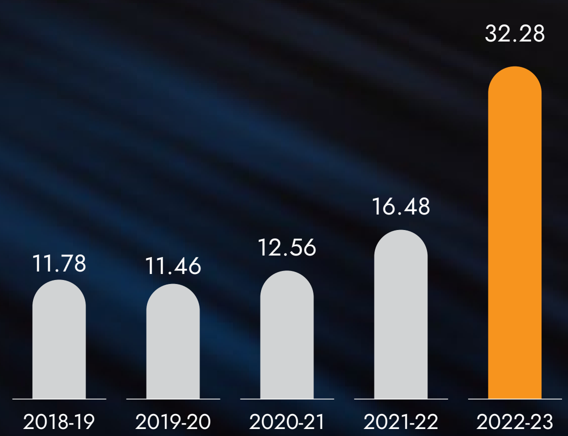
(₹ in Crore)



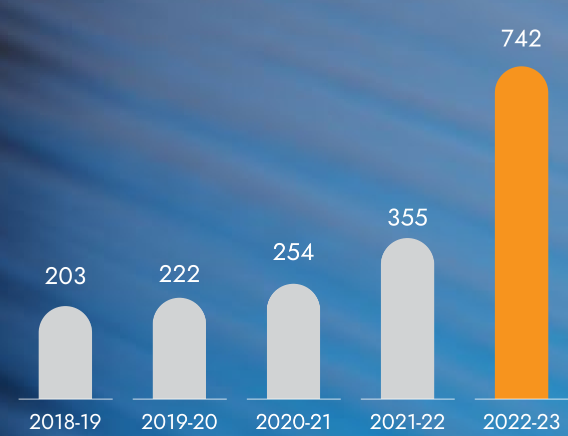
Debt/Equity Ratio

ROE

(in %)



Cash Profit (PAT+Dep.)



Breaking Barriers

DEFYING LIMITS

APAR Industries was founded in 1958 in India. Over 60 years later, we have grown into a diversified 1.75-billion-dollar company present in over 140 countries as a highly trusted manufacturer and supplier of conductors, a wide variety of cables, speciality oils, polymers and lubricants. At APAR, we have excelled at what we do because of who we are: relentless pioneers who constantly push ourselves to discover, perfect and deliver **"Tomorrow's solutions today."**

EMBRACING OPPORTUNITIES

Our single-minded focus on problem-solving to deliver the best results takes on several forms. We emphasise consistently optimising our manufacturing facilities (NABL, ISO 9001, ISO 14001 and ISO 45001 accredited) and testing centres to ensure better costs for our clients. We seek to find solutions that align with our core values of integrity, honesty and accountability to every stakeholder: our customers, employees and shareholders.

Our Mission

To design & manufacture Building Blocks for Energy Infrastructure, Transportation & Telecommunication Sectors that contribute meaningfully to make this world a more energy efficient, environmentally sustainable and safer place.

Our 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:

IDEAL

A P A R I A N

Innovation
Go beyond obvious solutions

Driven
Proactively strive for better outcomes

Entrepreneur
Empowered to take ownership

Accountability
Responsible for sustainable growth

Leadership
Inspire to lead the innovation curve

Our Holistic Offerings for the Energy Sector

APAR Industries' journey began in **1958**, started by the founder 11 years after independence by **Shri Dharmsinh.**

He envisioned noteworthy progress in the power sector for the betterment of the nation.

1969, A decade later we diversified into the oil business, which began with Transformer oils. As the success of the business grew in oils and the power segment

Over the next **3 decades,** APAR grew its oil and conductors' business to offer more value-added products.

We broadened our oil portfolio to an extensive array of transformer oils, white oils, petroleum jelly, industrial lubricants and automotive lubricants.

2007, APAR tied up with Eni, the internationally renowned lubricant brand. Thus, diversifying into the premium automotive lubricants & industrial lubricants segment.

2008, APAR entered the cable business with an acquisition and now services the B2B and B2C segments

2014 backward integrated into the polymers business, acquiring expertise in polymer compounding for self-consumption as a raw material in the production of specialised cables.

2017, APAR enters the light-duty cables industry,

2020, APAR Anushakti was launched as the official flagship house wire.

2020 APAR powered through the pandemic. Throughout the organisation, there were zero layoffs. APAR underwent a brand transformation to meet the future-forward vison.

2021 entered Speciality Automotive Business under the brand name ARKOS offering holistic mobility solutions including AdBlue and car Batteries and tyres.

2022 Launched special EV tyres and harness for cables in electric vehicles.

2023 Released our first Pan-India TV ad campaign on the WPL (Women's Cricket League)

Industries we catered to

The Pillars of APAR

As a technology-driven and customer-centric organisation, we provide cutting-edge, value-driven solutions that effectively address the genuine business challenges faced by our clients. In this pursuit, our expertise, manufacturing excellence, strong market presence and diversified product portfolio have been pivotal in more than 140 countries worldwide.

Let us delve into these four cornerstones of novelty and notable achievements that have been instrumental in our extraordinary journey, establishing a solid groundwork for sustained success in the years to come.

R&D Prowess

Driven by our unwavering promise of innovation, our Research & Development (R&D) endeavours serve as the driving force behind our continuous quest to discover, perfect and deliver "Tomorrow's solutions today." With relentless dedication, we strive to push the boundaries of engineering with groundbreaking advancements that shape the landscape of the energy sector, improve profitability and ensure customer satisfaction.

- Innovated best-in-class 99% biodegradable natural ester transformer oil
- Designed special solid shaped conductors for low, medium and high voltage multi-core power cables
- First cable company to prepare the component specs and assembly drawings of electric passenger vehicles in India (EV wiring solutions and harness)
- Introduced TPE, TPV and TPO and speciality polymers for Automobile sector
- Launched a special premium grade of lubricants to support tractors and its equipment to function at optimum state

Manufacturing Excellence

APAR today stands firm on the back of its strong manufacturing capabilities (nine manufacturing facilities in India and one in Sharjah, UAE) for each business portfolio that meets the stringent national and international parameters.

4 **Conductors**
Athola Silvassa, Jharsuguda, Lapanga

2 **Cables**
Khatalwada, Umbergaon

3 **Oils**
Rabale, Silvassa, Sharjah

1 **Polymers**
Umbergaon

At APAR, we place great emphasis on achieving manufacturing excellence in our production facilities. We strive to maximise operational efficiency, reduce costs, minimise waste, augment product features and exceed customer expectations. Our holistic approach aligns people, processes, technologies and resources to optimise production and deliver superior results, quality and after sales value.

- Six sigma and kaizen initiatives driving continuous improvement and reducing inefficiencies
- Speciality Oil plant at Rabale achieves over 150 days of zero-defect production

- Proud to own India's largest electron beam facility dedicated for the irradiation of cables (4 electron beam machines, one 1.5 MeV, two 2.5 MeV and one 3 MeV)
- Received the highest number of UL approvals in India for export of wires and cables to USA
- 1st Indian company to get an approval from Hasbro Inc. for supplying Speciality Thermoplastic Elastomer
- Hamriya plant operating at 104% capacity, while the petroleum jelly plant at Rabale is running at 100%, full capacity

Strong Market Presence

We have solidified our market presence by diligently securing necessary approvals from esteemed buyers and regulatory authorities. Even during times of crisis and supply chain disruptions, we have delivered high-quality products to clients across all seven continents, ensuring timely and reliable service.

- Exporting to over 140+ countries globally
- India's largest exporters, a leader in CATV/broadband fibre optic cables
- Export cables sales contribution of 51%, largely serving developed countries
- Sharjah speciality oils plant serves Middle East & East Africa regions
- Pioneer in transformer oils in India, 60% market share in power transformers
- First Indian wire and cable company to venture into the harness segment for diverse applications such as electric vehicles (EV), solar energy, locomotives and more

Diversified Product Portfolio

We possess a diverse product portfolio that caters to an array of customer requirements for both traditional and specialised products. By comprehensively understanding their challenges and bring forth customised solutions that precisely address every specific requirement.

- 400+ different types of Speciality Oils
- A leading player in the automotive lubricants industry, with over 1,200 products available under Eni, ARKOS and POWEROIL brands
- Offering specialised EV tyres and batteries for two and four-wheeler segment under the ARKOS brand

- Manufacturing various bare overhead conductors including traditional and new generation
- Completed over 150+ HTLS turnkey solutions projects in last 5 years with zero-accidents
- As India's top-rated manufacturer of renewable and specialised cables, we are paving our expansion into the B2C segment, introducing APAR Anushakti house wires with 50 years of life and high safety features

The Collective Power Of Our Brands

APAR CONDUCTORS

With a capacity of over 1,80,000 MT, we are world's largest manufacturer of conductors. Our conductors' business places an increasing emphasis on the premiumization of products and a leading provider of highly safe and efficient specialised turnkey solutions.

Read more on page **16**

APAR SPECIALITY OILS POWEROIL® Powering Ahead

With a total volume surpassing 4,00,000 KL, APAR is gratified to be worlds 3rd largest producer of transformer oil and India's largest private blender and marketer of speciality oils.

Our esteemed brand POWEROIL, encompasses over 350 grade oils, offering more than 500 variants of transformer oils, white oils, petroleum jelly and process oils.

Read more on page **20**

APAR CABLE SOLUTIONS APAR TELECOM SOLUTIONS

We are India's foremost exporter of wires and cables and take pride in offering the largest range of specialty cables catering to a wide spectrum of industrial verticals, public and private utilities, industrial applications and telecommunications.

Our Light Duty brands under this vertical

APAR Anushakti APAR Mahashakti APAR Shakti

Read more on page **28**

APAR LUBRICANTS eni POWEROIL® Powering Ahead

As premier manufacturers of automotive and industrial lubricants, we are the largest marketeers of metalworking fluids, hydraulic and turbine oils in India.

Our distinguished brands, POWEROIL and Eni (under a licensed agreement with Eni S.p.A., Italy for the Indian and other South Asian markets) have garnered a loyal customer base spanning across the globe.

Read more on page **34**

APAR AUTOMOTIVE ARKOS

Our newest brands, ARKOS (tie-up with PSPL, Singapore) offers a holistic spectrum of batteries, tyres and lubricants, and POWEROIL AdBlue (agreement with VDA Germany) additive, fulfilling anticipated mobility needs of tomorrow.

Read more on page **38**

APAR POLYMERS APARPRENE

Our polymer division has built a standing for the highest quality, timely delivery and competitive prices. Our brand APARPrene® is India's leading manufacturer of ISO certified thermoplastic elastomers, thermoplastic vulcanizates, and various other polymer compounds and customisable products.

Read more on page **40**

APAR Conductors Business

World's largest aluminium & alloy conductor manufacturer

Since its establishment in 1958, APAR's conductor business has made significant contributions to the development of India's power transmission and distribution infrastructure. We have consistently remained at the forefront of technology, pioneering the manufacturing and supply of a diverse bare overhead aluminium conductors.

Our offerings encompass both traditional conductors and progressive new generation conductors such as High Temperature Low Sag (HTLS) conductors.

Conductors are crucial in efficiently transmitting electrical energy from power generation sources to end consumers, primarily through overhead power lines. Our comprehensive range of conductors have been well-received in the market and caters to the evolution of the power industry. We have obtained product approvals from leading EPC contractors worldwide, further establishing our credibility.

As the demand for electricity continues to grow, we have established ourselves as the world's largest producers of aluminium conductors. We are actively involved in uplifting India's power grids and distribution infrastructure through our turnkey solutions vertical. With strategically located production facilities in Silvassa and Odisha, India, we ensure efficient manufacturing and supply of conductors by maintaining a geographically well-distributed presence.

FY 23 highlights

(₹ in Crore)

7,013
Revenue
67% YoY ↑

716
EBITDA
267% YoY ↑
margin at 10.2%

706
EBITDA post adj*
284% YoY ↑
margin at 10.1%

*After adjusting open period forex, before unallocable expenditure (net of income)

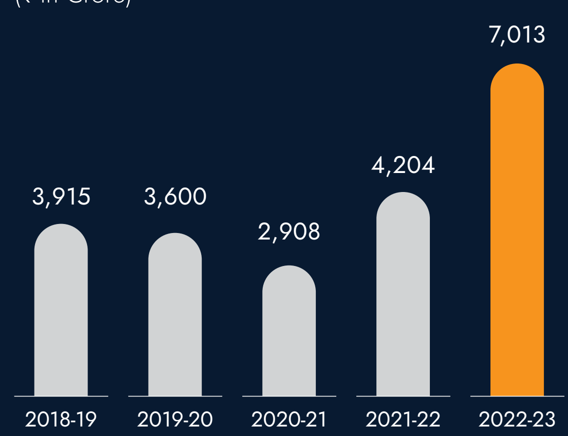
1,60,131
MT Volume
49% ↑

44,700
EBITDA per MT
147% YoY ↑

44,114
EBITDA* per MT
158% YoY ↑

Revenue from operations

(₹ in Crore)



Key growth Drivers

In FY 2023, by leveraging these growth drivers, we have broadened our market presence, attracted new customers and successfully catered to the increasing demand for upgraded power transmission and distribution systems globally:

Companies adopting China plus one policy:

The "China Plus One" policy refers to companies diversifying and reducing their dependence on China by establishing alternative manufacturing sources. Post Covid, as companies seek alternative suppliers for conductors, we quickly capitalised on this market opportunity.

This trend has been observed in a steep growth in demand for our OPGW (Optical Ground Wire) conductors, a combination of optical fibres with overhead power conductors for communication and power transmission purposes.

Upgrade and uprate of power transmission & distribution:

As the power transmission and distribution infrastructure ages or becomes inadequate to meet the growing energy demands, there is a need for upgrading and uprating the systems. This includes replacing old conductors with advanced ones that can handle higher power capacity and reduce transmission losses.

As companies and utilities seek premium and efficient conductors for infrastructure improvement projects, APAR has positioned itself as a steadfast counterpart for executing large-scale projects. We offer comprehensive solutions that entail designing, engineering, manufacturing and turnkey services, providing an end-to-end project advantage.

Government investing in infrastructure:

Governments of both developed and developing nations have made substantial investments in infrastructure of power, railway and metro projects. APAR has positioned itself as a trusted partner by actively participating in these infrastructure projects and offering tailor-made solutions.

Infrastructure projects, including the construction of renewable power plants, substations and transmission lines, necessitate using high-quality conductors to ensure reliable and efficient energy transmission. APAR has successfully catered to these requirements by supplying superior conductors for such projects.

We are the first Indian company to design, manufacture and supply indigenous copper-silver contact wire and flexible dropper wire for fast trains as per RDSO specifications. We have actively contributed to the electrification project of Indian Railways, playing a key role in providing the necessary conductors for this initiative. Furthermore, we are the sole approved Indian manufacturer to supply 12 sq.mm Cu-Mg catenary wire to Delhi Metro, meeting their specific requirements.

Innovation stories

1

Transforming India's Transmission Lines with HTLS Conductors' Turnkey Solutions

Our determination to lead the innovation curve in the conductor industry has propelled us to pioneer turnkey solutions for reconductoring existing transmission lines with HTLS conductors. We have successfully executed over 150+ complex projects (4,200+ circuit km) of HTLS conductors across some of India's most challenging terrains and conditions.

One such project was an engineering marvel, where 800 circuit km of reconductoring was completed in North and South Bihar in a record time of 7.5 months.

We have also achieved expertise in hotline stringing, live line replacement of OPGW (installed over 6,500+ km), the highest installation in the industry whilst ensuring the maximum level of safety standards are upheld.

2

Record production and supply of OHE conductors for electrification projects of Indian Railways

Indian Railways has set for itself a mammoth task of completing 100% electrification of its tracks by 2024, reducing the carbon footprint of the Indian railway industry massively.

With the Government of India placing increased emphasis on railway electrification, there has been a significant rise in the demand for OHE (Overhead Equipment) conductors, surpassing the available supply for the Indian Railways. Recognising this growing demand for premium copper and copper alloy products, APAR escalated its production capacity of these specialised products.

By bridging the demand gap and consistently delivering flawless quality, APAR successfully introduced new-generation OHE conductors, leading to the company securing the largest contract in the history of the Central Organisation of Railway Electrification. To date, we have supplied over 45,000 metric tons to the Indian Railways.

3

Elevating Industry standards with new launches

With the launch of these inventive premium products, we meet the market's evolving imperatives, driving technological advancements and promoting eco-consciousness in the power transmission and distribution industry.

a

Solid shaped conductors – capitalising on new market opportunities

Product innovation has been a driving force at APAR, enabling us to set trends and capitalise on new market opportunities. In FY23, we introduced a special type of solid-shaped conductor designed for the export market. Our conductor division team created these sector-shaped aluminium conductors for low, medium and high-voltage multi-core power cables, ensuring compliance with international standards. This product further enlarges our product portfolio and increases our competitiveness in the worldwide market.

b

96F OPGW conductors – safeguarding power transmission and communication networks

Leveraging our expertise, competent engineers and dedicated design team, we designed and supplied OPGW cables with a 96-fibre count, meeting an international client's precise design criteria and performance requirements. The purpose of 96F OPGW conductors is to facilitate efficient power transmission, reliable grounding and high-speed communication within a single cable, offering improved reliability, cost-effectiveness, scalability for power transmission and communication networks.

OPGW conductors improves the reliability and security of power transmission and communication networks, ensuring uninterrupted communication even during power outages or disruptions. Additionally, OPGW conductors offer increased protection against lightning strikes, electromagnetic interference and signal loss.

With 96 individual fibres, these conductors have significant capacity for data transmission and are used for long-distance communication, including telephone, internet and other data services. The integration of optical fibres within the OPGW conductor enables simultaneous power transmission and high-speed communication in a single cable.

To ensure the quality and performance of this product, it underwent rigorous type testing, design validation and evaluation of mechanical, electrical and installation performance at our NABL-accredited Laboratory (ILC-MRA approved) located at our conductor's facility in Silvassa.

c

Air expanded conductors – enhancing energy efficiency

To cater to the specific necessities of one of our American clients, our team developed special conductors utilising larger diameters of individual strands with air-filled gaps in between. The outer aluminium strands are arranged in a skeletal-type stranding to inner layers, resulting in an increased overall diameter of the conductor.

This approach enlarges the surface area-to-metal cross-section ratio, reducing corona losses and electrical stresses at the conductor surface. These air-expanded conductors are tailored to meet the unique requirements and offer improved performance in their applications.

d

Dull finished conductors: bringing connectivity and sustainability together

Recently we launched special dull finished conductors for export markets. These conductors have a controlled surface roughness treatment which offers reduced reflectivity and attains the desired level of diffuse reflectance. Hence, this helps minimise the impact on the environment as shiny conductors may reflect more sunlight, potentially affecting nearby vegetation or wildlife. Additionally, the dull finish accrues the heat dissipation properties of the conductor. By increasing the surface area and promoting better airflow around the conductor, the dull finish can aid in dissipating heat generated during electrical transmission, reducing the risk of overheating.

These specialised dull finish conductors find their purpose in interconnecting high voltage lines, enabling seamless integration of renewable energy generation. In the 21st century, sustainability stands as a paramount challenge and APAR is at the forefront of proactively addressing this crisis. We strive to lead by example, minimise our carbon footprint and set new industry standards.

APAR Speciality Oils

India's largest and world's 3rd largest transformer oil manufacturer

APAR Specialty Oils is a leading producer and marketer of a range of speciality oils under the brand name POWEROIL®. With over five decades of experience and three speciality oil facilities (two in India and one is UAE), APAR has been driving innovation in various sectors such as transmission and distribution, pharmaceuticals, cosmetics and industrial applications.

Meeting the consumer preferences and evolving market trends, we have grown to become the world's third largest and India's largest transformer oil manufacturer. The extensive gamut of POWEROIL® products is exported to over 140 countries, catering to diverse applications and industries worldwide.

Here are some of our distinguished products under Specialty Oils:

POWEROIL® Transformer Oil

Transformer oil is a crucial component in power generation, transmission and distribution systems, ensuring optimal functioning of transformers. As the preferred supplier to well-known power transformer manufacturers, POWEROIL® has pioneered the market, holding more than 60% share in high-grade power transformer oil and 40% in distribution transformer oil in India.

Our flagship product, POWEROIL® TO NE Premium, is an eco-friendly transformer oil formulated from renewable plant-based feedstocks. It is biodegradable (>90% OECD 301 B), offers excellent cooling characteristics, high oxidation stability, fire resistance and low aquatic toxicity.

POWEROIL® White Oils

Under the brand names "PEARL" and "TOPAZ," POWEROIL® offers a comprehensive spectrum of White Oils. The PEARL series is specially formulated for Pharma and Food grades, while the TOPAZ series is developed for technical grades. These White Oils are REACH registered and the PEARL grades meet HALAL, KOSHER and NSF requirements. Available in various ISO VG viscosity grades, they cater to specific applications.

POWEROIL® Petroleum Jelly

POWEROIL® Petroleum Jellies are semisolid homogenised mixtures of highly refined mineral oils, high-purity paraffin and microcrystalline waxes. They are essential ingredients in the manufacturing of cosmetics and pharma-based products for various applications. Our petroleum jellies meet the requirements of Indian, British, European Pharmacopoeias and US FDA 21 CFR 172.880. They are used in personal care products, ointments, lotions, creams, hand cleansers, release agents, leather products and more.

FY 23 highlights

(₹ in Crore)

4,656
Revenue
31% YoY ↑

248
EBITDA
14% YoY ↓
margin at 5.3%

233
EBITDA post adj*
20% YoY ↓
margin at 5.0%

**After adjusting open period forex, before unallocable expenditure (net of income)*

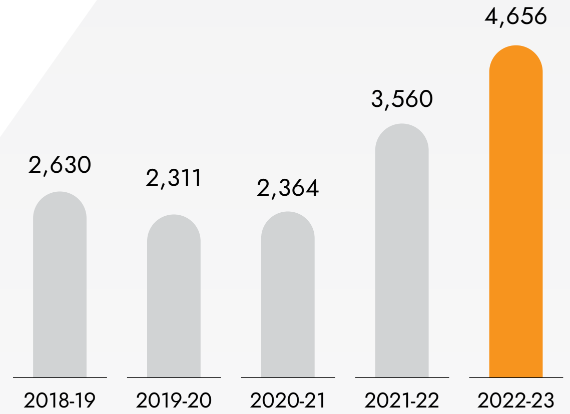
4,86,582
KL Volume
5% ↑

5,102
EBITDA per KL
19% YoY ↓

4,781
EBITDA* per KL
24% YoY ↓

Speciality Oils & Lubricants Revenue

(₹ in Crore)



Key growth drivers:

Introducing many first to market products:

Our track record of delivering make-in-India products and technologies which were predominantly imported, has positioned us as a trusted partner for cutting-edge specialty oil solutions. By staying at the forefront of technological advancements, we enjoy such advantages:

- Only Indian transformer oil manufacturer and supplier for 800kV HVDC applications
- Enjoy a significant world market share for specialised naphthenic based white oils
- Delivering consistent quality and uninterrupted supply even during the crisis
- 100% capacity utilisation of petroleum jelly plant in Mumbai and speciality oil plant in Sharjah, UAE

Rise in energy sector & sustainability:

The energy sector is currently experiencing remarkable growth due to rising power demands and a shift towards renewable energy sources. At APAR, we have been actively contributing to the energy sector, specifically in the transformer oil segment. We supply high-grade transformer oils that cater to the changes of the industry, ensuring longer transformer life and optimal performance.

In line with the growing emphasis on sustainability and eco-friendly solutions, our portfolio comprises more than 350 different types of specialty oils. These oils cover the complete voltage range, starting from 0.4kV for pole-mounted transformers and going up to 1200kV for high-voltage direct current (traction transformers).

The reliability and performance of our POWEROIL® transformer oils have been acknowledged by leading utilities globally. This recognition has propelled us to hold a substantial 40% market share in India and a dominant 70% share in the special grade application category.

Our premium specialty oils that meet the exacting requirements of the energy sector has established us as a trusted partner for utilities and transformer manufacturers worldwide. By consistently delivering superior products and maintaining strong market share, we are contributing to the growth and success of the energy industry.

Increase in demand for home and personal care products:

The demand for home and personal care products, including cosmetics, lotions, creams and ointments, is experiencing a steady rise. APAR Specialty Oils recognises this trend and has introduced a comprehensive range of white oils and petroleum jellies specifically formulated to meet the needs of the personal care industry. These specialty oils play a vital role in enhancing the performance, texture and functionality of these products.

Serving to these specific needs, we have become one of the most trusted and the world's third-largest supplier of white oils. Under our POWEROIL® PEARL brand, we manufacture a vareity of pharmaceutical and food-grade liquid paraffin, while our POWEROIL® TOPAZ brand encompasses technical-grade white oils produced from carefully selected highly refined paraffinic and naphthenic base stocks.

Our white oils and petroleum jellies are extensively exported, meeting the rigorous criteria of the Indian, American, European and British markets. We prioritise product safety and compliance, holding certifications such as REACH, GMP, FDA, NSF, HALAL and KOSHER. Additionally, we offer custom-made solutions tailored to meet the specific requirements of our customers.

With our diverse offerings of specialty oils for the personal care industry and our strict adherence to international standards and certifications, APAR Specialty Oils is well-equipped to meet the increasing demand for high-quality and compliant white oils and petroleum jellies in the global market.

Innovation stories

1

India's largest engineering company prefers POWEROIL® transformer Oil

The exceptional performance of POWEROIL® Transformer Oil has won numerous approvals and the hearts of the users globally seeking custom-made solutions.

An esteemed 85-year-old Indian multinational company required a specific high-grade insulating dielectric fluid with precise technical requirements and low gassing tendencies for their instrument transformers and bushings - a crucial electrical equipment in the power transmission and distribution network.

Our dedicated R&D team formulated a unique blend of POWEROIL® Transformer oil that offers less than +5ppm gassing tendency. During a thorough analysis of technical parameters POWEROIL® outperformed every expectation.

By consistently exceeding every expectation, we continue to solidify our position as a leading player in the transformer oil industry.

2

APAR's petroleum jelly production touches record high

FY23 marked a significant milestone for us as we achieved the highest recorded total production of Petroleum Jelly at our Rabale plant in Mumbai, reaching 5,900+ metric tons.

This remarkable achievement was driven by the increasing trust and demand from our international clients, with 82% of the production being exported.

This record-breaking export volume is a testament to the growing recognition and preference for POWEROIL® Petroleum Jelly worldwide. Our customers trust our products and rely on us for timely delivery. The optimal utilisation of resources at our factory level has played a crucial role in meeting the increasing orders.

Our complete range of petroleum jellies meets the performance and compliance requirements of the Indian Pharmacopeia (IP) and holds certifications from HALAL and KOSHER. We also offer special zero-odour grades of petroleum jelly that meet the standards of USP, EP, BP and US FDA 21 CFR 172.880. We look forward to continuing our growth trajectory across-the-board for petroleum jelly.

3

APAR's white oils gains prominence in Europe

In FY23, APAR's White Oils Pearl Series has been approved by one of Europe's leading cosmetic companies, achieved through thorough evaluations, inspections and quality analyses.

The approval is a significant milestone for us, as it will result in a remarkable 400% increase in the sales of our white oil in the European region.

Even amidst the challenges posed by global shipping issues during the COVID-19 pandemic, we have been able to maintain orders of bulk supplies, impeccable packaging and on-time deliveries. This dedication has been acknowledged by our European patrons, who expressed their appreciation and satisfaction with our services.

This achievement furthers our position as a reliable and preferred supplier in the white oil market. Moving forward, we remain dedicated to innovation, quality and customer satisfaction, while continuing to spread our reach in the European region and beyond.

APAR Cable Solutions Business

India's largest exporter and producer of renewable and speciality cables

Over the past decade, APAR's cable division has experienced a compound annual growth rate (CAGR) of 23%. In the fiscal year 2022, the wire and cable industry reached a value of around ₹ 58,000 crore. With APAR's diverse selection of specialty wires and cables, we anticipate a continued increase in our sales volume.

In the domestic market, we are actively working to raise awareness of our innovative light-duty cables, powered by electron beam technology, among all stakeholders through below-the-line (BTL), above-the-line (ATL) and digital marketing channels. We further aim to establish APAR as a renowned brand in the retail business, capturing a larger share of the market.

While India remains our primary market, APAR is committed to leading the global innovation curve and to delivering products of the highest standards. Earning a significant number of UL approvals, APAR has strengthened its market share in the US. We are also extending our export business to Europe, Australia and parts of the world.

FY 23 highlights

(₹ in Crore)

3,263
Revenue
64% YoY ↑

348
EBITDA
216% YoY ↑
Margin at 10.7%

344
EBITDA post adj*
225% YoY ↑
Margin at 10.5%

*After adjusting open period forex, before unallocable expenditure (net of income)

Cables Revenue

(₹ in Crore)

APAR Telecom Solutions

India's first and only end to end telecom solutions providing copper and fibre cables.

In response to the escalating demand for high-speed data connectivity and the increasing need for reliable infrastructure solutions, we at APAR Industries made a strategic decision in FY23 to further our OFC and telecom offerings. As part of this initiative, we introduced APAR Telecom Solutions as a separate vertical within our organisation.

The establishment of APAR Telecom Solutions allows us to optimise our operations, expand our capabilities and provide superior service to our customers in the telecommunications sector. Within this vertical, we offer a plethora of cable options, including fibre optic cables, hybrid cables, specialty cables, LAN cables, OPGW and connectorised solutions. We are India's first and only end to end telecom solutions providing copper and fibre cables. These products cater to various applications, such as duct, direct-burial, aerial, underwater, or last-mile connectivity in both rural and urban areas.

With APAR Telecom Solutions, we are well-positioned to serve the telecommunications sector with innovative and reliable solutions.

APAR Light Duty Cables Business

Delivering our promise of safety first

In FY 2023, APAR light duty cables (LDC) business experienced significant growth of 68% in the domestic market. We grew our retail presence to 13 states in India, a significant increase from 2 states in FY22.

This expansion has allowed us to reach a wider audience base and establish a strong presence in key markets. We actively participated in 14 trade exhibitions, recognising the immense value they provide in showcasing our products, engaging with industry professionals and forging valuable partnerships.

One of our flagship brands in the light duty cables segment is APAR Anushakti, a house wire brand powered by cutting-edge electron beam technology designed to provide a remarkable lifespan of 50 years. This brand has gained immense popularity due to its exceptional ability to withstand high temperatures while maintaining an increased current carrying capacity.

Our retail presence has witnessed substantial growth, with a remarkable increase of 768% as we welcomed over 120 distributors to join hands with us. By FY 2030, we aim to position APAR Anushakti as a 500 crore brand. With our constancy of innovation, customer centricity and expanding our distribution network, we are confident in our ability to achieve these goals and drive furth er success in the light duty cables market.

Key growth Drivers

The unprecedented growth in the APAR cable solutions business can be attributed to several key drivers that have shaped and influenced the industry worldwide. These drivers include:

Increasing demand for energy:

The growing population and rapid industrialisation have led to an exponential rise in the demand for energy. Cables are essential for the transmission and distribution of electricity, making them a critical component in meeting this increasing energy demand.

Infrastructure development:

The construction of power plants, smart cities, transportation networks and telecommunications systems, have fuelled the demand for cables. The expansion and modernisation of infrastructure require a reliable and efficient cable network to support their operations.

Urbanisation and industrialisation:

The rapid urbanisation and industrialisation taking place globally have led to increased construction activities and the establishment of manufacturing facilities. Cables play a vital role in providing power and connectivity to these urban and industrial areas, hence driving the demand for cables.

Renewable energy transition:

The shift towards renewable energy sources, such as solar and wind power, have been a significant driver of growth in the cables business. Renewable energy projects require extensive cable infrastructure to transmit power from remote generation sites to consumption centres.

Technological advancements:

Technological advancements, such as the Internet of Things (IoT), 5G connectivity and smart grids, have significantly increased the complexity and demand for specialised cables. These cables are designed to handle higher data transfer rates, withstand harsh environmental conditions and support advanced communication systems.

Government initiatives and regulations:

Governments are implementing initiatives and regulations to promote sustainable development and energy efficiency. These policies often mandate the use of high-quality cables with specific standards, further driving the growth of the cables business.

The convergence of these key drivers has created a thriving market for cables, leading to increasing investments in research and development, product innovation and manufacturing capabilities. The cables business is poised to continue its remarkable growth as the demand for energy and infrastructure continues to rise, alongside advancements in technology.

Innovation stories

1
Driving renewable energy and infrastructure development worldwide

As India's largest exporter of specialised cables and wires, we contribute to a greener horizon by providing top-notch cables that meet the evolving needs of the renewable sector and infrastructure development.

APAR Industries offers a selection of solar cables, windmill cables and utility cables, built to last, with a lifespan exceeding 25 years. Our range meets stern global requirements and is equipped with features such as zero transmission loss and fire-retardant properties, ensuring uninterrupted power transmission in all scenarios. We also offer sustainable infrastructure solutions, with a wide variety of HT, LT XLPE and Medium Voltage covered conductors for overhead power lines.

Customers choose our cables for their superior quality and adherence to safety standards, incorporating high-end hazard-free polyolefin polymer alloy insulation and advanced electron beam technology to ensure their exceptional performance and reliability.

2
Supporting make in India's electric vehicles and EV chargers

Our latest additions to cable solutions are automotive wires and wiring harnesses. The launch of these cutting-edge, next-generation products positions us as the first Indian cable manufacturer to venture into the EV segment, supporting the "Make in India" initiative.

In response to the unique challenges of the EV segment, our dedicated R&D team studied the component specifications and assembly drawings for EV passenger vehicles and custom-made the cables and harness solutions to meet the exacting OEM manufacturer's needs.

With our pledge of sustainability, APAR is contributing to the revolutionary Indian EV market. All our products are manufactured at our state-of-the-art, IATF-certified cables facility in Khatalwada, Gujarat.

3
Special cables for Indian defence

APAR Industries has established itself as a trusted partner to major naval and private shipyards in India. We meet the rigorous demands of the Indian Army and Navy, by supplying specialised cables such as OFC cables, tactical cables, submarine cables, torpedo cables and more.

Our cables play a critical role in strengthening and safeguarding Indian borders and coastlines. We understand the unique challenges faced by the defence sector. Thus, we design our products to be reliable and durable, specially to withstand extreme conditions, ensuring seamless communication, power transmission and data transfer in defence operations. We are committed to providing technologically advanced and reliable cable solutions that empower our armed forces.

4
Launched special FRP OFC cables (resist 750°C) for critical infrastructure projects

APAR has crafted and launched special non-metallic 12F/48F/72F Triple Sheath FRP Armoured Fibre Optic Cables, which have remarkable heat resistances of up to 750°C for a duration of 120 minutes. What sets this cable apart is its exceptional fire survival capabilities achieved without the use of any metallic elements.

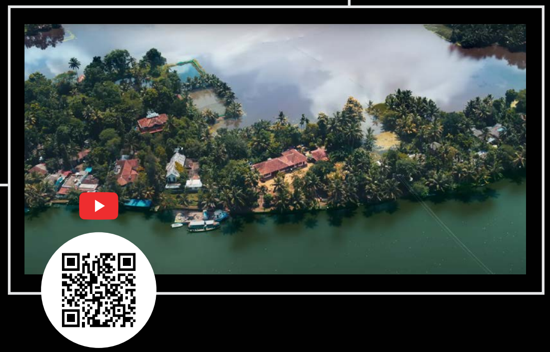
This cutting-edge non-metallic design ensures that the cable remains intact and fully functional during fire incidents, enabling critical communication and data transmission even in the most challenging conditions. The use of FRP (Fibre Reinforced Polymer) for armouring makes these cables lighter and still provides improved strength and protection, ensuring the cable's durability and reliability in extreme environments.

Thus, we are enabling industries to prioritise safety without compromising on performance. They are ideal for applications where fire survival and reliable communication are paramount, such as in critical infrastructure, transportation and hazardous environments.

Strengthening Our Brand Connections

We have collaborated with renowned actor and philanthropist Sonu Sood as our brand ambassador. His association with our products adds credibility and augments brand awareness.

Scan the QR Code to view the TVC



Scan the QR Code to view the TVC

2 TV Ad Campaigns in Kerala

42 million

Total reach

2 Digital Ad campaigns Pan India

29 million

Total reach

Associate sponsor of Women's premier League

Pan India Ads on TV and connected TVs

11 million

Total reach

Installed

1300+

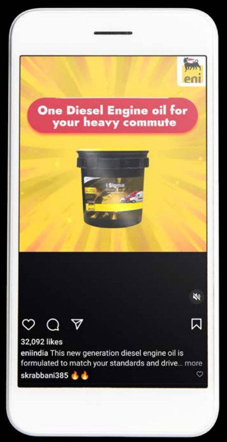
signages across various regions to reinforce our brand visibility and market presence.

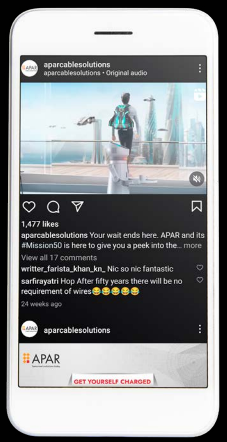
Enhancing our digital footprint:

In FY 2023, we took strategic steps to boost our digital presence and effectively communicate with our target audience for all our B2C brands. We have created social media accounts across all platforms to cater to specific segments and influencers.

- To specifically target electricians and raise product awareness, we launched APAR Cable Solutions accounts which have grown in following.
- To engage with mechanics and promote product awareness among them, we introduced Eni India accounts which have experienced a remarkable surge in followers to 86,383 across all platforms in FY23.
- In line with our customer-centric communication, we have also created dedicated ARKOS accounts which are growing in popularity.
- APAR Industries Limited, our main corporate accounts, has soared in following and engagement. This account serves as a comprehensive source of major company updates and showcases our latest product milestones.

Collectively, our four social media accounts have garnered a total follower count of 1,43,061, with an impressive reach of over 4 crore. These accounts have enabled us to leverage digital marketing to deliver targeted communication, keeping our audience informed about company updates, product innovations and industry-related information.





APAR Lubricants

Among top 10 Lubricant players in India

As a leading domestic player and one of the largest exporters of automotive and industrial lubricants, APAR Industries manufactures and market three distinguished lubricant brands: POWEROIL®, Eni and ARKOS.

These lubricants are manufactured at our state-of-art blending plants at Rabale in Mumbai, India, which meets the latest international specifications. Our R&D laboratories are accredited with NABL and are approved by DSIR following uncompromised lubricant testing processes to offer optimal machine performance across diverse environmental conditions.

Under the POWEROIL® brand, we are the first in India to formulate affordable, high-quality industrial lubricants. Our focus is on serving industrial clients and reaching retail automotive lube markets through local channel partners. The utilisation of hydrotreated and hydro-cracked synthetic base oils in the manufacturing process of POWEROIL® Automotive and Industrial Lubricants provides a significant performance advantage. These superior lubricants have earned a strong credibility and are favoured in over 50 countries worldwide.

We have established a licensing agreement with Eni, a world-renowned Italian lubricant brand, since 2008. This partnership enables us to bring international standards to local Indian markets. We offer over 150 grades, all of which comply with the latest BIS and other international requirements.

APAR's strong market presence, comprehensive range of lubricants, strategic collaborations and promise of premiumisation makes us a trusted choice for customers in the lubricant industry.

FY 23 highlights

(₹ in Crore)

893
Revenue
14% YoY ↑

69,646
KL Volume
10% ↑

Note:
*Eni - Under the license Agreement with Eni S.p.A., Italy

*ARKOS - Tie-up with PSPL, Singapore

Key growth Drivers

In FY23, we successfully capitalised on industry growth by obtaining product approvals from leading OEMs, MNCs and PSUs (Public Sector Undertakings), establishing strong partnerships with them. Additionally, we nurtured trust among mechanics through loyalty programs and multiplied our market presence, positioning ourselves as trusted brand in the automotive and industrial lubricants industry. Sharing more detailed insights on our key growth drivers in the automotive and industrial lubricants sector:

Winning approvals and partnership

Both our POWEROIL and Eni lubricant brands ensure that our lubricants meet the specific requirements of our partners, fostering long-term partnerships, resulting in several notable achievements:

- We serve 1 out of every 3 CNG pumps in India, making us a prominent lubricant supplier for the compressor industry
- We are the trusted lubricant supplier for India's largest privately owned natural gas pipeline, which forms the backbone of the country's burgeoning natural gas grid
- Our lubricants are chosen for various tunnel boring and mining projects across India, solidifying our esteem as a reliable supplier in these sectors
- We supply a comprehensive assortment of hydraulic oil, engine oil, quenching oil, neat cutting oil, transmission oil and gear oil to renowned OEMs, MNCs and PSUs
- Partnered with one of the top tractor manufacturers in India to provide high-end lubricant solutions for their international business

Growing automotive, steel and mining industry

The growing automotive, steel and mining industries presented significant opportunities for growth. The demand for lubricants is closely tied to the performance and maintenance of machinery in these sectors. Our basket of pioneering products is crafted to address the specific requirements of each industry.

In the automotive sector, the increasing movement of people from rural to urban areas, along with orders from European countries due to the "China effect," drove the demand for lubricants. By providing lubricants that meet the performance standards of international machinery, our company stands out as the only Indian company capable of matching these levels of performance.

Similarly, the steel industry experiences substantial demand for lubricants due to the extensive construction activities taking place in the country. As steel production and infrastructure projects continue to increase, the need for high-quality lubricants becomes paramount.

The mining sector, driven by the increasing power demand from major grids in the country, also presents opportunities for lubricant manufacturers. Mining operations rely heavily on machinery and equipment, which require specialised lubrication solutions to withstand demanding conditions and maintain optimal performance.

Increasing trust of mechanics with MLP and RLP program

Mechanics and retailers play a crucial role in recommending and using lubricants for automotive applications. At APAR, we have prioritised building trust and long-term partnerships with mechanics through our Mechanic Loyalty Programs (MLP) since 2016. These programs have been instrumental in promoting strong relationships, providing incentives and rewarding loyal mechanics. This approach has helped us strengthen our bond with mechanics, ensuring their continued support and endorsement of our products.

Discerning the significance of the retailer fraternity, we also launched Retailer Loyalty Programs (RLP) last year. These programs are designed to stay connected with automotive retailers, with the primary objective of maximising customer satisfaction at every level. The RLP platform is also based on an incentive-based structure, increasing retailer engagement and enhancing the overall loyalty experience.

Implementing the MLP and RLP, has enabled us to deliver exceptional service and reinforce our position as a trusted and preferred choice in the lubricant industry.

Innovation stories

1

New packaging of POWEROIL® Automotive Lubricants

Introducing our latest packaging for the POWEROIL® Automotive lubricants range, launched in August 2022. The new designs are in line with the revamped APAR corporate brand and reflects the core values of our company.

This revamp is based on studies of user perception, international standards and careful consideration of visual elements. This revamp also allows for us to streamline the plastic bottle inventory enable easy recognition and convey our product differentiation.

Our distributors and consumers have shown appreciation for the new labels. We believe that the new design of our product labels will further strengthen our brand image and recall.

2

Introducing water based rust preventive oil

Our product range has evolved to surpass the expectations of our customers. We created, "POWEROIL RP Aqua 3050"- a water-based rust preventive oil, designed after a comprehensive study of applications and current operating conditions. This unique product can be diluted with water as per the provided directions, transforming into a water-based rust preventive fluid.

Rust protection is crucial for metal surfaces where other protective measures such as alloying, plating, or painting are not feasible. Our water-based rust preventive oil acts as a barrier, preventing the formation of rust and protecting the metal surface from the surrounding atmosphere.

The introduction of this product brings forth several major benefits

- Replaces messy oil and solvent-based rust preventive solutions
- Sizeable carbon footprint reduction enabling transition from oil-based to water-based solution
- Environmentally friendly and easy for use
- 70% reduction in inventory turnover
- 40-45% yearly cost-saving as compared to oil-based lubricants

With the introduction of this revolutionary product, we are confident in improving our market share in the metalworking fluid business and delivering products that offer superior performance and value.

3

Special cables for Indian defence

APAR Industries has established itself as a trusted partner to major naval and private shipyards in India. We meet the rigorous demands of the Indian Army and Navy, by supplying specialised cables such as OFC cables, tactical cables, submarine cables, torpedo cables and more.

Our cables play a critical role in strengthening and safeguarding Indian borders and coastlines. We understand the unique challenges faced by the defence sector. Thus, we design our products to be reliable and durable, specially to withstand extreme conditions, ensuring seamless communication, power transmission and data transfer in defence operations. We are committed to providing technologically advanced and reliable cable solutions that empower our armed forces.

4

Innovating high-temperature chain lubricant – POWEROIL® HTCO

In various industries such as food, automotive, textile, tiles and plywood, chain drives or conveyors play a crucial role in transmitting force and motion. Each chain joint in a bearing requires proper lubrication to ensure maximum service life, as the strength of a chain is determined by its weakest link.

To address these specific lubrication needs APAR has introduced POWEROIL HTCO, a high-temperature chain oil. This specialised lubricant is designed to elevate product performance and easy to use. It is also applicable to chains, slide ways and guide rails in machines used in plastics and timber industries. Additionally, it is suitable for conveyor chains in driers, ovens, furnaces and paint lines where high-temperature chain applications are required.

APAR Speciality Automotive

India's 1st company to receive approval for AdBlue from VDA

In 2018, APAR launched ARKOS, a brand of PSPL in Singapore, with the aim of providing world-class, technologically advanced, innovative and affordable mobility solutions. Within this brand, we have introduced 2-wheeler batteries and tyres for Electric vehicles and lubricants for 2-wheelers, 3-wheelers, cars, LCVs, HCVs, earthmoving equipment and more. We are also preparing to launch, a wider selection of batteries, tyres and car care products.

To contribute to a greener India, APAR became the first company in the country to receive official approval from VDA, a renowned German association that certifies AdBlue. AdBlue is now mandatory for all new diesel engine vehicles in accordance with the latest emission regulations in India. We are fully equipped to meet the increasing demand for AdBlue through our POWEROIL AdBlue product.

Under our speciality automotive segment, we are dedicated to continuously evolving our product range to attend to mobility requirements of the future.

Note: AdBlue is a registered mark of VDA Germany.

Key growth Drivers

The key growth driver in the speciality automotive industry for APAR has been our ability to achieve significant milestones in technology, product development, market expansion and distribution functions throughout India within a short period. Our specialised products have gained recognition and acceptance, drove long term demand and contributing to our growth.

Environmental responsibility and considerations:

We recognise the importance of evolving our product range to align with the mobility needs tomorrow and contribute towards a greener India. Our emphasis on environmentally friendly solutions such as AdBlue and EV accessory product range prioritise sustainability.

Distribution network:

APAR group's existing robust and efficient distribution network has been a crucial driver for our speciality automotives growth. By establishing partnerships with dealers, distributors and retailers, we have ensured that our products are widely available and easily accessible across different regions, facilitating market penetration.

Product portfolio expansion:

As the automotive industry undergoes significant transformations, including the rise of electric vehicles and eco-friendly transportation, we are proactively adapting our offerings to these changing trends. In FY23 we launched range of 2-wheeler and 3-wheeler tyres which includes ARKOS Gripp range of EVA tyres considering the evolving Electric 3-wheeler market. EVA range of tyres provide excellent durability, better wet traction and braking for electric 3 wheelers. Rigidity in tyres ensures smooth rides along with advanced load carrying capacity.

Customer focus:

We have always placed a strong emphasis on understanding and meeting the specific needs of our clientele.

Another example of our enthusiasm for meeting consumer needs is our BOLT 2-wheeler Batteries. These batteries are designed to provide smooth cranking, an extended lifespan, competitive pricing and a reliable warranty system. We are India's first battery brand to offer online warranty registration, making the process more convenient. By introducing this creative feature, we have simplified the warranty registration process, making it easily accessible and hassle-free for our users.

APAR Polymers

1st Indian TPE manufacturer to be approved by Hasbro Inc.

By venturing into the polymer business in 2014, APAR Industries, successfully achieved backward integration and became a pioneer in specialised insulation and jacketing compounds, which are crucial for cable manufacturing. This strategic move has provided us with greater control over quality, cost and material availability, reducing our reliance on external suppliers.

As a leading manufacturer with ISO certification and the distinction of being the first Indian TPE manufacturer to be approved by Hasbro Inc., we have diversified our product offerings across multiple industries.

Over the years, we have launch a medley of products, including thermoplastic elastomers, thermoplastic vulcanizates, zero halogen flame-retardant materials and various other polymer compounds which are ROHS and REACH compliant. These products cater to industries such as automobiles, irrigation, electrical, toys, food and medical equipment.

Key growth Drivers

We recognise the importance of investing in research and development activities for new formulations and to explore novel applications for APAR polymers, including TPE. These efforts have led to competitive advantages and enabled us to capture new market segments.

Increase in demand for TPE:

Thermoplastic Elastomers (TPE) are a class of polymers that combine the properties of rubber and plastic and exhibit excellent elasticity and processability. TPE can be tailored to meet specific requirements, such as hardness, flexibility and durability, making them suitable for diverse industries, including automotive, consumer goods, healthcare and electronics. This makes it easy to be replaced with traditional materials like rubber, PVC and silicone, offering advantages such as cost-effectiveness, lighter weight and ease of processing. This substitution trend has led to increased adoption of TPE and has positioned us as one of India's leading TPE manufacturers.

Meeting opportunity with preparedness:

To meet the increasing needs of our clients, we have enlarged our manufacturing facility and production lines at Umbergaon, Gujarat. This expansion has allowed us to achieve a total capacity of 10,000 MT, ensuring that we can effectively address the growing demands of the market while maintaining high-quality norms.

We are committed to adhering to industry regulations and certifications, ensuring that our products consistently meet the required standards. By delivering reliable and compliant products, we aim to foster users trust and loyalty, further strengthening our relationships with them.

Product customisation ability:

Our team of technical product experts have successfully formulated polymers that meet customers' desired characteristics, such as hardness, colour, UV resistance and chemical compatibility. This ability to provide customised solutions has truly differentiated us and allowed us to serve niche markets.

Our collaboration goes beyond product supply; we actively assist them in designing and implementing APAR polymer-based solutions.

At APAR, we remain committed to continuous improvement and maintaining our position as a trusted and reliable provider of polymer solutions. By leveraging our technical expertise, customising our offerings and adapting our manufacturing processes, we strive to deliver utmost customer satisfaction.

Managing Director's Communique

Enhancing efficiencies, bolstering growth

"Our philosophy of delivering tomorrow's solutions today has been manifested in the launch of the right mix of innovative products that help our customers grow their businesses more effectively."

Dear Shareholders,

I am happy to present to your Company's Annual Report for FY 2023.

FY 2022 saw India battling strong economic headwinds with synchronised fiscal policy measures, and a series of counter mechanisms to mitigate financial stress. Following the COVID 19 led economic disruptions, businesses have slowly started to bounce back to normalcy in FY 2023. In the face of a testing global economy, we at APAR have managed to grow with agility, from innovative new product introductions, focused execution, improved operational efficiencies and market share gains. All our business divisions have been proactive in developing products and services which are relevant in today's markets guided by solutions to problems that our clients face. We continue to build at APAR responsible products and services that makes for a better world – as we live up to our motto of 'Tomorrow's solutions today.'

Poised for robust growth

FY 2023 has been particularly transformative, given the success we have had in premiumising our product portfolio and growing globally.

In the year under review, the company recorded an all-time high revenue of ₹ 14,352 crore, up 54% YoY and driven by strong growth from the export of conductors and cables. All three major business verticals recorded their highest year in sales. EBITDA increased 130% YoY to reach ₹ 1,320 crore due to higher margins in conventional and premium conductors and an increase in cable volume.

The conductor business witnessed robust performance in FY 2023 with volumes at 1,60,131 MT, driving 67% revenue growth to ₹ 7,013 crore. The EBITDA per MT post forex adjustments came in at ₹ 44,114 which is over 2.5 times compared to last year. The total order book for conductors stood at ₹ 5,124 crore as of March 31, 2023, with a new order inflow of ₹ 7,779 crore, recording a surge of 44% YoY. The export revenue of the conductor division grew by 126% YoY, contributing to 51% of the division's overall revenues. The conductor division has seen a transformational journey over the past decade, premiumising its product offerings and reaping the fruits of investments made in R&D and product development. We are optimistic that committed investment in the T&D sector, coupled with increased renewable energy projects in the pipeline will become key demand drivers for the company's conductor business over the coming years.

During FY 2023, the cable business became the number one exporter in cables and wires segment from India, with export contributing to 52% to overall division revenue. The cables division saw some of the strategic initiatives yielding results, with 64% YoY growth in revenue to ₹ 3,263 crore, led by a significant increase in elastomeric products and exports. EBITDA post forex adjustment is at ₹ 344 crore, up 225% YoY with a margin of 10.5%. The macro environment in terms of push towards renewables, spendings on infrastructure in power and mobility and the current geo-political situation opens opportunities for our cable business which is expected to see strong demand in coming years.

The oil business also had its highest revenue with a growth of 31% YoY driven by base oil prices and volume growth. The EBITDA per KL post forex adjustment came in at ₹ 4,781 in line with our threshold margin. One-third of the oil division revenue comes from transformer oil which is expected to benefit due to increase in infra-related spends and transmission lines globally. We export to 100+ countries and the focus will be on per unit profitability versus total volumes.

Focused Growth

Our growth story is a consequence of several strategic factors including a diversified revenue base, appropriate Capital investments, strong cost controls, continuous investment in R&D activities and our proximity to customers. Our philosophy of delivering tomorrow's solutions today has been manifested in the launch of the right mix of innovative products that help our customers grow their businesses more effectively. The company's strategy of designing and manufacturing products for the global markets also paid rich dividends as we were able to expand our presence internationally and become the largest exporter from India of conductors, cables, and transformer oils.

Embedding ESG in our DNA

At APAR, we are tackling climate change with company-wide action in all our manufacturing processes, generation of renewal energy to reduce hydrocarbon-based power, and the recycling, reuse, and recharge of water at all our plants. We have also designed and marketed products that are not only manufactured with less carbon intensity, but also deliver power savings, longer life, and higher biodegradability.

Besides maximizing rooftop solar installations in our facilities, we have taken one more step towards augmenting green energy by successfully commissioning a wind-solar hybrid (3.30 MW wind turbine and 2.80 MWp of solar energy) project in partnership with a leading supplier. This project is expected to generate 15 million units annually, thereby increasing the share of renewable energy to 14% of our overall electricity mix.

It gives me immense pride to share that APAR is the first Indian company to release the Environment Product Declaration and Certification (EPD) for AL59 conductors. This document transparently communicates the carbon emissions through the entire life cycle of products. As the world's largest Aluminium and alloy manufacturer, APAR is committed to taking the lead in responsible manufacturing.

Powered to Excel

In conclusion, I would like to reiterate that APAR is well positioned in the markets globally where we see growth – from the addition of renewable energy, infrastructure expansion in T&D, mobility in the form of new metro railways, locomotives, coaches, electric vehicles, mechanization of agriculture in India and developing markets and finally the growth in telecommunication and data transmission infrastructure. In each of these segments we have globally approved products. What should benefit the company is that these growth drivers are fundamental to the new world as the current state is being transformed and will last the better part of the coming decade.

I wish to express my heartfelt gratitude towards all our stakeholders: our shareholders, employees, customers, bankers, and regulatory authorities all over the world for their unwavering faith and support. We sincerely commit to building a business which delivers products and services which are Better, Faster, Cheaper and Greener.

Yours Sincerely,

Kushal Desai

For A Responsible Tomorrow

Our core ESG pillars

To ensure focus on material aspects, we have identified key parameters through a rigorous Materiality Assessment. These parameters include carbon footprint, water management, human capital, packaging and waste, occupational health and safety, innovation and technology, and compliance management.

By aligning with these parameters, we actively contribute to the achievement of the United Nations Sustainable Development Goals (SDGs).

APAR's ESG approach focuses on the below 8 materiality parameters, in line with UN SDGs.

Charting a sustainable path

At APAR our ESG strategy shines as a guiding beacon, illuminating the path towards a future, anchored in responsible business practices. Throughout FY 2023, our sustainability champions across all locations steadfastly pursued this vision, navigating through three distinct tracks: the environment track, the procurement track and the social track. These tracks served as compass points, leading us to reduce carbon footprint, water footprint and scope-3 GHG emissions fortifying sustainable practices throughout our growth and strategy.

Our ESG strategy integrates these considerations into our decision-making processes, operational framework, and investment activities:

Environmental track
- Climate Change
- Water Security
- Waste Management
- Productivity increase

Social track
- Working Condition
- Health & Safety
- Diversity & Inclusion
- Skill development

Procurement track
- Sustainable Procurement
- Resilient Supply Chain
- Supply Security
- Local Suppliers

Steering towards brighter horizons

In FY 2023 we set sail towards responsible horizons achieving continuous improvement with impactful actions under each of the tracks.

While we have been addressing ESG aspects at APAR for many years, here is a comprehensive summary that outlines our progress and opportunities:

Environment

Carbon and Water footprint reduction

Within the environment track, we set our sights on minimising our ecological footprint. From the reduction of greenhouse gas emissions to the preservation of biodiversity, we charted a course that embraced renewable energy, efficient resource management, reduce waste and implemented resilient environmental policies.

104,928 tCO2e

Carbon Footprint (FY 22-23)

1

Companywide Carbon Emission intensity reduction of 25%

- Business wise carbon emission intensity reduction: Oil - 23%, Cable - 7%, Conductor -10%

2

Renewable Energy to contribute 15% of electricity mix

- Currently, our plants with rooftop solar projects are generating 4 million KWh units of solar electricity. This represents a remarkable 53% increase, maximising rooftop solar Installations in FY22.
- We are on the cusp of launching an advanced wind-solar hybrid project in Gujarat, India, in collaboration with M/s Clean Max Enviro Energy Solutions Private Limited. Combining a 3.30 MW wind turbine and 1.80 MWp of solar energy, this project is set to generate around 15 million units of electricity annually, significantly reducing greenhouse gas emissions by over 10,000 tCO2e per year.
- This achievement will elevate the proportion of renewable energy in our overall electricity mix to 15%, marking a significant milestone in our sustainability endeavours.

3

Zero liquid discharge and waste reduction

- All our plants adhere to Zero Liquid Discharge (ZLD) practices, ensuring that no liquid effluent is discharged into surface waters.
- To ensure compliance with the Plastic Waste Management (PWM) Rules 2016, we have obtained CPCB EPR (Extended Producer Responsibility) registration.
- Through our collaboration with certified recyclers, we employ proper recycling processes to effectively manage and mitigate the environmental impact of our plastic packaging waste.

4

Other initiatives: Marked record of many firsts

- Initiation of Energy Audit at Conductor facilities through renowned agencies to identify carbon reduction opportunities.
- Scope-3 GHG emission computation for all the plants for the first time, enhancing our understanding of our environmental impact.
- Released India's first EPD report on AL59 conductors, providing valuable insights into the environmental performance of our products.
- Implementation of various Environment related policies to promote sustainable practices across our operations.
- Recognising the importance of employee contribution to our ESG goal, we conducted awareness training on environmental policies and other crucial aspects, with the goal of covering 100% of our employees by FY 23-24.

328,325 KL

Water Footprint (FY 22-23)

5

Water footprint intensity goes down by 6%

- Despite achieving record-breaking production and turnover, we have reduced our water footprint intensity by 6% in FY 22-23. Our water consumption has decreased from 24.40 KL/₹ Cr revenue to 22.88 KL/₹ Cr, showcasing our commitment to efficient water management and sustainability.

6

Rainwater Harvesting

- At our Khatalwada plant location, we have successfully implemented a robust rainwater harvesting (RWH) system, capable of capturing and recharging 72,000 KL of rainwater annually.
- This initiative not only ensures water security for APAR but also contributes to maintaining a healthy water table in the surrounding area, benefiting both our company and neighbouring communities.

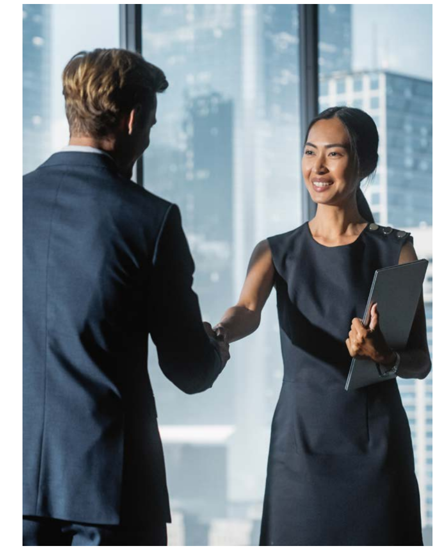
Procurement:

Engagement with Value Chain Partners

The procurement track guided our ESG voyage towards responsible sourcing and supply chain excellence. By forging partnerships with suppliers who share our commitment to sustainability, we not only mitigated risks but also fostered positive social and environmental impacts. Our dedication to reducing waste, enhancing transparency, and promoting ethical business practices formed the cornerstone of our procurement strategy.

Here are the key initiatives of FY23:

- Implemented ESG as a criterion in supplier evaluation/ assessment and selection/ on-boarding
- Implementation of Common Vendor Assessment form across all businesses
- Introduction of Supplier Code of Conduct and conducted 8 awareness programs for supply chain partners



Social:

Fuelling success with passion

Listed among Top 50 Happy Companies to work for*

The social track propelled us to navigate the shores of positive social impact and stakeholder engagement. In the last six decades, APAR Industries has witnessed remarkable growth on all fronts, which can be attributed to the unwavering dedication and hard work of our employees, who are affectionately referred to as APARians. Every year we undertake various key initiatives to offer every APARian a fulfilling and rewarding professional journey within the supportive safety net of APAR Parivaar.

(*by World HRD Congress 2023)

Specialised training programs

Quality training programs:

Establishing a culture of quality improvement in FY 23, we organised numerous sessions on the Kaizen methodology, Lead Six Sigma (LSS) programs across our factories. More than 500 APARians have completed LSS white and green belt training programs. At the overall factory level, successfully implemented 1200+ Kaizen initiatives, further promoting continuous improvement.

External training programs:

Taking on the responsibility of being career architects, we organised numerous outbound training programs and classroom workshops tailored to different teams. These consist of training programs such as Effective Personal Productivity, Performance Management System, Johari Window Workshop, Finance Conclave, Senior Leadership Conclave and many others designed to equip participants with the necessary skills and competencies to become industry frontrunners.

Up-skilling and multi-skilling contractual workers:

Adopting a fresh and engaging approach, we strive to make the learning experience enjoyable for our contractual workers at the factories. This way, they can acquire new skills and knowledge while fostering teamwork and personal growth.

"Saraswati" trainee program:

This program at APAR has been designed to hire and equip more women employees in our factories and prepare them to take on senior and critical roles. The larger purpose is to promote gender diversity and employment opportunity for women in our organization.

Providing special benefits:

Group mediclaim 4X top-up:

Recognising the increasing healthcare costs in India, we introduced the Super Top Up Coverage, which amplifies the Mediclaim coverage by four times. This additional benefit aims to provide our employees with comprehensive healthcare support.

Education assistance:

Our upgraded policy of Continuing Education Assistance Policy for Employees offers a significantly higher reimbursement scheme to cater to the diverse learning needs of our dynamic, multi-generational workforce with a global perspective on skills and competencies.

Other benefit:

During the year we implemented various other benefits to support our employees' well-being inclusive of free mental wellness counselling, annual health check-ups and updates to our leave policies.

These initiatives reflect our unwavering commitment to providing comprehensive employee care and ensuring that our workforce feels supported in all aspects of their lives.

Employee engagement programs:

APAR has a remarkable track record of long tenures and minimal attrition at all levels. Throughout the year, we organised several impactful employee engagement events that fostered a sense of belonging and enthusiasm among our workforces. Safety Week was a significant highlight, emphasising our undertaking to ensuring a secure work environment.

Additionally, we celebrated various festivals together, promoting a spirit of unity and inclusivity. Our Sports Day event brought employees from all departments and locations together, encouraging teamwork and healthy competition.

Furthermore, we facilitated domestic and international visits, providing opportunities for employees to broaden their horizons and gain valuable experiences. Our monthly reward and recognition programs recognised outstanding achievements and contributions, motivating, and appreciating our employees' hard work.

Supporting Millions Of Smiles

At APAR, we embrace the noble calling of Community Support Responsibility (CSR) with unwavering commitment, intertwining it into the very fabric of our existence since 1958. In FY23, with the Principle of Trusteeship as our guiding compass, we illuminated the lives of millions of needy individuals through a diverse range of impactful programs and projects.

Our CSR initiatives centre around four key areas that are healthcare, education, rural development and gender equality. These focus areas have empowered us to achieve meaningful and responsible outcomes, contributing to the betterment of society. The following projects exemplify our commitment to bring a positive impact and key initiatives undertaken in last financial year:

Dr. N.D Desai Faculty of Medical Science & Research

Super specialty hospital located at Nadiad, Gujarat

Free Multispeciality hospital with 800+ beds

In FY23

3,50,000+
OPD and IPD cases treated at no cost

700+
new borns treated and saved at specialised NICU

Inaugurated
blood bank and pathology laboratory

6,000+
patients benefited from free blood donation services

8,00,000+
laboratory test conducted at no cost

Dharmsinh Desai University (DDU)

Established in 1968, most renowned in Gujarat

42 acre sprawling campus offering 35+ courses

In FY23

8,000+
students

1,00,000+
received quality dental care

37,000+
covid patients treated

Constructed
new hostel facility for students

Oral cancer treatment
at exceptionally nominal rates

Dharmsinh Desai Memorial Methodist Heart Institute

Super specialty hospital in Nadiad, Gujarat

Provides **world class cardiac care**

In FY23

Established a specialised ICU to deliver world-class care

12,500+
free OPD consultations for heart issues

1,500+
free cardiac catheterisation procedures administered

7,500+
echocardiography tests performed free of charge

12,000
patients with blood components treated at no cost

300+
free heart surgeries conducted

70%
of the patients served came from economically backward strata

Govardhan Skill Center

India's 3rd largest skill development centre at Wada, Maharashtra

Diploma Course for **rural youth & tribal women**

Exposer to latest technologies **including 3D printers and laser cutting**

In FY23

APAR provided scholarship to
24 students

Offered
70
skill areas to specialise from

100%
placements to relevant profiles and industries

Constructed a dormitory
for student residents

Installed extruder line
supporting practical learning

Installed
75kWp
solar plant benefitting students

Adruta Children Home

Provides rehabilitation and quality education to orphans Special focus on girl child

Offered scholarship grant
for underprivileged girl students

Conducted Environment and healthcare
awareness workshops

450+
children supported at 10 centers across Odisha

Sister Nivedita School on wheels

Covers
88 schools in 53 villages
of Gujarat

Scholarship grant
for underprivileged girl students

Environment and healthcare
awareness workshops

Adopting Anganwadis and schools

Supporting early
childhood care and development

Combating Malnutrition and
Nurturing Health

Renovating/ maintaining
rural infrastructure

Providing
food, shelter and education

Setting up
public libraries

Encouraging charitable trust, federations & hospitals

Expansion of
palliative care facilities

Supporting
skill development projects

Offering
IT and educational equipment

Installing high mast pole lights
in rural areas

Donating well-equipped
mobile medical units

Social Impact:

Healthcare

Education Empowerment

Rural Development Projects

Gender Equality

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) upto November 3, 2022
Mr. C. N. Desai	Managing Director (Executive)
Mr. Rajesh Sehgal	Independent Director (Non Executive)
Mr. Kaushal J. Sampat	Independent Director (Non Executive)
Mr. Rishabh K. Desai	Non Executive and Non Independent Director

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** (upto 03.11.2022)	Mr. Kushal N. Desai - **Chairman**
Mr. F. B. Virani - (upto 03.11.2022)	Mr. F. B. Virani (upto 03.11.2022)	Mr. F. B. Virani (upto 03.11.2022)	Mr. Rajesh Sehgal - **Chairman** (w.e.f. 03.11.2022)	Mr. Chaitanya N. Desai
Mr. Rajesh Sehgal	Mr. Chaitanya N. Desai	Mrs. Nina Kapasi	Mr. Kushal N. Desai	Mr. Rajesh Sehgal
Mr. Kushal N. Desai	Mrs. Nina Kapasi (w.e.f. 03.11.2022)	Mr. Kaushal J. Sampat (w.e.f. 03.11.2022)	Mr. Chaitanya N. Desai	Mrs. Nina Kapasi
Mr. Kaushal J. Sampat - (w.e.f. 03.11.2022)				Mr. Kaushal J. Sampat
				Other Committee Members from the Management.

Statutory Auditors

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

Chief Financial Officer

Mr. Ramesh Seshan Iyer

Company Secretary

Mr. Sanjaya Kunder

Bankers

- Union Bank of India
- IDBI Bank Limited
- Axis Bank Ltd.
- YES Bank Limited
- RBL Bank Ltd.
- Emirates NBD Bank (P.J.S.C)
- Canara Bank
- State Bank of India
- Bank of India
- Indusind Bank Ltd.
- DBS Bank India Ltd.
- Mashreqbank PSC
- Kotak Mahindra Bank Ltd.
- IDFC First Bank Limited
- Punjab National Bank
- Export Import Bank of India
- First Abu Dhabi Bank PJSC

Registered Office

301, Panorama Complex,
R. C. Dutt Road, Vadodara,
- 390 007 (Gujarat), India.
Tel: (+91) (0265) 6178700/709,
2339906,
E-mail: com.sec@apar.com
Website: www.apar.com
CIN: L91110GJ1989PLC012802

Corporate Office

APAR House, Bldg. No. 4&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) 6136000
E-mail : vadodara@linkintime.co.in
Website: www.linkintime.co.in
CIN: U67190MH1999PTC118368

Financial Highlights for last five years
(Consolidated)

₹. In Crore

Particulars	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
PROFIT AND LOSS ACCOUNT DATA:-					
Revenue from operations	14,352	9,317	6,388	7,425	7,964
% of Growth	54	46	(14)	(7)	37
Exports	6,994	3,608	2,558	2,469	2,443
Materials, operating and other costs	12,903	8,597	5,812	6,790	7,351
Employee cost	221	172	160	169	148
Depreciation	104	98	93	87	67
Finance cost	306	141	136	228	200
Profit before tax, exceptional & Extraordinary items	855	342	208	169	216
% of Growth	150	64	23	(22)	(3)
Taxation	217	85	48	34	80
Profit after tax (PAT)	638	257	161	135	136
Exceptional items	-	-	-	-	-
Other comprehensive income	(59)	95	82	(83)	2
Joint venture profit/(loss)	-	-	-	-	-
Non controlling interest profit/(loss)	-	-	-	-	-
Balance of profit	579	352	243	52	138
% of Growth	64	45	370	(63)	17
BALANCE SHEET DATA:-					
Share capital	38	38	38	38	38
Reserves & surplus	2,198	1,677	1,361	1,118	1,164
Net worth	2,236	1,715	1,400	1,157	1,202
Non controlling interest	-	-	-	-	-
Loan funds	304	292	264	317	253
Deferred tax (net)	22	52	20	1	40
Total Liabilities	**2,562**	**2,059**	**1,684**	**1,475**	**1,496**
Net block	1,050	920	907	939	810
Investment including goodwill on consolidation/amalgamation	4	-	-		2
Net current assets	1,512	1,139	777	535	684
Miscellaneous expenditure (to the extent not written off or adjusted)					
Total Assets	**2,562**	**2,059**	**1,684**	**1,475**	**1,496**
KEY RATIOS:-					
PAT to sales (%)	4.45	2.76	2.52	1.82	1.71
Return on net worth (%)	32.30	16.50	12.59	11.45	11.77
Asset turns (revenue to total Assets)	1.75	1.41	1.33	1.54	1.72
Return on capital employed (%)	33.80	17.00	13.80	12.23	15.92
Debt to Equity ratio	0.14	0.17	0.17	0.19	0.14
Earning per equity share (basic)	166.64	67.09	41.94	35.32	35.55
Rate of dividend % p.a	**400%**	**150%**	**95%**	**95%**	**95%**
Book value per equity share	584.40	448.20	365.71	302.27	314.19
Share price as on 31 march (BSE)	2,503.25	650.40	474.15	287.75	674.05

Notice

NOTICE is hereby given that the **34th (Thirty-Fourth)** Annual General Meeting **(AGM)** of the Equity Shareholders of **APAR INDUSTRIES LIMITED** ('the Company') **(CIN: L91110GJ1989PLC012802)** will be held on **Friday, August 11, 2023 at 02:30 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, 2023, 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, 2023, together with the Report of the Auditors thereon.

2. To declare dividend at the rate of ₹ 40/- (400%) per Equity Share of face Value of ₹ 10/- each, fully paid up, for the financial year 2022-23.

3. To appoint a Director in place of Mr. Chaitanya N. Desai (DIN: 00008091), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

4. Payment of remuneration to the Cost Auditors of the Company for the FY 2023-24.

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, 2024, be paid remuneration not exceeding ₹ 1,32,000/- (Rupees One Lakh Thirty Two 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."

By Order of the Board
For APAR Industries Limited

Sd/-
Sanjaya Kunder
Company Secretary

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 08, 2023

NOTES:

1. 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, General Circular No. 2/2022 dated May 5, 2022, General Circular No. 10/2022 dated December 28, 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,SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (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 vide the above MCA circulars and provided relaxation to companies from dispatching physical copy of annual report vide above SEBI circulars. In compliance with the provisions of the Companies Act, 2013 **("Act")**, amended provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")**, MCA Circulars and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India **('SS-2')**, 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 as set out in the Notice is annexed hereto. The brief details of the person seeking 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. Institutional Investors/ Corporate 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 04, 2023 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 05, 2023 to Friday, August 11, 2023 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 ₹ 40/- 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. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company had stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialization. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at https://apar.com/wp-content/uploads/2023/05/Forms_for_KYC_Updates_16-3-23.pdf It may be noted that any service request can be processed only after the folio is KYC compliant.

11. Members holding shares in physical form, in identical 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 the 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 2016-17 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
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
2021-22	12.08.2022	16.09.2029

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 2014-15 (Final Dividend) has been transferred to IEPF on September 26, 2022.

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, 2022, 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,

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 and

6) 6,577 Equity Shares of the shareholders whose dividend had remained outstanding for a period of 7 years from 2014-15 to 2020-21, on 7th and 11th October 2022

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).

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-PoD-1/P/CIR/2023/37 dated March 16, 2023, the 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/2023/05/Forms_for_KYC_Updates_16-3-23.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 five Subsidiaries and Associate Companies with the Annual Report of the Company for the financial year ended March 31, 2023.

(b) A Statement showing information in aggregate of the said Subsidiary Companies and Associate Companies 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 part of this Annual Report.

17. In compliance with the aforesaid MCA and SEBI Circulars, printing and despatch of physical Annual Reports for the financial year ended 2022-23 to the shareholders has been dispensed with. Hence the Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/ Depositories, unless any member has requested for a physical copy of the same. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.apar.com, websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) 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-PoD-1/P/CIR/2023/37 dated March 16, 2023.

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/2023/05/Forms_for_KYC_Updates_16-3-23.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 such other Forms, as may be applicable to them.

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

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

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 and 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, General Circular No. 02/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 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 Section 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.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.apar.com. The Notice can also be accessed from the 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. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with various MCA Circulars as mentioned herein above.

8. In continuation of this Ministry's General Circular No. 20/2020 dated 05th May, 2020 and General Circular No. 02/2022 dated 05.05.2022 and after due examination, it has been decided to allow the companies whose AGMs are due in the year 2023, to conduct their AGMs on or before 30th September, 2023, in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

THE INSTRUCTIONS 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 07, 2023 and ends on 17.00 Hrs. of Thursday, August 10, 2023. 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 04, 2023 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 above said 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 users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. **2)** After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/ LINKINTIME/K-FINTECH, 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.

Type of shareholders	Login Method
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 hold 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.
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 of APAR Industries Limited 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 by 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/EGM 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 07, 2023 to Wednesday, August 09, 2023. 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 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 07, 2023
End of e-Voting period	Upto 17:00 Hrs. of Thursday, August 10, 2023

E-Voting shall not be allowed beyond 17.00 Hrs. of Thursday, August 10, 2023. 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 04, 2023, 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 04, 2023.

(ii) Mr. Hemang 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-Voting 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 and NSE.

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

Registrar and Share Transfer Agent:

Link Intime India Private Limited

(CIN: U67190MH1999PTC118368)

B-102 & 103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020 (Gujarat), India.

Tel.: (+91)(0265) – 6136000

Tele Fax: (+91)(0265) – 2356791

E-mail: vadodara@linkintime.co.in

Website: www.linkintime.co.in

Annexure to Notice

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

ITEM NO. 4:

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, 2024 (2023-24).

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. 4 of the Notice for ratification of the remuneration not exceeding amount of Rs. 1,32,000/- (Rupees One Lakh Thirty Two 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, 2024 (2023-24).

The Board accordingly, recommends the resolution as set out at Item No. 4 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. 4 of the Notice.

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 08, 2023

By Order of the Board
For **APAR Industries Limited**

Sd/-
Sanjaya Kunder
Company Secretary

Profile of the director 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. Chaitanya N. Desai
DIN	00008091
Date of Birth & Age	15.07.1971 (51 Years)
Date of Appointment	29.05.1993
Education & Qualifications	Bachelor of Science in Engineering (Chemical Engg.), USA and Bachelor of Science in Economics, Wharton, USA.
Brief Resume	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 from the Wharton Business School, University of Pennsylvania, 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.
Expertise in specific functional areas	Business & Strategic Management and Engineering
Experience	29 years
Directorship held in other Listed Companies as on March 31, 2023.	None
Chairmanship / Membership of Committee held in other Listed Companies as on March 31, 2023. (along with listed entities from which the person has resigned in the past three years)	None
Number of Equity Shares held in the Company as on March 31, 2023.	91,24,185 (23.842%)
Relationship with other directors and Key Managerial Personnel of APAR Industries Limited	Related to – Mr. Kushal N. Desai, (Brother) and Mr. Rishabh K. Desai (Nephew)
Number of Board Meetings attended during the Financial Year 2022 -23.	5
Terms and Conditions of Appointment / Re-appointment	Mr. Chaitanya N. Desai has been re-appointed as Managing Director of the Company for a further period of 5 years with effect from January 1, 2023 to December 31, 2027 at the 33rd AGM held on August 12, 2022 and he is liable to retire by rotation. Therefore seeking re-appointment as a Director.
Details of remuneration sought to be paid	His remuneration has already been approved by the Members of the Company at the 33rd AGM held on August 12, 2022.
Remuneration last drawn by the Director (including sitting fees, if any)	Basic Salary : ₹ 7,50,257 per month plus perquisites and commission (Refer Corporate Governance Report - Annexure V and Statement of Disclosure of Remuneration - Annexure III)
Directorship held in other Companies as on March 31, 2023 (along with listed entities from which the person has resigned in the past three years).	1. APAR Corporation Private Limited 2. APAR Distribution & Logistics Private Limited 3. Catalis World Private Limited 4. Maithili Trusteeship Services Private Limited

Directors' Report

Dear Shareholders,

Your Directors take immense pleasure in presenting the 34th 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, 2023.

1. FINANCIAL PERFORMANCE

The financial performance of your Company for the Financial Year ended March 31, 2023 is highlighted below:

(₹ in crore)

Particulars	Standalone			Consolidated		
	FY 2022-23	FY 2021-22	% of Change	FY 2022-23	FY 2021-22	% of Change
Revenue from Operations	13,167.34	8,592.33	53%	14,352.15	9,316.57	54%
Other income	42.84	37.09	16%	37.47	32.49	15%
Profit for the year before finance cost, depreciation and tax expenses.	1,192.29	537.13	122%	1,264.42	580.34	118%
Deducting therefrom:						
- Depreciation / amortisation	91.94	86.73	6%	104.34	97.84	7%
- Finance Costs	290.76	134.80	116%	305.50	140.62	117%
PROFIT BEFORE TAXATION FOR THE YEAR*	**809.59**	**315.60**	**157%**	**854.58**	**341.88**	**150%**
Deducting therefrom:						
- Tax expenses	206.93	82.00	152%	216.84	85.27	154%
NET PROFIT FOR THE YEAR AFTER TAXATION	602.66	233.60	158%	637.74	256.61	149%
Adjustment of :						
Share in Profit / (Loss) of Associates	-	-	-	(0.02)	0.12	-116%
NET PROFIT AFTER TAXATION AND ABOVE ADJUSTMENTS	**602.66**	**233.60**	**158%**	**637.72**	**256.73**	**148%**
Add: Profit brought forward from previous year	932.17	758.92	23%	1,049.43	853.06	23%
Amount available for appropriations:						
- General Reserves	(60.00)	(24.00)	150%	(60.00)	(24.00)	150%
- Dividend	(57.40)	(36.36)	58%	(57.40)	(36.36)	58%
Leaving balance of profit carried to balance sheet	1,417.43	932.17	52%	1,569.75	1,049.43	50%
Earnings per equity share (EPS)	157.48	61.04	158%	166.64	67.09	148%

*Before share in profit/ (loss) of associates

2. INDIAN ACCOUNTING STANDARDS

The Financial Statements for the year ended on March 31, 2023 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 ₹ 40 (400 %) per share on 3,82,68,619 Equity Shares of the face value of ₹ 10 each for the Financial Year 2022-23.

This dividend amounting to ₹ 153.07 Crores is payable after declaration by the 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 ₹ 60 Crore to the General reserves. An amount of ₹ 1,569.75 Crore is proposed to be retained in the Consolidated Statement of Profit and Loss for Financial Year 2022-23.

6. MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

Global Economy & Outlook

Global economic activity is experiencing a broad-based slowdown, with fallouts from inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions with sharp interest rate hikes, Russia's invasion of Ukraine, and the lingering effects of the COVID-19 pandemic all weigh heavily on the outlook. Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic. The main positive surprise in late 2022 came from the United States, with continued labour market resilience outweighing the impact of higher interest rates on private investment. However, the major forces that affected the world 2022 as explained above will continue in 2023 and possibly beyond.

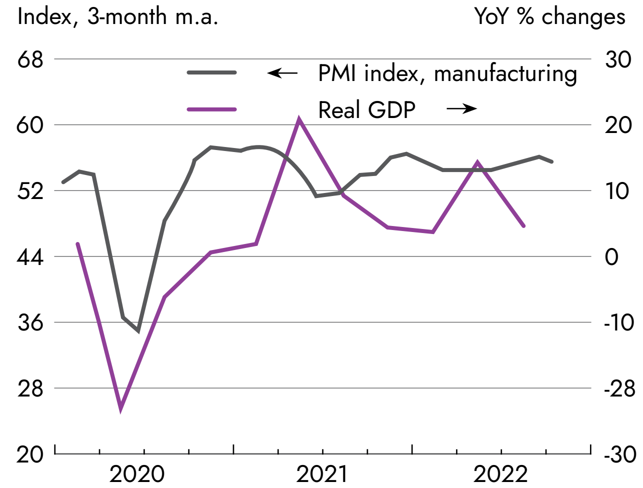
Indian Economy & Outlook

In the back drop of the difficult Global Economic Conditions

India is set to be the second-fastest growing economy in the G20 in FY 2022-23, despite decelerating global demand and the tightening of monetary policy to manage inflationary pressures. GDP growth will slow to 5.7% in FY 2023-24, as exports and domestic demand growth moderate. Inflation will crimp private consumption but moderate at the end of the projection period, helping, along with improved global conditions, to boost growth to 6.9% in FY 2024-25, in line with the 20-year average (excluding the COVID-19 recession). After a spike in 2022, the current account deficit will narrow as import price pressures abate.

The Indian economy has proven to be remarkably resilient in the face of the deteriorating global situation due to the strong macroeconomic fundamentals that place it well ahead of other emerging market economies.

Economic growth is slowing



Looking Ahead at 2023

The New Year brings hopes for continued momentum in India's growth story, backed by the sustained strength in domestic demand, with significant addition in intrastructure, including in renewable Power Generation, transmission and through RDSS and other Government sponsored scheme in distributions of Power. According to a recent report by Morgan Stanley, India could become the second-fastest growing economy among the G20 nations in FY 2022-23, after Saudi Arabia. This is expected despite a potential slowdown in global demand, inflationary pressures and continued monetary policy tightening.

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)	▸ APAR Industries has been one of the largest manufacturers of aluminium and alloy conductors in the world ▸ The third-largest global manufacturer of transformer oil. ▸ Wide range of cable solutions viz., solar, wind, nuclear, mining, defence, navy, railways, housewires in India
Indian Railways	Copper Conductors, XLPE & Elastomeric Cables & Harnesses	▸ Largest manufacturer of conductors and works on a wide variety of cables
Automotive Sector	Auto Lubes, Automotive Cables	▸ 10th largest domestic player in lubricant ▸ Established a strong foundation for Automotive Lubricants under a license agreement with ENI Italy to manufacture and market high-end automotive and specialty lubricants
Telecom Industry	Optical Fibre Cables (OFC), Optical Ground Wire (OPGW)	▸ Manufacturer of wide range of power and telecom cables.

Industries	APAR products	APAR advantage
Defence Sector	Elastomeric Cables & Speciality Cables	▸ Major supplier of speciality elastomeric cables to the Indian Navy manufacturing establishments and to DRDO
Exports	49% of revenue contribution in FY 2023	▸ Exports in over 140+ countries. ▸ The company has a global presence and exports its products to countries in Europe, Africa, the Middle East, Asia, and the Americas. ▸ APAR Industries has received several awards and certifications for its export performance, including the Top Exporter Award from the Engineering Export Promotion Council of India.

T&D Industry

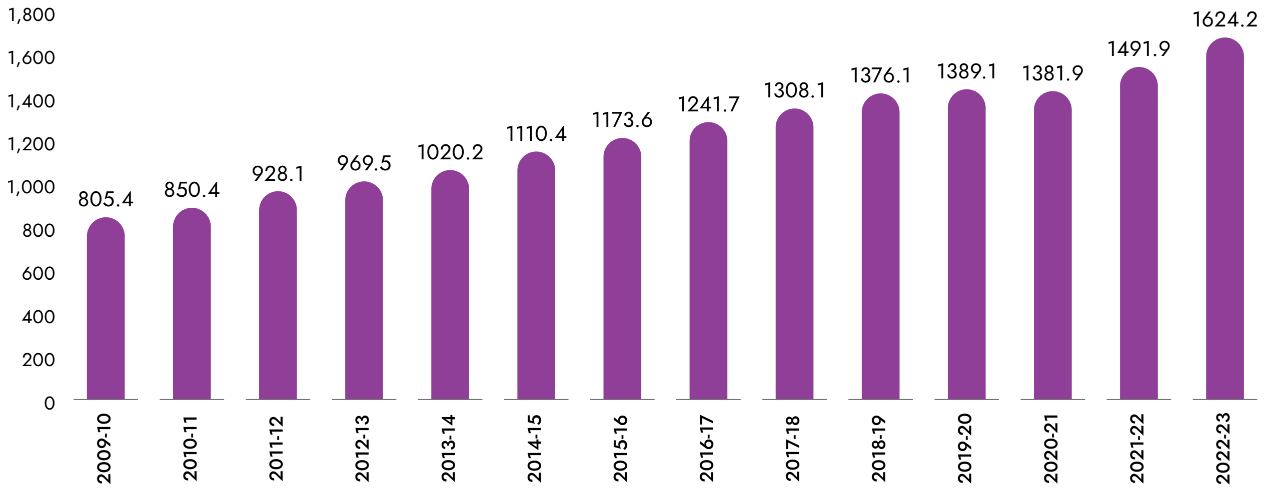
Indian power sector is undergoing a significant change that has redefined the industry outlook. The power industry's future in India is bright, and sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country.

	Addition in Transmission line (ckm)	Addition in Transformation capacity (MVA)
FY 2014-15	22,101	65,554
FY 2015-16	28,114	62,849
FY 2016-17	26,300	81,816
FY 2017-18	23,119	86,193
FY 2018-19	22,437	72,705
FY 2019-20	11,664	68,230
FY 2020-21	16,750	57,575
FY 2021-22	14,895	78,982
FY 2022-23	14,625	75,902
Total	**1,80,005**	**6,49,806**

Generation

(In Billion Units)

Total Generation (Including Renewable Sources)



Total Installed Capacity (As on 31.03.2023) - Source : Central Electricity Authority (CEA)

Installed generation capacity (sector wise) as on 31.03.2023		
Sector	MW	% of Total
Central Sector	1,00,055	24%
State Sector	1,05,726	25.40%
Private Sector	2,10,278	50.50%
Total	4,16,059	

Budget Highlight on Power Sector

1. ₹ 35,000 crore (US$ 4.3 billion) outlay for energy security, energy transition and net zero objectives.
2. Battery energy storage systems to be promoted to steer the economy on the sustainable development path.
3. ₹ 20,700 crore (US$ 2.52 billion) outlay provided for renewable energy grid integration and evacuation from Ladakh.

Renewable Energy Industry

India's installed renewable energy capacity has increased 396% in the last 8.5 years and stands at more than 174.53 Giga Watts (including large Hydro), which is about 42.5% of the country's total capacity (as of February 2023). India saw the highest year on year growth in renewable energy additions of 9.83% in 2022.

India has set a target to reduce the carbon intensity of the nation's economy by less than 45% by the end of the decade, achieve 50 percent cumulative electric power installed by 2030 from renewables and achieve net-zero carbon emissions by 2070. Low-carbon technologies could create a market worth up to $80 billion in India by 2030.

Indian Railways Industry

Indian Railways (IR) is rapidly progressing to accomplish Mission 100% Electrification and become the largest green railway network in the world. 6,542 RKMs has been achieved in IR history during 2022-23.

Electrification of 1,973 Route km (2,647 TKM) has been achieved during 2022-23, which is 41% higher as compared to corresponding period of 2021-22. As of February 2023, 85% of the total Broad-Gauge network has been electrified. With this, Indian Railways has completely electrified 6 zonal railways and is rapidly progressing towards its target of 100% electrification and becoming the largest green railway network in the world. The railway sector of India aims to electrify the entire network by 2023 which will lead to annual energy savings of $1.55 Bn.

Indian Railway Outlook

Indian Railway network is growing at a healthy rate. In the next five years, Indian railway market is expected to be the third largest, accounting for 10% of the global market. The government has announced two key initiatives for seeking private investments-running passenger trains by private operators across the railways network and redevelopment of railway stations across the country. According to Indian Railways, these projects have the potential of bringing an investment of over US$ 7.5 billion in the next five years.

The Indian Railway launched the National Rail Plan, Vision 2024, to accelerate implementation of critical projects.

Automotive Industry

The Indian automobile industry is setting out on a journey with hopes for a sustained growth momentum in 2023 and further embracing clean technology amid the lurking speed breakers of rising interest rates and cost increases due to new emission and safety norms, having witnessed a strong comeback from the COVID-led downturn this year.

Telecom Industry

The government has allocated ₹ 1.23 trillion for telecom and postal projects. The total allocation includes ₹ 975.79 billion for the Department of Telecommunications and ₹ 258.14 billion for postal projects.

The Indian telecom market saw 36 per cent value growth in offline retail last year, and 2023 is expected to be stable with value-driven growth for the domestic telecom market compared to 2022. While the global telecom market closed 2022 with a 9.7 per cent decline in revenue compared to the previous year.

Telecom Industry Outlook

- India's 5G subscriptions to have 350 million by 2026. Accounting for 27% of all mobile subscriptions.
- By 2025, India will need ~22 million skilled workers in 5G-centric technologies such as Internet of Things (IoT), Artificial Intelligence (AI), robotics and cloud computing.

Defence Industry

Capital expenditure in the defence sector is crucial for India's aim to become self-reliant in defence manufacturing and adopting modern technology.

India is positioned as the 3rd largest military spender in the world, with its defence budget accounting for 2.15% of the country's total GDP. Over the next 5-7 years, the Government of India plans to spend $ 130 Bn for fleet modernisation across all armed services. The industry gets ₹ 5.94 lakh crore in Budget 2023-24, a jump of 13% over previous year.

Defence Industry Outlook

Ministry of Defence has set a target of achieving a turnover of ₹ 1.75 lakh crore in aerospace and defence manufacturing by 2025, which includes exports of ₹ 35,000 crore. Till April 2023, a total of 606 Industrial Licences have been issued to 369 companies operating in Defence Sector.

Exports

It is estimated that India's combined exports of merchandise and services will experience a positive growth of 13.84% in the fiscal year 2022-23 (April-March) compared to the previous fiscal year 2021-22 (April-March). Despite the global economic downturn, India's domestic demand has remained stable. On the other hand, overall imports are expected to grow by 17.38% in the fiscal year 2022-23 (April-March) compared to the previous fiscal year 2021-22 (April-March).

In March 2023, the exports of electronic goods surged by 57.36% to reach USD 2.86 billion, which is a significant increase from USD 1.82 billion in March 2022. For the entire fiscal year 2022-23 (April-March), the exports of electronic goods were reported at USD 23.57 billion, reflecting a growth of 50.52% from the previous fiscal year 2021-22 (April-March) when exports stood at USD 15.66 billion.

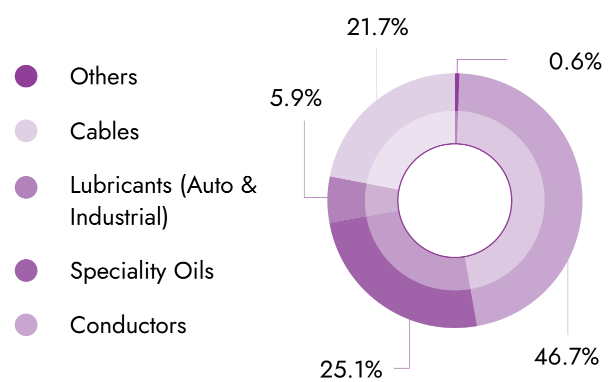
OVERALL BUSINESS PERFORMANCE

In ₹ Cr	FY18	FY19	FY20	FY21	FY22	FY23
Revenue	5,819	7,964	7,443	6,410	9,317	14,352
EBITDA	419	483	484	437	581	1,320
PAT	145	136	135	161	257	638
Cash Profit	201	203	222	254	355	742
ROE	13%	12%	11%	13%	16%	32%
D/E	0.17	0.14	0.19	0.17	0.18	0.14

FY 2023 Segmental revenue-mix

Numbers are as per Ind AS.

Segmental Mix - 12M FY 2023 Revenue



The company has cable, conductor and speciality oils & lubricants which cater to each of the segments above. A unique distinction achieved in FY 2023 is that each of APAR's major 3 divisions were individually the highest exporter from India in their segments.

Consolidated revenue in FY 2023 was at ₹14,352 crores, up 54% YoY, with growth coming from all the divisions on the back of higher volumes and growth in export of cable and conductor business. Export revenue increased 97% YoY, accounting for 49% of FY 2023 revenues. Consolidated EBITDA was at ₹1,320 crores up 130% YoY. Conductor business recorded all time high EBITDA post forex of ₹44,114 MT. Cable business recorded strong EBITDA post forex of 10.7%. Oil business recorded EBITDA post forex at 4,781 per KL

The Company posted 148% YoY growth in PAT in FY 2023 on the back of high margins in conventional conductors, higher share of premium conductors, increase in cable business and overall increase in exports.

SEGMENT-WISE PERFORMANCE

Conductors – All Time High EBITDA

Your Company is one of the largest global manufacturers of Conductors. ₹ 433 crore of strategic capex was undertaken over FY 2016-FY 2023 to launch several innovative solutions in the space:

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 FY 2023 43% of revenue comes from these premium products. The globalisation initiative has also resulted in 51% of revenue coming outside of the Indian market.

Revenue for the conductors' segment increased 67% YoY to ₹ 7,013 crore on the back of higher share of premium products and export. Export revenues grown over 2 times as compared to previous year.

In ₹ Cr	FY 2023	FY 2022	Growth (%)
Order Book	5,124	3,079	66%
Turnover	7,013	4,200	67%
Segment Profit/ (Loss)	682	163	318%
Volume (MT)	1,60,131	1,07,357	49%

EBITDA per MT after forex adjustment at ₹ 44,114 up 158% YoY:

Your Company witnessed a strong performance with higher margins in most of the product lines. Profitable export opportunities, low cost of logistics, steel and aluminium premium augmented in achieving historic high margins.

Outlook

- Your Company has planned capital expenditure to the tune of ₹ 102 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 infrastructure spends on a global scale to become key demand drivers.

Risks and Concerns: Ongoing geopolitical tensions may pose unprecedented challenges and could pushed up the prices of commodities. 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 some impact on your Company's performance. Project delays from customers' side may have an impact. Sharp increase interest rates can affect the financing pattern of infrastructure projects leading to delays and possible cancellations of announce projects.

Speciality Oils – All time high volumes.

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 ₹ 250 crore during FY16-23 on higher-value products:

In ₹ Cr	FY 2023	FY 2022	Growth (%)
Turnover	4,656	3,560	31%
Segment Profit/ (Loss)	225	268	(16%)
Volume (MT)	4,86,582	4,61,589	5%

EBITDA per KL after forex adjustment in FY 2023 was at ₹ 4,781, down 24% YoY from ₹ 6,331. The focus remains on per unit profitability rather than on volumes.

Outlook

- 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: 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 and No. 1 exporter of cables and wires from India:

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. ₹ 397 crore has been invested over FY16-23 towards developing new-age solutions:

- High-voltage power cables using the latest CCV technology.
- Product portfolio includes 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.
- Highest number of UL certificate of compliance from India for sale of cable in the United States.
- Additional E-Beam capacity to produce more Anushakti house wires, railway cables and solar cables.

In ₹ Cr	FY 2023	FY 2022	Growth (%)
Turnover	3,263	1,994	64%
Segment Profit/ (Loss)	317	80	296%

- Exports' contribution at 52% as against 29% in FY 2022, total exports tripled compared to last year.
- Power cable continues to be highly competitive; more focus being put on export opportunities.
- Active state presence in retail light duty cable business gone up from 2 in FY 2022 to 13 in FY 2023.
- EBITDA margin post forex adjustments up 225% YoY to ₹ 344 crore in FY 2023.

Prepared to capture export markets:

- Exports are up 190% YoY to ₹ 1,658 crore from ₹ 572 crore in FY 2022, contributing to the increased revenue of the segment. With major exports done to several countries new opportunities are expected to be opened in FY 2024.
- 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 FY 2024, the Company will continue its focus on premium products: and continue to focus on exports.
- In FY 2024, the Company will also continue to increase its volumes in light duty cable business penetrating to newer distributors and new states.

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	FY 2023	FY 2022	Variance %
EBITDA Margin	9.2%	6.2%	3.0%
PAT Margin	4.4%	2.8%	1.6%
ROE	32.3%	16.5%	15.8%
Debtors Turnover	73	86	18.0%
Inventory Turnover	80	94	17.0%
Current Ratio	1.22	1.22	0.0%
Debt/ Equity Ratio	0.14	0.17	(20.1%)
Interest Coverage Ratio	4.1	3.4	21.0%
Net Fixed Asset Turnover Ratio	14.3%	10.0%	4.3%

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 associates as at March 31, 2023:

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,

5. Cema Wires & Cables Inc.*, USA., Wholly Owned Subsidiary of the Company,

6. Ampoil Apar Lubricants Private Limited – Associate of the Company with 40% stake along with PPS Motors Private Limited and Others.

7. Clean Max Rudra Private Limited – Associate of the Company with 26% stake.

* Not consolidated as there are no operations till March 31, 2023

The Company has not attached the Balance Sheet, statement of profit & loss and other related documents of its five Subsidiaries and two Associates. 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, 2023 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, interalia 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 & SUSTAINABILITY REPORT (BRSR)

Business Responsibility & Sustainability Report (BRSR) as stipulated under Regulation 34(2)(f) of the Listing Regulations forms a part of this Annual Report as **"Annexure – VI"**.

11. MANAGEMENT - DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS:

Resignation:

During the year under review, Mr. Fatehchand B. Virani (DIN : 00062278), an Independent Director (Non-Executive) of the Company, vide his letter dated September 8, 2022 expressed his inability to continue as Director of the Company due to his advancing age and certain personal commitment / pressing engagements and accordingly, tendered his resignation as an Independent Director (Non-Executive) of the Company and consequently as a Chairman / Member of the following Committees of the Board, effective from the closure of Company's Board Meeting dtd. November 3, 2022.

i. Share Transfer & Shareholders' Grievance-Cum-Stakeholders Relationship Committee (Chairman)

ii. Audit Committee (Member)

iii. Corporate Social Responsibility Committee (Member) and

iv. Nomination and Compensation-cum-Remuneration Committee (Member)

The Board placed on record its appreciation for the valuable contribution and quality expert advices given by Mr. Virani during his tenure as Director and as a Member of the various Committees of the Board.

Re-appointment:

At the 34th Annual General Meeting (AGM), following appointment / re-appointment is being proposed:

a. Mr. Chaitanya N. Desai, Director (DIN: 00008091), shall retire by rotation and being eligible, offers himself, for re- appointment.

Details of the proposal for re-appointment of Mr. Chaitanya N. Desai along with his brief resume is mentioned in the Explanatory Statement under Section 102 of the Act and disclosure under Regulation 36(3) of the Listing Regulations as annexed to the Notice of the 34th AGM.

The Board recommends re-appointment / appointment of the above Director.

KEY MANAGERIAL PERSONNEL:

As on March 31, 2023, 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, five 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. 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.

13. DECLARATION BY INDEPENDENT DIRECTORS

Mr. Rajesh Sehgal, Mrs. Nina Kapasi and Mr. Kaushal J. Sampat were the Independent Directors (Non-Executive) of the Company as on March 31, 2023.

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, 2023, 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, 2023 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. 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 remained unclaimed with the Company as on March 31, 2023.

24. PARTICULARS OF LOANS, GUARANTEES, SECURITIES 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, 2023 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, 2024 (2023-24) on a remuneration not exceeding ₹ 1,32,000 p.a.

A Resolution seeking members' ratification of remuneration payable to M/s. Rahul Ganesh Dugal & Co., Cost Auditor is included at Item No. 4 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 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 2022-23. 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. 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 only, unless a request for physical copy of aforesaid document is sought by the shareholders.

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 BRSR 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/2022/09/CSR-Policy_R.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 and 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 forms part of this Annual Report.

30. 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 regarding sexual harassment. There were no complaints registered during the Financial Year 2022-23 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 one time settlement with any Bank or Financial Institution.

31. 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, Singapore and USA, where we have our 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. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board of Directors

Sd/-
Kushal N. Desai
Chairman & Managing Director
DIN - 00008084

Place: Mumbai
Date: May 08, 2023

ANNEXURE - I TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2023

[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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2023, 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, 2023 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 Non-Convertible Securities) Regulations, 2021; **- Not Applicable during the audit period**

g) 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**

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

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

j) 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;

k) 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 (ICSI).

(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. as mentioned herein 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
Sd/-
Hemang Mehta

Proprietor
FCS No.: 4965
C. P. No.: 2554
Peer Review No.: 1184/2021
UDIN: F004965E000271693

Date: May 08, 2023
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. Wherever 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. 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
Sd/-
Hemang Mehta
Proprietor
FCS No.: 4965
C. P. No.: 2554
Peer Review No.: 1184/2021
UDIN: F004965E000271693

Date: May 08, 2023
Place: Vadodara

ANNEXURE - II TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) Activities 2022-23

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, especially girl children
5. Empowerment of physically / mentally challenged and underprivileged children, adults and providing free education
6. Eradicating malnutrition (Kuposhan Mukt) by adopting Anganwandis
7. Empowering women socially & economically
8. Setting up of Public Libraries for the socio-economic development of a country
9. Skill development and training to the student belongs to backward / Tribal / SC / ST communities.

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 (upto 03.11.2022)	Independent Director (Non-Executive)	4	2
3.	Mr. Chaitanya N. Desai	Managing Director	4	4
4.	Mrs. Nina Kapasi (w.e.f. 03.11.2022)	Independent Director (Non-Executive)	4	1

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/2022/09/CSR-Policy_R.pdf

For CSR Projects: https://apar.com/wp-content/uploads/2022/06/APAR_CSR_Annual_Action%20Plan_FY_2022-23.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

- 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. (a) Average net profit of the company as per sub-section (5) of section 135.

₹ 220,80,92,705/-

(b) Two percent of average net profit of the company as per sub-section (5) of section 135.

₹ 4,41,61,854/-

(c) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years.

₹ Nil

(d) Amount required to be set off for the Financial Year, if any.

₹ Nil.

(e) Total CSR obligation for the Financial Year [(b)+(c)-(d)].

₹ 4,41,61,854/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

₹ 4,41,71,741/-

(b) Amount spent in Administrative Overheads.

- Nil / Not Applicable

(c) Amount spent on Impact Assessment, if applicable.

- Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)].

₹ 4,41,71,741/-

(e) 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 sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
4,41,71,741/-	Nil	–N. A. –	–N. A. –	Nil	–N. A. –

(f) Excess amount for set-off, if any.

Sr. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	4,41,61,854
(ii)	Total amount spent for the Financial Year	4,41,71,741
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	9,887
(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)]	9,887

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year (s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1							
2	FY-2							
3	FY-3							

— Not Applicable —

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

- Yes : If Yes, enter the number of Capital assets created/ acquired
- No : No / Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset (s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
— Not Applicable —							

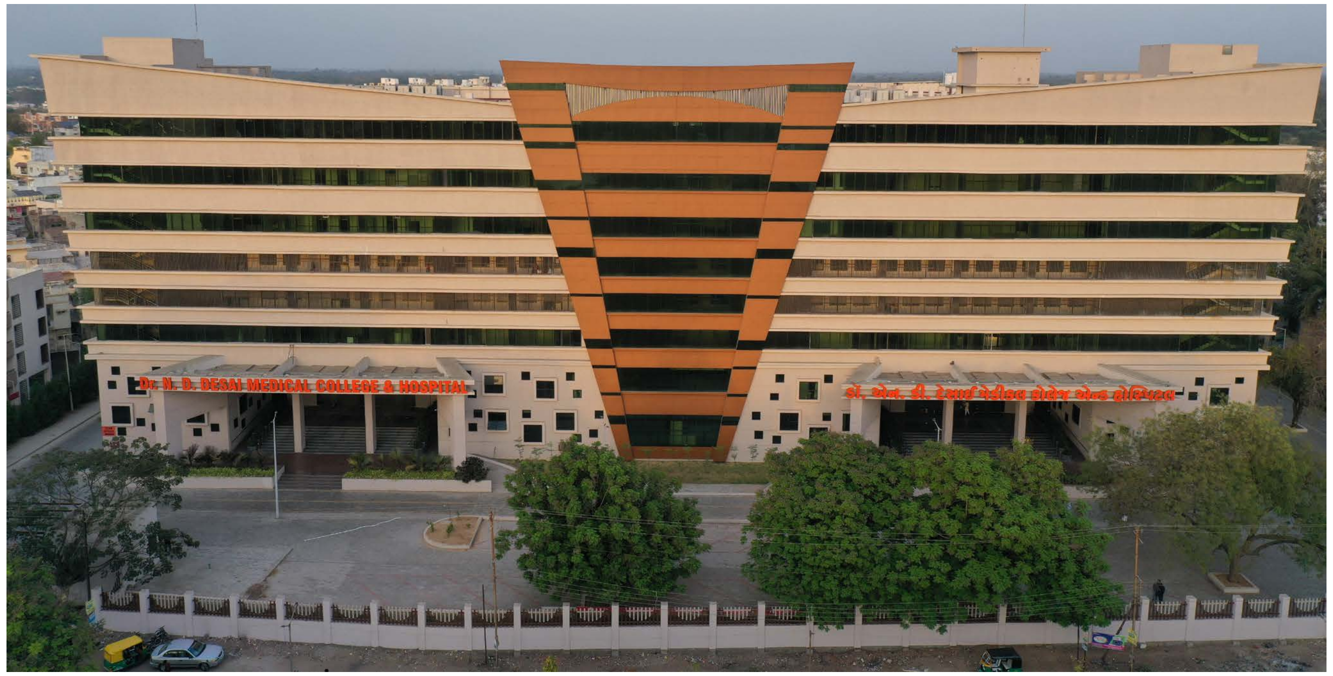
(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: - Not Applicable -

Sd/-
(Kushal N. Desai)
Managing Director & CEO
Chairman – CSR Committee
DIN: 00008084

Sd/-
(Chaitanya N. Desai)
Managing Director
DIN: 00008091

Mumbai, May 08, 2023



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 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2022-23.

Sr. No.	Name of Director / KMP and Designation	% increase/decrease in Remuneration in the Financial Year 2022-23	Ratio of remuneration of each Director / to median remuneration of employees
1.	Mr. Kushal N. Desai, Chairman & Managing Director	116%	147.86:1
2.	Mr. Chaitanya N. Desai, Managing Director	114%	148.51:1
3.	Mr. F. B. Virani, Independent Director - Upto 03.11.2022	-32%	0.41:1
4.	Mr. Rajesh Sehgal, Independent Director	16%	0.59:1
5.	Mrs. Nina Kapasi, Independent Director	16%	0.59:1
6.	Mr. Rishabh K. Desai, Non Executive –Non Independent Director	25%	0.32:1
7.	Mr. Kaushal J. Sampat, Independent Director w.e.f. 31.01.2022	422%	0.43:1
8.	Mr. Ramesh S. Iyer, Chief Financial Officer w.e.f. 03.02.2022	NA	
9.	Mr. Sanjaya R. Kunder, Company Secretary	8.09%	

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 2022-23 was around 1.51%.
3. There were 1,659 permanent employees on the rolls of Company as on March 31, 2023.
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2022- 23 was 6.79% whereas the percentile increase in the managerial remuneration for the same Financial Year was 115% due to increase in commission which is on increased profit. The profit before tax for Financial Year 2022-23 increased by 157%.
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, 2023.

Names	Age (Years)	Designation / Nature of Duty	Qualifications	Experience (Years)	Remuneration (₹)	Date of Commencement of Employment	Last Employment and Designation
Mr. Kushal N. Desai	56	Chairman & Managing Director	B.Sc. in Engg., (Ele. Engg.) U.S.A., B.Sc. in Eco. (Wharton) U.S.A.	34	103,498,741	24.03.1999	GE Lighting (India) Ltd. - President
Mr. Chaitanya N. Desai	51	Managing Director	B.Sc. in Engg., (Chem. Engg.) U.S.A., B.Sc. in Eco. (Wharton) U.S.A.	29	103,955,572	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, Sr. 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. During the year the Company has granted cash settled share based arrangement (Share Appreciation Right) (Refer Note no. 37B of Standalone Financial Statements).
5. 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

Sd/-
Kushal N. Desai
Chairman & Managing Director
DIN - 00008084

Place: Mumbai
Date: May 08, 2023

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, 2023

I. CONSERVATION OF ENERGY:

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

Conductor Division:

i. Replacement of the old 2 numbers of 1,250 KVA transformers with new OLTC 3,000 KVA transformers.

ii. Slip ring type motor replacement with new IE3 series AC motor of CCR machine.

iii. DC to AC conversion of main motor of CU Extrusion 300 TLJ.

iv. LED Lights replacement and HVLS fan installed in Plants.

v. Patenting line compressor 37 Kw motor run with VFD.

vi. Inverter installed in Ravi bull nose machine.

vii. New designed salt melting bath installed in Patenting line.

viii. Installation of transparent sheet in plant A shed to reduce lighting requirement.

ix. Air Knife System installed in CNF-2 machine for saving compressed air.

x. All 3 blowers converted in-house from star delta to VFD drive of ageing/annealing furnace.

xi. CCR regenerative burner air blowers 22kw for all 4 furnaces speed control given through VFD & replaced star delta starter.

xii. AF-4 & 5 (ageing/annealing) 16 numbers 5.5kw blowers star delta converted to VFD.

xiii. Harmonics filter 100Amp for CCR & Conductor plant to filter out voltage spikes & current harmonics with energy saving 400kwh/day.

xiv. Wood/Thermic fluid fire ageing furnaces converted in-house on Electrical heating to save wood/agro mass of 48Mt. a month with 959 tCO2e reduction.

xv. Optimum utilization of Air Compressor by modified compressed line with respect to the requirement of production load.

xvi. Modified Electrical Ageing furnace to Electrical Annealing furnace for enhanced AL59 productivity.

xvii. Replaced RBD oil pump starter with VFD.

xviii. Installed servo drive & motor with PLC in flipper traverse unit for pitch-to-pitch coil winding.

xix. Installed roughing mill in CCR & synchronize with finishing rolling mill for increased productivity.

xx. Replaced permanent magnet trolley motor starter to VFD.

xxi. Replaced CCR gear oil pump starter to VFD.

xxii. Battery Backup system for casting in CCR with 4 numbers of AC drives.

xxiii. HVLS helicopter fans installed for effective cooling and working environment and energy saving in shop floor.

xxiv. Centralized compressed air system with aluminum line in new plant for energy saving and optimized air pressure, air quality and extended life.

Cable Division

i. The division has generated 24,93,696 units of electricity during the year through Roof Top Solar Plant. This has reduced 1783 tCO2e emission in the atmosphere and is equivalent to planting 81045 mature trees.

ii. Replacing the Electrical Heating System of curing tank with direct steam heating system.

iii. Replacement of MH lights and tube lights by LED lights.

iv. Upgradation of Furnace blower from without drive to with drive operation. Replacement of compressors from reciprocating to screw.

v. During the year 3,85,359 units were saved in the form of PF rebate by maintaining good power factor.

vi. Saving energy by installation of VFD (AC Drive in place of star delta starter) in motor pump & compressors.

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

Oil Division:

i. 14,37,808 units generated through 1342 KWp Roof top solar plant during the year, resulting in reduction of carbon emission by 1135 tCO2e.

ii. Rainwater is collected through rainwater harvesting and used in the process and for charging the ground water through recharge pit. This helped in improving the ground water level. Also using STP treated clean water for washrooms and toilets. Recovered 75% condensate and used this in Boiler feed system.

iii. Installed Energy efficient light fitting in A&I plant, reduction in 18144 kwh/year and reduction in carbon emission by 14.33 tCO2e.

iv. Heat Pump installed to increase the boiler feed water temperature, saving 5.65 tCO2e.

v. Auto blowdown system installed for boiler, saving ₹ 2.27 Lakh/year, reduction in carbon emission by 6.48 tCO2e/year.

vi. Recovery of flash steam and condensate directly to boiler feed water tank by flash jet pump. Saving is ₹ 6.99 Lakh/ year, with reduction of GHG gas of 21.9 tCO2e.

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

i. Commission the wind solar hybrid renewable energy project of 3.3 MW Wind Turbine and 1.80 MWp of solar by June, 2023 which has an estimated generation of 15 million units annually, with a carbon saving of 10,500 tCO2e.

ii. Work on an additional wind solar hybrid project of 3.3 MW Wind Turbine and 1.80 MWp of solar for commissioning by March 2024.

iii. Confirming -1 - main motor & caterpillar motor DC to AC Conversion.

iv. CU Extrusion 400 Conversion from DC to AC.

v. Cu Conforming 350 - Conversion from DC to AC.

vi. Power Saving in CTC Enameling machine - temperature control through Thyristor, PLC and HMI – 3 Lines

vii. CU bus bar draw bench – hydraulic unit 75 KW main motor run through VFD control

viii. CCR holding furnace - draft fan 37 KW & blower fan 22KW motor run through VFD

ix. Cooling tower - 7.5 HP motor run through VFD

x. Enameling Machine 6 numbers 3.75 KW Exhaust fan runs through VFD.

xi. Allind & MPI Wire Drawing – Oil Pump run through VFD.

xii. Tapi & Narmada Wire Drawing – Emulsion Oil 11 KW Motor run through VFD

xiii. Replacement of inefficient motors with IE3 Series motors.

xiv. Replacement of conventional ceiling fans with BLDC fans.

xv. Replacement of cooling tower fan blades with FRP blades.

xvi. Power Saving in PA rod wire drawing by replacing main motor 315KW to 220KW.

xvii. Ratio control device installation to control optimum oxi-fuel ratio & reduce furnace oil consumption in three melting/holding furnaces.

xviii. Reduction in HTGS Scrap from 1.8% to 1% (Approximately 6Mt. a month) with energy consumption reduction.

xix. Power consumption reduction approximately 15% in dullfinish by 110KW screw air compressor frequency reduction through pressure transducer with VFD in close loop.

xx. Reduction in forklift movement for assembled drums from drum assembly area & HTGS coil spooling Trolley system to be implemented for carry out 8 drums & 15 coils at a time to reduce diesel consumption.

xxi. Rainwater harvesting with water footprint reduction by reusing & recycling of the process and sewage water to save approximately 30KL/day.

xxii. Installation 1.2 MWp Solar plant & produce renewable energy saving ₹ 80 lakh per annum and emission saving of 1392 tCO2e.

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

xxiv. Installation of Energy recovery system to recover the wasted energy through radiation losses in the air compression process. By recovery of this energy will raise feed water temperature of boiler up to 85°C, which will save PNG and saving will be ₹ 5.59 Lakh/ year and GHG reduction will be by 19 tCO_2e/year.

3) Impact of measures at 1 & 2 above:

i. Reduction in load loss of transformer 0.25% of actual energy consumption and electrical components life increased due to operating in rated power.

ii. Plant automation & modification for energy saving, automation, process control, quality improvement.

iii. VFD system for energy saving in close loop synchronization.

iv. Energy saving in air compressors & cooling tower.

v. Generation of energy through natural resources & saving grid electrical consumption. With the above, APAR's renewable electricity consumption will be 25% of the total electricity requirement.

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

vii. Automation through PLC profibus & VFD system for energy saving.

viii. Reduction of CO_2 in the Atmosphere.

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) K class fire safety Biodegradable Transformer oil "Poweroil NE Premium" with high oxidative stability and extremely low stray gassing tendency have been launched for distribution transformer applications to improve the carbon foot print.

b) Studies for higher rating transformers will be taken up with PGCIL and studies on traction transformers with OEMS like Siemens, CGL etc.

c) Inspection for chemical structure completed for horticultural spray oils and application for registration at CIBRC is under review.

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

e) Feasibility studies of re-refining of base oils and hydrogenation studies of used lubricants are in progress.

f) High temperature chain oils launched for textile industry applications. The application range will be expanded to other segments and Biodegradable fluids will be field tested.

g) Test facility for biodegradability of the oil products by OECD 301B & 301D methods established and will be included in the NABL certification.

h) Metal working fluids for aluminum segment applications launched and field trials in progress.

i) Water based rust preventive oil, POWEROIL AQ 3050 introduced to steel pipe segment.

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

k) Development of Electrochemical cable, Shielded water blocked cable, Inter-connect cable. Fires survival cable, Data bus cable.

l) Development of Ethernet Lan cable, EV-charging cable, Special MVCC Cable.

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

n) Expansion of R&D Laboratory to accommodate higher testing volume and high efficiency of testing.

o) Development and testing and simulation of Emissivity measurement of surface treated/ coated conductor. Project undertaken for development of high efficiency coated conductor to reduce CO_2e, Higher power transfer, corrosion resistance and longer life.

p) Additional facilities of new high-capacity transformer for up to 4000 Amps current and temp 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.

q) Project undertaken for pollution free in-house patenting process of steel for ACS.

r) R&D project execution in association/ support of DD University on research for possibilities of future technology for new product development through IOT based performance prediction of the conductor.

s) Laboratory set-up and test facility expansion for OPGW Cable and CTC conductor for testing and handling higher volumes and customers inspection.

t) For backward integration and import substitution, manufacturing of mischmetal coated core wires and for high thermal resistance properties.

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

a) High performance biodegradable renewable transformer oil launched first of its kind with extended life, Low stray gassing behavior and with improved carbon foot print.

b) Papers presented at various conferences and invited lectures delivered and co—authored book on Sustainable Lubrication (CRC Press) released.

c) White oils for high performance thermoplastic applications meeting EU standards commercialized and collaborative projects initiated with polymer division of the company.

d) In-house test facility and R&D is helping innovation, development activities, simulation and assessment at lower cost and without dependency on foreign laboratory and experts.

e) Enhancement of competency, skill and innovation, market competitiveness towards solutions and Make in India.

f) Increased capacity for additional testing and experimental load

g) Project undertaken for master data management and data analytics for quality improvement.

h) Development of new products with updated technology and superior solutions to customers.

(iii) Future plan of action:

a) Field trials and product approvals for higher rated transformers with PGCIL.

b) Field Trials/condition monitoring of Natural Easter based Transformer oils for distribution transformers and solar power generation applications in progress along with CFD studies on offering application-based products.

c) Increase the strength of R&D team to focus on new projects such as re-refining of used lubricants under EPR regulation, field studies on EV fluids, EALs, biodegradable Fuel additives, Synthetic esters.

d) Representing company in CIGRE, IEC TC 10, IEC TC 7, BIS, IEEE working groups

e) USP Certification for the food grade White oil, petroleum jelly product will be taken up for completion.

f) NPOP (organic product application) and NSF-Vegan certification for Spray oils and White oils

g) Developing methods for Life Cycle analysis of products under ESG.

h) To continue to carry on the R&D activity and try to absorb to reduce costs mainly by import substitute.

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

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

k) ESG project on water footprint (Water harvesting and re-charging).

l) Type testing and pilot transmission line simulation of comparative benefits of AERO-Z conductors.

m) Development of absorptivity of coated conductor and simulation of parameters and validation.

n) Commercial production of coated conductor and business development.

o) Product carbon footprint evaluation and reduction of CO_2e/ Mt. towards company's sustainability goal.

(iv) Expenditure on R&D:

a) Capital = ₹ 0.36 Crores

b) Revenue = ₹ 12.69 Crores

c) Total= ₹ 13.05 Crores.

d) Total R&D Expenditure as a percentage of Total Standalone Turnover = 0.09%

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 2023	Yes
License to manufacture high performance conductor (ACCC)	2013, Renewed in 2023	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)

		FY 2022-23	FY 2021-22
(a)	Raw Materials (CIF)	5,313.06	3,554.65
(b)	Stores & Spares	6.73	8.24
(c)	Capital Goods	54.70	6.97
(d)	Others	604.35	127.99
		5,978.84	**3,697.85**

(ii) Total foreign exchange earned:

(₹ in crore)

		FY 2022-23	FY 2021-22
(a)	Physical Exports (FOB)	5,248.35	2,547.76
(b)	Deemed Exports (eligible for export incentives)	83.25	42.54
(c)	Others	509.82	198.92
		5,841.42	**2,789.22**

Annexure V to the Director's 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 endeavour 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 Six 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 6 (Six) Directors, including 3 (Three) 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 an Independent Woman Director (Non-Executive) 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 /Skill/ Competency
			Member	Chairman	
Mr. Kushal N. Desai	Chairman and Managing Director (Executive) and Promoter	–	–	–	**Qualification:** Bachelor of Science in Engineering (Electrical Engineering) from Moore School of Electrical Engineering, USA and Bachelor of Science in Economics from the Wharton Business School, both of which are part of University of Pennsylvania, USA. **Expertise:** Business & Strategic Management and Engineering.
Mr. Chaitanya N. Desai	Managing Director (Executive) and Promoter	–	–	–	**Qualification :** Bachelor of Science in Engineering (Chemical Engineering) from University of Pennsylvania, USA and a Bachelor of Science in Economics from the Wharton Business School, University of Pennsylvania, USA. **Expertise:** Business & Strategic Management and Engineering.
Mr. F. B. Virani[1]- Upto November 03, 2022	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.

Name of Directors	Category	No. of Directorships in other public Companies *	No. of other Board Committees **		Qualifications/ Expertise /Skill/ Competency
			Member	Chairman	
Mr. Kaushal J. Sampat	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, Mr. F. B. Virani resigned as an Independent Director (Non-Executive) of the Company w.e.f. closure of Board of Directors meeting dtd. November 03, 2022 due to his advancing age and certain personal commitments / pressing engagements. Further, he confirmed that there were no other material reasons other than those mentioned above, for his resignation as Independent Director from the Company.

*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, 2023.

(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, leadership 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 specified 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 2022-23.

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 2022-23, Five Board Meetings were held respectively on May 27, 2022, July 12, 2022, July 28, 2022, November 03, 2022 and January 31, 2023. All the Meetings were held through Video Conferencing as permitted by the law. The last Annual General Meeting (33rd AGM) was held on August 12, 2022 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 2022-23 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)	92,08,503	5	5	Yes
Mr. Chaitanya N. Desai (CND)	91,24,185	5	5	Yes
Mr. Rishabh K. Desai (RKD)	42,398	5	5	Yes
Mr. F. B. Virani (FBV)*	1,000	4	3	Yes
Mr. Rajesh Sehgal (RS)	4,000	5	5	Yes
Mrs. Nina Kapasi (NK)	1,000	5	5	Yes
Mr. Kaushal J. Sampat (KJS)	–	5	5	Yes

*Mr. F. B. Virani resigned as an Independent Director (Non-Executive) of the Company w.e.f. closure of Board of Directors meeting dated November 03, 2022.

(e) Profile of Directors seeking Re-appointment

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

The resolution for Re-appointment of Director along with his profile as required under Regulation 36(3) of the Listing Regulations has 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 (CSR) Committee		
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[1]**	3	2	KND**	4	4
FBV[1]	3	3	FBV[1]	2	2	KND	4	4	CND	4	4
RS	4	4	NK	2	2	CND	4	4	FBV[1]	3	2
KND	4	4	KJS[3]	-	-	RS[2]**	1	1	NK[4]	1	1
KJS[3]	1	1	–	–	–	–	–	–	–	–	–

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
KJS	3	3
Mr. Ramesh S. Iyer (Chief Financial Officer) #	3	3
Mr. V. C. Diwadkar (Financial Advisor) #	3	3
Mr. V. K. Lele (Sr. Vice President – Finance) #	3	3
Mr. Samir Mehta (Sr. Vice President – Commercial) #	3	3

**Chairperson of the Committee.

1 Mr. F. B. Virani resigned as Chairman of the Share Transfer & Shareholders' Grievance-cum-Stakeholders Relationship Committee and as a member of the Audit Committee, Nomination and Compensation-cum-Remuneration Committee and Corporate Social Responsibility Committee w.e.f. closure of Board of Directors meeting dated November 03, 2022.

2 Mr. Rajesh Sehgal was appointed as Chairman of the Share Transfer & Shareholders Grievance-cum-Stakeholders Relationship Committee, upon resignation of Mr. F.B. Virani w.e.f. November 03, 2022.

3 Mr. Kaushal J. Sampat was appointed as a Member of Audit Committee & Nomination and Compensation-cum-Remuneration Committee, upon resignation of Mr. F.B. Virani w.e.f. November 03, 2022.

4 Mrs. Nina Kapasi was appointed as a Member of Corporate Social Responsibility Committee, upon resignation of Mr. F.B. Virani w.e.f. November 03, 2022.

#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/2022/09/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 1, 2023, 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 fulfil 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 and revised from time to time, terms of reference for the Audit Committee as per Section 177(4) of the Companies Act, 2013 and Listing Regulations.

(a) Composition and attendance during the Financial Year 2022-23:

- 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 2022-23, four Audit Committee Meetings were held respectively on May 27, 2022, July 28, 2022, November 03, 2022 and January 31, 2023. 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 2022-23 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 present at the 33rd Annual General Meeting of the Company held on August 12, 2022 through Video Conferencing (VC).

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

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

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 the 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 2022-23:

During the Financial Year 2022-23, four STC meetings were held respectively on May 27, 2022, July 28, 2022, November 03, 2022 and January 31, 2023. 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 2022-23 is given in Para 2(f) above.

Mr. Rajesh Sehgal, Independent Director (Non-executive) heads the committee as Chairman which was previously headed by Mr. F. B. Virani Independent Director (Non-executive).

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 including 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 2022-23 are given as under:

1.	No. of complaints received from SEBI (SCORES).	Nil
2.	No. of complaints received from BSE Limited (BSE).	4
3.	No. of complaints received from National Stock Exchange of India Limited (NSE).	1
4.	No. of complaints resolved to the satisfaction of the Shareholders.	4
5.	No. of complaints not solved to the satisfaction of the Shareholders as at March 31, 2023.	Nil*
6.	Complaints pending as at March 31, 2023.	1

*There are no grievances of stakeholders' remaining unattended / unresolved as every effort is made at all levels to immediately redress stakeholders' grievances without delay except one complaint which was lodged by the Shareholder with BSE on March 24, 2023 and the said complaint was redirected to the Company by BSE thru e-mail dated April 6, 2023, which was resolved, updated and closed by BSE on April 19, 2023.

Further, the Company's –

(i) Conductor division received total 23 complaints pertaining to delivery time, transportation, perceived quality issues etc. (both export and domestic business) and all 23 (100%) complaints were resolved.

(ii) Cable division of the Company received total of 67 customer complaints pertaining to delivery time, transportation, perceived quality issues etc., out of which 67 (100%) were resolved.

(iii) Oil Division of the Company received total 95 complaints pertaining to delivery time, transportation, perceived quality issues etc., out of which 95 (100%) were resolved.

5. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

a. Composition & attendance during the Financial Year 2022-23

During the Financial Year 2022-23, four CSR Committee meetings were held respectively on May 27, 2022, July 28, 2022, November 03, 2022 and January 31, 2023. 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 2022-23 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 2022-23:

During the Financial Year 2022-23, two NCRC meetings were held respectively on April 26, 2022 and May 27, 2022. Both the Meetings were held through Video Conferencing as permitted by law.

Details of the constitution of the NCRC and attendance of the members during the Financial Year 2022-23 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 five Directors; Mr. Kushal N. Desai – Chairman and Managing Director and CEO, Mr. Chaitanya N. Desai – Managing Director, Mr. Rajesh Sehgal, Mrs. Nina Kapasi and Mr. Kaushal J. Sampat - Independent Directors (Non-Executive) and other Committee Members from the Management of the Company.

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 2022-23, three meetings of RMC were held respectively on May 27, 2022, November 03, 2022 and January 31, 2023. 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 2022-23 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 ₹ Crores – ₹ 7,684.26 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				Total
				Domestic Market		International Market		
				OTC	Exchange	OTC	Exchange	
Aluminium (Al)	3658.09	1,43,210	MT	0%	0%	0%	100%	100%
Copper (Cu)	1050.16	23,121	MT	0%	0%	0%	91%	91%
Zinc (Zn)	29.01	359	MT	0%	0%	0%	100%	100%
Steel[#2]	188.43	23,983	MT	0%	0%	0%	0%	0%
Oil[#2]	2,758.57	3,48,269	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 Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, Presidents by whatever name called and the Company Secretary and the Chief Financial Officer. 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 2022-23 is as under:

Name of Directors	Mr. K. N. Desai	Mr. C. N. Desai
Designation	Chairman & Managing Director	Managing Director
Salary (₹)	1,93,23,936	1,94,40,382
Commission (₹)	8,38,14,580	8,38,14,580
Perquisites / Allowances (₹)	3,60,226	7,00,611
Total (₹)	10,34,98,741	10,39,55,572
Stock Option Granted (Nos.)	Nil	Nil
Service Contract	5 years from 01/01/2023 to 31/12/2027	5 years from 01/01/2023 to 31/12/2027
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 case may be.

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

Name of Directors	Sitting Fees (Gross) (₹)	No. of Stock Options Granted
Mr. F. B. Virani*	2,85,000	Nil
Mr. Rajesh Sehgal	4,12,500	Nil
Mr. Rishabh K Desai	2,25,000	Nil
Mrs. Nina Kapasi	4,12,500	Nil
Mr. Kaushal J. Sampat	3,00,000	Nil

*upto 03.11.2022

(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 Associates, 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 also installed structural digital database. 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. GENERAL BODY MEETINGS

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
33rd 2021-22	August 12, 2022 at 2:30 P.M.	Through Video Conferencing (VC)	- Re-appointment of Mr. Rajesh Sehgal (DIN: 00048482) as Non-Executive Independent Director of the Company for the second Term of 5 consecutive years. - 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 and payment of Remuneration to him. - 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 and payment of Remuneration to him.
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)	-

During the Financial Year under review, no Extra Ordinary General Meeting was held and no resolutions were passed throu Postal Ballot.

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, 2023 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 lying at the beginning of the Financial Year i.e. April 1, 2022.**	**402**	**7,162**
ii)	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year 2022-2023.	2	94
iii)	Number of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year 2022-2023.	2	94
iv)	Number of Shareholders whose shares were transferred from the Unclaimed Suspense Account to the IEPF Authority during the year 2022-2023 pertaining to the Financial Year 2014-2015.	17	132
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, 2023.	383	6,936

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 6,577 Equity Shares of the shareholders whose dividend had remained unclaimed/outstanding for a period of 7 years from 2014-15 to 2020-21 on October 7, 2022 and October 11, 2022 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, 2022. The said Cost Audit Reports were filed in XBRL mode with MCA on August 26, 2022 (due date of filing was September 30, 2022). The due date for filing the Cost Audit Reports for the Financial Year ended March 31, 2023 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 2022-23.

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 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 audio recording and transcripts of the call are also uploaded on the website of the Company and sent to the Stock Exchanges within statutory timeline.

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. 43 of the audited financial statements for the FY 2022-23, and also in the Directors' Report under Para 19 (refer **Form AOC-2**), which forms 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 01, 2014 as modified from time to time, the last modification being made on September 01, 2022 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).

*Accounts not consolidated as there are no operations till March 31, 2023

Referring to 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, 2023.

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) 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 in the Directors' Report of 2022-2023.

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

34th Annual General Meeting Day, Date and Time	:	Friday, August 11, 2023 at 02.30 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").
Financial Year	:	April 1, 2023 to March 31, 2024 The financial results will be adopted as per the following tentative schedule: First Quarter : On or before August 14, 2023. Second Quarter : On or before November 14, 2023. Third Quarter : On or before February 14, 2024. Fourth Quarter : On or before May 30, 2024.
Book Closure Dates/ Cut-off-Date (Record Date)	:	As mentioned in the Notice of this AGM
Dividend Payment	:	Dividend, will be paid as per the permitted mode 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** 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, 2023 and liquidity:

Particulars	As at March 31, 2023	
No. of Demat Shares	**No. of Shares**	**%**
- NSDL	3,34,02,863	87.28
- CDSL	47,62,702	12.45
No. of Physical Shares	1,03,054	0.27
Total	**3,82,68,619**	**100.00**

Distribution of shareholding as on March 31, 2023:

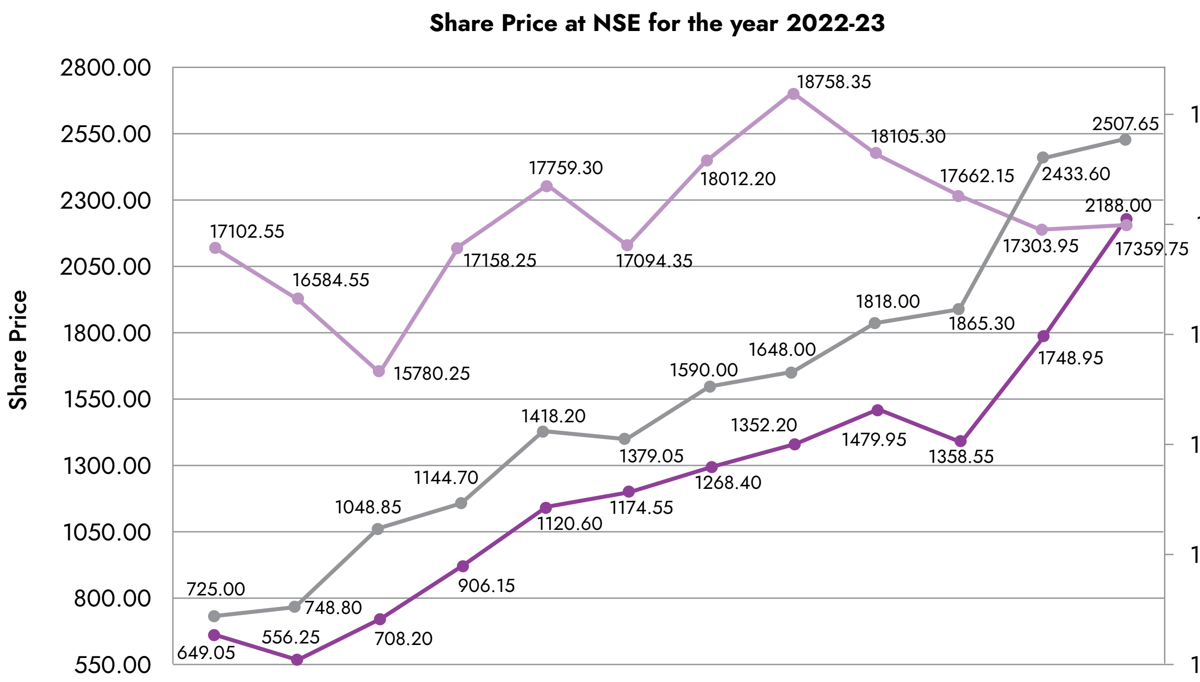
No. of shares ranging From – To			No. of Shareholders	% to Total Shareholders	No. of Shares	% to Total Issued Capital
1	-	500	62,210	97.75	17,77,708	4.64
501	-	1000	604	0.95	4,46,994	1.17
1001	-	2000	329	0.52	4,81,022	1.26
2001	-	3000	123	0.19	3,10,485	0.81
3001	-	4000	62	0.10	2,21,084	0.58
4001	-	5000	49	0.08	2,23,292	0.58
5001	-	10000	118	0.18	8,48,353	2.22
10001	&	above	144	0.23	3,39,59,681	88.74
Total:			**63,639**	**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 share 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 2022-2023 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-22	724.00	648.95	1,08,050	57,060.87	725.00	649.05	9,84,726	17,102.55
May-22	748.00	558.60	1,30,390	55,566.41	748.80	556.25	18,64,350	16,584.55
Jun-22	1,048.65	707.60	8,21,720	53,018.94	1,048.85	708.20	1,50,05,580	15,780.25
Jul-22	1,144.50	906.20	7,19,684	57,570.25	1,144.70	906.15	81,62,332	17,158.25
Aug-22	1,417.00	1,120.05	4,45,034	59,537.07	1,418.20	1,120.60	49,22,320	17,759.30
Sep-22	1,382.90	1,175.00	2,17,048	57,426.92	1,379.05	1,174.55	23,55,627	17,094.35
Oct-22	1,590.00	1,270.00	1,68,571	60,746.59	1,590.00	1,268.40	18,06,013	18,012.20
Nov-22	1,649.15	1,356.60	2,79,761	63,099.65	1,648.00	1,352.20	29,16,331	18,758.35
Dec-22	1,817.00	1,480.95	4,92,144	60,840.74	1,818.00	1,479.95	36,23,665	18,105.30
Jan-23	1,864.00	1,357.50	3,21,053	59,549.90	1,865.30	1,358.55	36,23,055	17,662.15
Feb-23	2,430.15	1,750.10	4,13,409	58,962.12	2,433.60	1,748.95	56,47,282	17,303.95
Mar-23	2,505.60	2,178.00	2,14,698	58,991.52	2,507.65	2,188.00	26,63,341	17,359.75
Total Shares Traded			**43,31,562**				**5,35,74,622**	
Average Shares Traded			**3,60,964**				**44,64,552**	

Share performance of the Company in graphical comparison at NSE (Nifty):



	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
High Price	725.00	748.80	1048.85	1144.70	1418.20	1379.05	1590.00	1648.00	1818.00	1865.30	2433.60	2507.65
Low Price	649.05	556.25	708.20	906.15	1120.60	1174.55	1268.40	1352.20	1479.95	1358.55	1748.95	2188.00
NIFTY	17102.55	16584.55	15780.25	17158.25	17759.30	17094.35	18012.20	18758.35	18105.30	17662.15	17303.95	17359.75

Shareholding Pattern as at March 31, 2023:

Category	No. of Equity Shares	% of Share Holding
Promoters / Persons Acting in concert	23,204,303	60.635
Banks, Financial Institutions and Insurance Companies	264	0.001
Alternate Investment Fund	265,561	0.694
Mutual funds	6,606,419	17.263
Foreign Portfolio Investors Category I, II & III / Foreign Institutional Investors	2,548,959	6.659
NRIs / OCBs	359,657	0.940
Corporate Bodies	474,572	1.240
Key Managerial Personnel	133	0.000
Central Government / State Government / President of India / IEPF	104,182	0.272
Resident Individuals (Public) [including HUF, Clearing Members, Trusts, Body Corporate - Limited Liability Partnership, Other Directors / Relatives]	4,704,569	12.296
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. 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 Sambhalpur.
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)
Polymer	Umbergaon

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.

Rating: "A+" for Long Term Bank Facilities and "A1" for Long/Short Term Bank Facilities.

Agency: ICRA 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 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 2022-23.

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 2022-23 (₹ in Crores) APAR	Fees for the year 2022-23 (₹ in Crores) ATDPPL*#	Fees for the year 2022-23 (₹ in Crores) ADLPL*#	Fees for the year 2022-23 (₹ in Crores) PSFZE*	Fees for the year 2022-23 (₹ in Crores) PSPL*#	Total Fees for the year 2022-23 (₹ in Crores)
1.	Audit Fee	0.50	0.02	0.02	0.08	0.05	0.67
2.	Other Services	0.03	0.01	0.01	0.00	0.00	0.05
3.	Out-of-pocket expenses	0.00	0.00*	0.00	0.00	0.00	0.00*
	Total	**0.53**	**0.03**	**0.03**	**0.08**	**0.05**	**0.72**

*Amount Less than ₹ 0.50 Lacs.

#Fees paid to the Statutory Auditors other than C N K & Associates LLP and its Network firms

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. Refer Note 14 of the Standalone Financial Statements for details of amount of Loans and Advances due at the end of the year.

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.

DETAILS OF MATERIAL SUBSIDIARIES OF THE COMPANY; INCLUDING THE DATE AND PLACE OF INCORPORATION AND THE NAME AND DATE OF APPOINTMENT OF THE STATUTORY AUDITORS OF SUCH SUBSIDIARIES:

Referring to 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, 2023.

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 2022-23 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, Presidents and Functional Heads of the Company as on March 31, 2023.

Sd/-
Kushal N. Desai
Chairman & Managing Director and CEO
DIN: 00008084

Mumbai, May 08, 2023

Compliance Certificate

(Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015)

Compliance Certificate by Chief Executive Officer (CEO) & Chief Financial Officer (CFO)

To,
The Board of Directors
APAR Industries Limited
Mumbai.

We, Kushal N. Desai, Chief Executive Officer and Ramesh S. Iyer, Chief Financial Officer of APAR Industries Limited, to the best of our knowledge and belief certify that:

A. We have reviewed financial statements and the cash flow statement for the Financial Year 2022-23 and that to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading,

2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws & regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee –

(1) Significant changes in internal control over the financial reporting during the year;

(2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mumbai
May 08, 2023

Sd/-
Kushal N. Desai
Chief Executive Officer
DIN: 00008084

Sd/-
Ramesh S. Iyer
Chief Financial Officer

Certificate of Non-disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule-V Para-C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of APAR Industries Limited having CIN: L91110GJ1989PLC012802 and having registered office at 301, Panorama Complex, R. C. Dutt Road, Vadodara-390007, Gujarat, India (hereinafter referred to as "**the Company**"), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule-V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

In my opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs, New Delhi (MCA) or any such other Statutory Authority/ies.

Sr. No.	Name of Director	DIN	Date of appointment	Date of Cessation
1.	Mr. Kushal Narendra Desai	00008084	24.03.1999	–
2.	Mr. Chaitanya Narendra Desai	00008091	29.05.1993	–
3.	Mr. Rishabh Kushal Desai	08444660	07.05.2019	–
4.	Mr. Fatehchand Bhagwandas Virani	00062278	27.07.2001	03.11.2022
5.	Mrs. Nina Pradip Kapasi	02856816	30.05.2014	–
6.	Mr. Rajesh Narayan Sehgal	00048482	24.04.2017	–
7.	Mr. Kaushal Jaysingh Sampat	01932997	31.01.2022	–

Ensuring the eligibility of every Director for the appointment / continuity on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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

Date: May 08, 2023
Place: Vadodara

Sd/-
Hemang Mehta
Proprietor
FCS No.: 4965
C. P. No.: 2554
UDIN: F004965E000271572

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, 2023, 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, 2023.

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, 2023.

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: 23037391BGULVK1159
REF/CERT/VLP/49/23-24

Mumbai
Date: May 8, 2023

Annexure VI to the Directors' Report

Business Responsibility and Sustainability Reporting

Section A: General Disclosures

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L91110GJ1989PLC012802
2	Name of the Listed Entity	APAR Industries Limited
3	Year of incorporation	1989
4	Registered office address	301 Panorama Complex, R C Dutt Road, Vadodara, Gujarat - 390007, India
5	Corporate address	'APAR House', Bldg. No. 5, Corporate Park, Sion - Trombay Road, Chembur, Mumbai - 400071 (Maharashtra), India
6	E-mail	com.sec@apar.com
7	Telephone	+91 0265 2339906
8	Website	www.apar.com
9	Financial year for which reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange Bombay Stock Exchange
11	Paid-up Capital	₹ 38,26,86,190/- Divided into 38,268,619 Equity Shares of ₹ 10/- each.
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Suyash Saraogi, President - Strategy & Projects Telephone No. : 022-67800400 Email ID : suyash.saraogi@apar.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Consolidated basis

II. Products/ Services

14 Details of business activities (accounting for 90% of the turnover):

Sl	Description of main activity	Description of business activity	% of turnover of the entity
1	Transformer & Speciality Oils	Manufacturing	30.96%
2	AAC/ AAAC/ ACSR Conductors	Manufacturing	46.63%
3	Power/ Telecom Cable	Manufacturing	21.70%
4	Polymer	Manufacturing	0.71%

15. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl	Product/ Services	NIC Code	% of total turnover contributed
1	Transformer & Speciality Oils	1920	30.96%
2	AAC/ AAAC/ ACSR Conductors	2732	46.63%
3	Power/ Telecom Cable	2732	21.70%
4	Polymer	22208	0.71%

III. Operations

16. Number of locations where plants and/or operations/ offices of the entity are situated:

Location	Number of plants	Number of Offices	Total
National	8 [Rabale, Silvassa, Athola, Rakholi, Jharsuguda, Sambalpur, Khatalwada, Umbergaon]	15 [Bangalore, Bhopal, Chennai, Delhi (301), Delhi (306 & 307), Gurgaon, Hyderabad, Kolkata, Kolkata (Merlyn), Mumbai (Bezolla), Mumbai (CP4), Mumbai (CP5), Mumbai (NP), Pune, Vadodara]	23
International	1 [Sharjah, Hamriyah]		1

17 Markets served by entity:

a. Number of Locations

Location	Number
National (No. of States)	28 states + 8 UTs
International (No. of Countries)	140+ countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

48.31%

c. A brief on types of customers

Our customers include :

- Industries/ Corporates
- OEMs
- EPC – Transmission Companies
- Utilities – Transmission & Distribution Companies
- Renewables
- Export customers
- Distributors/ Channel Partners

IV. Employees

18 Details as at the end of Financial Year :

a. Employees and workers (including differently abled):

Sl	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
	EMPLOYEES					
1.	Permanent **(D)**	1659	1522	91.74%	137	8.26%
2.	Other than Permanent **(E)**	0	0	0%	0	0%
3.	**Total employees (D + E)**	**1659**	**1522**	**91.74%**	**137**	**8.26%**
	WORKERS					
4.	Permanent **(F)**	148	148	100%	0	0%
5.	Other than Permanent **(G)**	5673	5666	99.88%	7	0.12%
6.	**Total workers (F + G)**	**5821**	**5814**	**99.88%**	**7**	**0.12%**

b. Differently abled Employees and workers:

Sl	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent **(D)**	1	1	100%	0	0%
2.	Other than Permanent **(E)**	0	0	0%	0	0%
3.	**Total differently abled employees (D + E)**	**1**	**1**	**100%**	**0**	**0%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent **(F)**	0	0	0%	0	0%
5.	Other than Permanent **(G)**	0	0	0%	0	0%
6.	**Total differently abled workers (F + G)**	**0**	**0**	**0%**	**0**	**0%**

19 Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females No. (B)	% (B/A)
Board of Directors	(please refer Note A1) 6	1	16.7%
Key Management Personnel	4	0	0%

Note

A1: During FY 2022-23, Mr. F.B. Virani, Independent Director (Non-Executive) resigned from the Board of the Company with effect from closure of Board of Directors meeting dated November 03, 2022. Thus the no. of Board of Directors reduced to 6.

20 Turnover rate for permanent employees and workers:

Particulars	FY 2022-23 (Turnover rate)			FY 2021-22 (Turnover rate)			FY 2020-21 (Turnover rate)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.6%	8.0%	8.6%	8.4%	6.5%	8.3%	7.7%	8.2%	7.7%
Permanent Workers	0.74%	0%	0.74%	0%	0%	0%	0%	0%	0%

V. Holding, Subsidiary and Associate Companies (including joint ventures) –

21 a. Names of holding/ subsidiary/ associate companies/ joint ventures:

Sl	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Petroleum Specialities Pte. Limited, Singapore (PSPL)	Wholly Owned Subsidiary of the Company	100	No
2	Petroleum Specialities FZE, Sharjah (PS FZE)	Wholly Owned Subsidiary of PSPL	100	No
3	APAR Transmission & Distribution Projects Private Limited, India (ATDPPL)	Wholly Owned Subsidiary of the Company	100	No
4	APAR Distribution & Logistics Private Limited, India (ADLPL)	Wholly Owned Subsidiary of the Company	100	No
5	Cema Wires & Cables Inc., USA., (CEMA)	Wholly Owned Subsidiary of the Company	100	No
6	Ampoil Apar Lubricants Private Limited, India (AALPL)	Associate	40	No
7	Clean Max Rudra Private Limited, India (Clean Max)	Associate	26	No

VI. CSR Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(ii) Turnover (in ₹) 13,167,34,03,311.52/-

(iii) Net worth (in ₹) 2,021,05,60,398.14/-

VII. Transparency and Disclosures Compliances

23. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. Please refer Note A2 below	0	0	NA	0	0	NA
Investors (other than shareholders)*	NA	NA	NA	NA	NA	NA	NA
Shareholders	Yes. As per SEBI Listing Regulations	5	1	Redressed except 1 Complaint which was resolved, updated and closed by BSE on April 19, 2023.	1	Nil	Redressed
Employees and workers	Yes. Please refer Note A3 below	0	0	NA	0	0	NA
Customers	Yes. Please refer Note A4 below	185	0	NA	142	0	NA
Value Chain Partners	Yes. Please refer Note A5 below	Not Recorded. Will start recording from FY 2023-24	Not Applicable	Please refer Note A5 below	Not Recorded. Will start recording from FY 2023-24	Not Applicable	
Other (please specify)							

*We have no investors apart from shareholders

Notes:

A2: At all our manufacturing locations, we ensure that there is regular engagement on a pro-active basis with the local communities and their representatives. As such there are no long standing grievances at any of our locations.

In addition, any stakeholder can also submit any grievance through email to ethics.taskforce@apar.com

A3: The link to Grievance Redressal Policy for Employees is as follows:

https://apar.com/wp-content/uploads/2023/03/Social_Policies/APAR-Grievance_Redressal_Policy_for_Employees.pdf

A4: Customer complaints and feedback are received by the business development/ sales team, and attended to by them and the respective manufacturing facility. Complaints are tracked till closure.

In the detailed monthly review meeting, the details of all the complaints and the resolution status is shared, and corrective actions discussed to eliminate such issues in future.

A5: The link to Supplier Grievance handling Policy is as follows:

https://apar.com/wp-content/uploads/2023/03/Supplier_Grievance_Handling_Policy.pdf

The Company has Supplier Grievance/ Complaint redressal policy in place. Some complaints received from the vendors and they have been documented and acted upon. These are as follows:

a) Delay in vendor payment: Resolved by our automatic due date payment intimation system.

b) High loading & unloading time: Resolved by providing 2 weigh bridges in Khatalwada plant location.

c) Additionally, we have introduced E-Sourcing (SAP, Ariba) to bring complete transparency in procurement process and reduced grievance/ complaints.

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sl	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Higher costs of energy	Risk	Increase in (a) energy consumption due to increased production (b) regular increase in rates of electricity grid (c) increase in rate of fossil fuels	A. Reducing the energy intensity through various initiatives at plants. B. Increasing share of Renewable Energy (RE) Our renewable energy generation (roof-top solar) accounts for 4% of our overall electricity consumption. We are (a) further increasing the roof top solar capacity, and (b) engaging in open access procurement of hybrid wind-solar energy, which should increase our renewable energy contribution to over 10% of our overall consumption in FY 2023-24. This will reduce the impact of higher cost of energy.	Negative
2.	Increased severity of extreme weather events	Risk	Cyclones occur frequently in India. On average, they happen about 7 times a year. The hardest hit regions are Eastern, Southern and Western. Some recent cyclones were as follows: Cyclone Yaas, Cyclone Gulaab and Cyclone Jawad caused major disruptions in many states incl. Odisha, where our 2 conductor plants (Jharsuguda & Sambalpur) are situated. Cyclone Tauktae hit Gujarat & Dadra and Nagar Haveli, where our 2 Cable plants (Khatalwada & Umbergaon), 2 Conductor plants (Rakholi & Athola), and 1 Oil plant (Silvassa) are situated.	The company has taken mitigations steps like (a) design-strengthening during construction phase, (b) covered sheds and (c) higher capacity pumps for water evacuation at most of its plants.	Negative
3.	Carbon Tax	Risk	European Council approved the world's first Carbon Border Adjustment Mechanism (CBAM). This may cause financial impact.	Most of our customers are based in US, Canada & Latin America. So the impact of the CBAM (Carbon Border Adjustment Mechanism) would be minimal. In addition, we are working to reduce our carbon emission intensity.	Negative
4.	Change in customer's preference	Opportunity	APAR has been continuously working to bring down the carbon footprint in our products. This is already giving us the competitive advantage over other suppliers, and we are confident to maintain this advantage in the near future.		Positive
5.	Access to new markets	Opportunity	The global wires and cables market size is projected to reach USD 294.73 billion in 2029 from USD 200.23 billion in 2022 and exhibit a CAGR of 5.7% during the forecast period (source : Fortune Business Insights, in its report titled, Wires and Cables Market, 2022-2029). The main drivers behind this are: 1) Rising urbanization and growing infrastructure worldwide 2) Increasing demand for renewable energy generation 3) Increased investments in smart upgrading of the power transmission and distribution systems and the development of smart grid 4) Increasing need for grid interconnection 5) escalating demand from IT facilities and data centres		Positive

Sl	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.		Opportunity	The deployment of green energy technologies by governments all across the globe to reduce the usage of fossil fuels is rising. India has some of the most aggressive RE targets in the world – to reach 500 GW by 2030 (from about 180 GW in April' 23). The escalating establishment of solar farms and wind turbines boosts the demand for wires and cables, and APAR is the largest producer of renewable Cables in India. The electricity grids in India don't have enough resiliency. A lot of work needs to be done to improve the power quality of the grids. APAR's conductor business will be a prime beneficiary of the upgradation of the grids. Increased electricity demands in Asia Pacific, Middle East, and the Americas have resulted in rising investments in smart grids in these regions. This will fuel the demand for APAR's conductor businesses. We are already seeing substantially increased business from overseas markets. APAR being a leading manufacturer of Cables & Conductors, and with a wide and diversified product portfolio, we anticipate significant growth in our business and market share.		Positive

Section B: Management and Process Disclosures

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
I. Policy & Management Process									
1 a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	• The web-link and mapping of Company's policies against each Principle is provided in Note B1 at the end of this section. • The policies are categorized in 5 tabs namely: Environment Policies, Social Policies, Governance Policies, Procurement Policies and IT Policies.								
2 Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes**	Yes

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
4	Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 (QMS) ISO 14001:2015 (EMS) ISO 45001:2018 (OHS) ISO 17025:2017 (NABL) BIS IS398 – part 1, 2, 4, 5 ISO 27001								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has set the internal targets with defined timelines. In addition, specific ESG commitments are also publically available in its ESG reports at the url: https://apar.com/apar-esg-report/								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Key Performance targets are set and monitored internally. In addition, key EGS parameters are set, monitored and disclosed publically in its ESG report at the url: https://apar.com/apar-esg-report/								

** We have a Supplier Code of Conduct which covers multiple aspects of this Principle. We have also started supplier outreach program through in-person meetings as well as webinars, and so far we have covered 244 suppliers through this out-reach program.

II. Governance, Leadership & Oversight

7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The statement made by our Chairman & Managing Director, Mr. Kushal Desai, is as below (It is also available at url: https://apar.com/sustainability-1/). The journey so far in Sustainability has been immensely enriching. A vision to serve a larger societal purpose has now become the very soul of the enterprise, driving every thought and action as well as the strategy and purpose of the organization. We continue to remain steadfast in our commitment to delivering on Environmental, Social and Governance goals. The past decades have had a long-lasting impact on the natural ecosystem, atmosphere, communities, governments, and businesses. This has increased the need for urgent climate action. As a responsible organization, we are fully committed to our actions to support this cause. During the year, we voluntarily participated in the CDP climate disclosure. We also made sustainability related disclosure at EcoVadis which is a renowned evidence-based online platform, providing supplier sustainability ratings and allowing companies to assess the ESG performance of their global suppliers. We genuinely believe that responsible and transparent governance is vital to creating long-term sustainable value for our stakeholders and progressing on our strategic objectives consistently. Our high corporate governance standards are in accordance with the Securities and Exchange Board of India (SEBI) and the Companies Act, 2013, mandates. The Board of Directors at APAR guides our operations and monitors and drives compliances. I am also delighted to share that APAR's name found a place in the CRISIL ESG rating for the first time this year. We were ranked at the 148th position amongst the top 586 Indian companies rated by CRISIL. For the first time, we have completed an independent assurance of our Scope 1 and Scope 2 Greenhouse Gas (GHG) emissions for the FY 2021-22 through a renowned assurance provider, in accordance with ISO IEC 17021:2015 – conformity assessment requirements. We are committed to continue our efforts in this direction.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
8	Details of the highest authority responsible for implementation and oversight	The Sustainability Steering Committee, which comprises of the Chairman & Managing Director, Sustainability Head, Plant Heads, and Head of Departments of various functions, is responsible for implementation & oversight. Our Sustainability Steering Committee convenes meeting regularly where the progress made by the Sustainability Champions in terms of implementation of ESG initiatives are discussed, goals are reset if necessary, budgets are approved or taken up for Board approval as the case may be, developments in industry and sustainability related regulations are shared and best practices are discussed.								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Company has a Sustainability Steering Committee, which comprises of the Chairman & Managing Director, Sustainability Head, Plant Heads, and Head of Departments of various functions. The major ESG related initiatives are proposed by the Steering Committee and are approved by Board.								

10 Subject for Review

	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									Reviews are done on a regular basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes									Reviews are done on a need basis								

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No	No	Yes *	No	Yes *Deloitte	Yes **	No	Yes ***	No

* ISO 45001:2018 audit is done by independent agencies including DQS, IRCLASS, and BSI. In addition, *Deloitte has done as part of its internal audit scope.

** DNV has done the assessment of GHG scope-1 and scope-2 emissions

*** Our financial auditor has assessed our CSR spends as per the policy, as part of annual report

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/ No)					NA				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)					NA				
The entity does not have the financial or/ human and technical resources available for the task (Yes/ No)					NA				
It is planned to be done in the next financial year (Yes/ No)					NA				
Any other reason (please specify)					NA				

Note

B1: Mapping of APAR's policies against each of the NGRBC principles:

Mapping with APAR's policy	P1	P2	P3	P4	P5	P6	P7	P8	P9	Website Link
Apar Code of Conduct	√			√	√		√			https://apar.com/sustain_envt_policies_social/
Employee H&S Policy			√							
Health Care Coverage Policy			√							
Working Condition Policy			√							
Apar Human Rights Policy					√					
Child & Forced Labour Policy					√					
Prevention of Workplace Harassment					√					
Policy on POSH					√					
Diversity, Equity and Inclusion Policy			√					√		
Employee Relation Policy			√					√		
Goods & Services Policy		√							√	https://apar.com/sustain_envt_policies_environment/
Water Policy						√				
Air Pollution Policy						√				
Materials, Chemicals and Waste Policy						√				
Biodiversity Policy						√				
Climate Change Policy						√				
Environment Policy						√				
Supplier Code of Conduct	√		√	√	√					https://apar.com/sustain_envt_policies_procurement/

P1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable

P2: Business should provide goods and services in a manner that is sustainable and safe

P3: Businesses should respect and promote the well-being of all employees, including those in their value chains

P4: Businesses should respect the interests of and be responsive to all its stakeholders

P5: Businesses should respect and promote human rights

P6: Businesses should respect and make efforts to protect and restore the environment

P7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

P8: Businesses should promote inclusive growth and equitable development

P9: Businesses should engage with and provide value to their consumers in a responsible manner

Section C: Principle Wise Performance Disclosure

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Fostering a culture of integrity

APAR's Code of Conduct (CoC) is the foundation of its commitment to integrity and ethical behaviour. The CoC serves as the guide to do the right thing and follow the law, act honourably and treat each other with respect and never retaliate against those who speak up. **It applies not just to employees but also to suppliers, partners and customers, who can all raise concerns at any level of the organization**.

Policies at APAR serves as a strong set of internal controls. Bribery and corruption are prohibited in all business dealings, whether with public officials or private sector business partners. Clear guidelines in terms of Do's and Don'ts are provided in case of Conflict of Interest and for raising ethical issues. Agreements with suppliers and business partners are aligned with the Company's commitment to integrity in performance of the contract, including commitments not to violate anti-bribery laws. The Company's suppliers are also required to maintain integrity standards which are satisfactory to the Company and **all suppliers need to subscribe and provide consent to the APAR's Supplier Code of Conduct**.

All existing and new employees of the Company are required to take offline and on-line trainings, and need to acknowledge their commitment to adhere to the Code of Conduct.

Channels for reporting on integrity issues are available to the Company's employees. Employees are encouraged to speak up and report integrity and compliance concerns and to seek guidance. All reports received are subject to appropriate investigation, follow up, and brought to full closure; through a systematic process and tracking system.

The Whistle-blower Policy of the Company governs the reporting and investigation of alleged improper or illegal activities within the Company as well as the protection afforded to those employees who report them (the "whistle-blowers"). In case of reported incidents, all reports are subject to appropriate investigation and are brought to full closure using systematic processes and tracking systems.

The Company has an ethics committee in place. The contact details of all the members of ethics committee are available at the internal portal. In addition, an email id ethics.taskforce@apar.com, is in place for all stakeholders to raise their concerns.

The Company has an Internal Complaints Committee for POSH (Prevention of Sexual Harassment) as a part of the Prevention, Prohibition and Redressal Act, 2013. POSH training is mandatory for every employee.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training & awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors	9 - The Company has familiarised the Independent Directors	Industry Overview of each segment of the business, Risk Management and mitigation, Succession planning and talent retention, Financials, Internal Control and Policies.	100%

Segment	Total number of training & awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
	Topic – No. of training programs	Principles 1,2,3,4,5,6,8,9	100%
Key Managerial Personnel	a) Social policies related – 29		
Employees other than BoD and KMPs	b) Environment policies related – 29 c) H&S related training @ Plants – 561		
Workers	d) Code of Conduct training – 2* e) Supplier's training through webinars – 8 Total – 629 Batches of training programs held during FY 2022-23 * Code of Conduct training is already provided to all the existing employees. Training to 2 batches were provided to new joinees during the reporting period.		

All the employees including those in key managerial positions, were imparted training on following Principles:

a) **Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.**

Topics covered –

- APAR Code of Conduct
- Supplier Code of Conduct

b) **Principle 2: Business should provide goods and services in a manner that is sustainable and safe.**

Topics covered –

- Goods & Services Policy

c) **Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

Topic covered –

- Employee H&S Policy
- Health Care Coverage Policy
- Working Condition Policy
- Diversity, Equity and Inclusion Policy
- Employee Relation Policy

d) **Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

Topics covered –

- APAR Code of Conduct
- Supplier Code of Conduct

e) **Principle 5: Businesses should respect and promote human rights.**

Topic covered –

- APAR Human Right Policy
- Child Labour/ Forced Labour
- Workplace Harassment
- POSH
- APAR Code of Conduct
- Supplier Code of Conduct

f) **Principle 6: Businesses should respect and make efforts to protect and restore the environment.**

Topics covered –

- Water Policy
- Air Pollution Policy
- Materials, Chemicals and Waste Policy
- Biodiversity Policy
- Climate Change Policy
- Environment Policy

g) **Principle 8: Businesses should promote inclusive growth and equitable development.**

Topics covered –

- Diversity, Equity and Inclusion Policy
- Employee Relation Policy

h) **Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.**

Topics covered –

- Goods & Services Policy

2. Details of fines/ penalties/ punishment /award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

		Monetary			
Principle 1	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	Principle 1	Navi Mumbai Municipal Corporation	₹ 1,10,000	Refer Note 1 Below	No
Penalty/ Fine	Principle 1	Mazgaon GST Authority	₹ 6,365	Refer Note 1 Below	No
Settlement	NA	NA	NIL	NA	NA
Compounding fee	NIL	NA	NIL	NA	NA

		Non- Monetary			
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	NIL	NA	NIL	NA	NA
Punishment	NIL	NA	NIL	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NIL	NIL

Note -1:

1. ₹ 1,10,000 imposed by Navi Mumbai Municipal Corporation towards octroi/ cess charges towards short payment of cess for the period 2002-2003 to 2012-2013. Penalty imposed is paid and not contested further.
2. ₹ 6,365 penalty was imposed by Mazgaon GST authority towards recovery of ineligible input tax credit. Penalty imposed is paid and not contested further.
3. The above penalties are very nominal and meagre and therefore, no disclosure made in terms of Regulation 30 and also on the website of the Company.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. Anti-corruption or Anti bribery is covered in Company's existing policies including Code of Conduct, Whistle Blower Policy, and Supplier Code of Conduct.

These policies reflects the commitment of the Company and its management for maintaining highest ethical standards while undertaking open and fair business practices and culture, and implementing and enforcing effective systems to detect, counter and prevent bribery and other corrupt business practices.

The link to these policies are as follows:

APAR Code of Conduct Policy :
https://apar.com/wp-content/uploads/2023/03/Social_Policies/1.APAR_Code_of_Conduct.pdf

Whistle Blower Policy:
https://apar.com/wp-content/uploads/2023/03/Social_Policies/20.Whistle_Blower_Policy.pdf

Supplier Code of Conduct Policy:
https://apar.com/wp-content/uploads/2023/03/APAR_Supplier_Code_of_Conduct.pdf

5. **Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. **Details of complaints with regard to conflict of interest:**

KMPs	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. **Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

<table>
<tr><th>Total number of awareness programmes held</th><th>Topics / principles covered under the training</th><th>% of value chain partners covered (by value of business done with such partners) under the awareness programs</th></tr>
<tr><td>We had conducted 8 awareness programs for our supply chain partners :
<table><tr><th>Webinar Date</th><th>Oil</th><th>Cable</th><th>Conductor</th></tr><tr><td>23 Dec 2022</td><td></td><td></td><td>√</td></tr><tr><td>11 Jan 2023</td><td>√</td><td>√</td><td></td></tr><tr><td>12 Jan 2023</td><td>√</td><td></td><td>√</td></tr><tr><td>03 Mar 2023</td><td></td><td></td><td>√</td></tr><tr><td>13 Mar 2023</td><td>√</td><td>√</td><td></td></tr></table>
The awareness programs were held for total 244 suppliers.

The Company's business wise participation (of value chain partners) was as follows :
• Oil business – 75
• Cable business – 71
• Conductor business - 98</td><td>We had covered following topics during the webinar :
• ESG overview
• Cause of Climate Change
• Global Warming Potential
• Emission Scopes
• Sustainability Initiatives @ APAR
• GHG Emissions @ APAR and various emission reduction initiatives taken
• Water Footprint @ APAR and various water footprint reduction initiatives
• Human Rights initiatives @ APAR
• Supplier Code of Conduct
• Questionnaire for Suppliers to assess their readiness
• Open forum to discuss how the emission reduction initiative can result in lowering the costs</td><td>8.1% of supply chain partners were covered (by value of business done with such partners) under the awareness programs.

87.6% of our procurement value is from Suppliers who are very progressive and large Companies, and they have very strong formal ESG program as is evident from their ESG report. We have not yet reached out to them, and we plan to reach out to them in next phase.</td></tr>
</table>

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, the Company has a Code of Conduct, which is explicitly also applicable to APAR Directors, senior management and Independent Directors. It provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company.

The Company receives an annual declaration from its Board of Directors and senior management personnel on the entities they are interested in, and ensures requisite approvals as required under the applicable laws are taken prior to entering into transactions with each entities.

The policy is available on the Company's website at https://apar.com/wp-content/uploads/2023/03/Social_Policies/1.APAR_Code_of_Conduct.pdf

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Product Innovation & Research

APAR's vision is to be a global leader in the energy infrastructure, transportation & telecommunication sectors by providing the best solutions & value creation for our stakeholders. The mission that drives us can be summed up in three words: 'tomorrow's solutions today'. APAR is committed to provide sustainable goods and services for a cleaner, greener tomorrow.

APAR's commitment is customer focused R&D. The Company's specialty lies in delivering product performance in extreme environments; the Company engineers and manufactures cable, conductor and speciality oil that consistently outlast and outperform the competitions.

The Company has state of the art laboratories, in each businesses, with more than 2000+ testing scope as per various national & international standards. All its laboratories are accreditation by NABL (National Accredited Board for Laboratories) as per ISO 17025:2017. 'Certificates' section at https://apar.com/apar-esg-report/ can be referred for list of NABL certifications across the plants.

The Company has implemented 'Goods & Services' policy to provide guidelines on providing goods and services in a manner that is sustainable and safe. The policy can be accessed at the Company's website at https://apar.com/sustain_envt_policies_environment/.

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	0.0883%	0.0796%	
R&D CapEx	0.0025%	0.0058%	
Total CapEx	1.7268%	1.3957%	

	FY 2022-23	FY 2021-22
R&D Revenue expense	Rs 12.69 crores	Rs 7.43 crores
R&D Capital expense	Rs 0.36 crores	Rs 0.54 crores
Total Capital Expenditure	Rs 247.83 crores	Rs 130.03 crores

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes.

Majority of our sourcing is done from big suppliers. This includes names like Hindalco, Vedanta, S-Oil, Balco, Nalco, Toyota, Union Copper Rods, HPCL, Afton, Lubrizol, Indian Additives, Ergon International etc.

All these suppliers have their internal system of sustainability, which is followed and reported by them. The Link to ESG reports of some of these suppliers are as follows:

Vedanta

https://www.vedantalimited.com/img/homepage/Sustainability%20Report%2022.pdf

Hindalco

https://www.hindalco.com/sustainability/sustainability-reports

S-Oil

https://www.s-oil.com/en/sustainability/Report.aspx

We also have a focused Supplier out-reach program for MSMEs and smaller Suppliers where we train them about aspects of sustainability that are necessary for their journey of ESG. Through this out-reach as well as our Supplier Code of Conduct, and our vendor selection process, we ensure sustainable sourcing even from smaller suppliers.

b. **If yes, what percentage of inputs were sourced sustainably?**

87.6% of our sourcing is done through renowned suppliers. All these suppliers have their internal system of sustainability, which is followed.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Solid waste inventory is prepared for all the plants, and we manage and minimize waste through the 3R principle of reduce, reuse and recycle.

We manufacture mainly Cables, Conductors and Speciality Oil across our plants. The Cables & Conductors typically have a long life of 30+ years, and most of the material are recyclable and the users do the recycling to get value out of the material. In case of Oil, we ensure long life of oil through product innovation. However, used-oil finds its way to the unorganized sector where it is burnt in an uncontrolled manner for its inherent calorific value which causes the attendant emissions. Ministry of Environment, Forest and Climate Change has issued draft notification for re-refining of used-oil. We expect that over next few years, the infrastructure and required regulation will ensure adequate collection of used-oil for re-refining.

Following initiatives are implemented and practiced at APAR:

Waste reduction

- We manage waste reduction through implementation of various quality improvement processes, upgradation of the plant, regular trainings, six sigma implementation, and process monitoring.

Waste disposal

- Plastic Waste - We ensure compliance with the Plastic Waste Management (PWM) Rules 2016, and follow the Extended Producer Responsibility (EPR) regulation to manage the downstream operations' plastic packaging waste, and these are recycled through a certified re-cycler.

Waste recycle & re-use

- 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.
- 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.
- We 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 rec-cycling.
- 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.

E-Waste: We have tie-ups with certified e-waste recyclers who specialize in safely dismantling and processing electronic devices. The recyclers extract valuable materials such as metals, plastics, and glass, which can be reused in the manufacturing of new products.

Hazardous Waste: We are constantly exploring to reduce the amount of hazardous waste. All such waste is strictly kept under the limits prescribed in the CTO (Consent to Operate) of respective plant locations. The waste is provided to Govt. approved vendors for proper treatment.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, EPR is applicable to the Company. We ensure compliance with the Plastic Waste Management (PWM) Rules 2016, and follow the Extended Producer Responsibility (EPR) regulation to manage the downstream operations' plastic packaging waste, and these are recycled through a certified re-cycler.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No). If yes, provide the web-link.
EPD HUB, EPD HUB-0183	AL 59 - 685 SQ.MM Conductor	3%	Cradle to Gate with options, A4-A5, and modules C1-C4, D in accordance with EN15804+A2:2019 and ISO 14025	Yes	Yes. It can be can be downloaded from: a) https://manage.epdhub.com/ and search for 'HUB-0183' or b) https://apar.com/apar-esg-report/ under 'Other Reports' tab (Publishing date - 11 Nov 2022 Last updated date - 11 Nov 2022 Valid until - 11 Nov 2027)

APAR is the world's largest producer of Aluminium conductors. With the growing global environmental issues, we have taken an initiative to address carbon emissions of our conductors compared to global standards. Accordingly, we have successfully developed and published the first Environmental Product Declaration on EPD HUB for our products AL59 power conductor. The report covers carbon footprint computation, verification, validation and certification over its lifetime by EPD Hub on of AL59 conductor as per EN 15804+A2 & ISO 14025 / ISO 21930 standards.

EPD report can be downloaded from:

a) https://manage.epdhub.com/ and search for 'HUB-0183' or

b) https://apar.com/apar-esg-report/ under 'Other Reports' tab

2. **If there are any significant social or environmental concerns and/ or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Plastic – We ensure compliance with the Plastic Waste Management (PWM) Rules 2016, and follow the Extended Producer Responsibility (EPR) regulation to manage the downstream operations' plastic packaging waste, and these are recycled through a certified re-cycler.

Steel Drums – We 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 rec-cycling.

We manufacture mainly Cables, Conductors and Speciality Oil across our plants. The Cables & Conductors typically have a long life of 30+ years, and most of the material are recyclable and the users do the recycling to get value out of the material. In case of Oil, we ensure long life of oil through product innovation. However, used-oil finds its way to the unorganized sector where it is burnt in an uncontrolled manner for its inherent calorific value which causes the attendant emissions. Ministry of Environment, Forest and Climate Change has issued draft notification for re-refining of used-oil. We expect that over next few years, the infrastructure and required regulation will ensure adequate collection of used-oil for re-refining.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Some of the input materials re-cycled/ reused in production process were as follows: • Pinewood Pallets – Grade I • Reconditioned IBC – 1000 Litre • Base Oil SN-300 • PVC Lumps and Chips • HDPE on drum non virgin • LDPE on drum non virgin • PVC Strap • Refurbish lagging • Recycled Drum • Recycled PP Sheet • Aluminium & Copper metal scraps	Total 2.8% of recycled or reused input material (by value) was used in production	Though we had a practice of reuse and recycling, but we have started tracking and recording the data from FY 2022-23.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Parameter	FY 2022-23			FY 2021-22		
	Re-used	Re-cycled	Safely disposed	Re-used	Re-cycled	Safely disposed
Plastic (including packaging)		100% as per EPR		Though we had a practice of reuse and recycling, but we have started tracking and recording the data from FY 2022-23.		
E-waste			100%			
Hazardous waste			100%			
Other waste	approx. 10%		approx. 90%			

As far as products are concerned, we manufacture mainly Cables, Conductors and Speciality Oil across our plants. The Cables & Conductors typically have a long life of 30+ years, and most of the material are recyclable and the users do the recycling to get value out of the material. In case of Oil, we ensure long life of oil through product innovation. However, used-oil finds its way to the unorganized sector where it is burnt in an uncontrolled manner for its inherent calorific value which causes the attendant emissions. Ministry of Environment, Forest and Climate Change has issued draft notification for re-refining of used-oil. We expect that over next few years, the infrastructure and required regulation will ensure adequate collection of used-oil for re-refining.

For packaging material, all the plastic sold in the domestic market, which forms part of packaging, is recycled in line with the EPR. Also steel drums are re-used 6-7 times, before being sold as MS scrap for further re-cycling.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	Not Applicable. Details of our products are mentioned under Q. 4 above.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Our people

APAR's people are the key to its growth. One of its fundamental beliefs is that a group of passionate and empowered individuals can accomplish absolutely everything.

APAR's corporate philosophy is to encourage practice "to do what is right as a human being". It nurture a cohesive team culture that inspires employees to actively participate in all organizational development initiatives with no limitation of opportunities which makes APAR an exciting place to be in.

APAR encourages employees to undertake fun-at-work initiatives so that they enjoy a sense of bonding within the company.

Employee Care

APAR respects the right to freedom of association, participation, collective bargaining, and provides access to appropriate grievance redressal mechanisms.

The Company's employment policies provide and maintain equal opportunities for employment. Socio-economic background, race, caste, religion, ancestry, marital status, sex, age, nationality and disability have never been, and will never be a deciding factor for employment.

The Company's corporate & factory locations do not have any child labor, forced labor or any form of involuntary labour, paid or unpaid.

The Company's priority is to provide a work environment that is safe, hygienic, humane, and which upholds the dignity of the employees. This ensures that employees feel safe and secure in discharging their responsibilities.

There is continuous skill and competence upgradation of employees through provision of access to necessary learning opportunities, on an equal and non-discriminatory basis to promote employee morale and career development.

Benefits to its employees include:

- Long term service award
- Benevolent fund for employees
- Education assistance
- Advance loan
- Home loan interest subsidy
- Employee wedding (premium car rental) policy
- Mediclaim for employee & family members & GPA for employees
- Annual medical checkup & hospital assistance
- Ambulance service @ home
- Free bus facility
- Financial support to family members (employee deceased due to Covid-19)
- Parental leaves
- Flexi working hours
- Hybrid model of work from home & work from office

Employee engagement

APAR engages with its people through direct interactions, feedback, newsletter, e-mails, employee engagement surveys, open-forum and exit interviews. All of its people are free and are motivated to provide their ideas, suggestions, and insights across strategy, operations, technology, and organization.

Employee Engagement survey was carried out in April 2022 through online mode. To ensure Employees' responses to survey remain completely confidential, APAR had engaged an external independent company Market Search India Pvt. Ltd., a sister concern of Thomas Assessments.

Highest engagement scoring of 81% was obtained on two key questions:

Questions:

- I would recommend my company to a friend as a good place to work.
- Considering all things, I am satisfied working in APAR

Mentorship program

The Company has a mentorship program in place, which is designed to facilitate the senior leaders (identified as Mentors) in the company to pass on their experience and expertise to the Mentees (High Potential – HiPo employees) and develop them into the future leaders of the company. This is a great opportunity for the senior leaders to pass on their legacy and give back to the company in terms of knowledge & skills and strengthen the organization further in the long run. Unlike similar learning initiatives like training programs or online courses, mentoring utilizes the current available resources that company already has in order to upgrade its workforce.

Learning & Development

For the Company to grow, its employees must grow and develop continuously. APAR offers learning and development opportunities for its employees across levels. These include training on:

- Leadership development
- Soft skills development
- Technical trainings
- Training on Human Right and other social issues
- Training on Sustainability
- IT awareness & Cyber Security program

In addition, the Company had designed and implemented a 55 hours rigorous training program for new joinees in the Company's LDC business, which includes training on Sales Basics, Product Basics, Sales field automation, Soft skills, Presentation skills etc.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT EMPLOYEES											
Male	1522	1522	100%	1522	100%	NA	NA	1522	100%	NA	NA
Female	137	137	100%	137	100%	137	100%	NA	NA	137	100%
Total	**1659**	**1659**	**100%**	**1659**	**100%**	**137**	**100%**	**1522**	**100%**	**137**	**100%**
OTHER THAN PERMANENT EMPLOYEES											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	**0**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**

b. Details of measures for the well-being of workers

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT WORKERS											
Male	148	148	100%	148	100%	NA	NA	148	100%	NA	NA
Female	0	0	0%	0	0%	0	0%	NA	NA	0	0%
Total	**148**	**148**	**100%**	**148**	**100%**	**0**	**0%**	**148**	**100%**	**0**	**0%**
OTHER THAN PERMANENT WORKERS											
Male	5666	5666	100%	5666	100%	NA	NA	0	0%	NA	NA
Female	7	7	100%	7	100%	7	100%	NA	NA	0	0%
Total	**5673**	**5673**	**100%**	**5673**	**100%**	**7**	**100%**	**0**	**0%**	**0**	**0%**

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23 No. of employees covered as a % of total employees	FY 2022-23 No. of workers covered as a % of total workers	FY 2022-23 Deducted and deposited with the authority (Y/N/N.A.)	FY 2021-22 No. of employees covered as a % of total employees	FY 2021-22 No. of workers covered as a % of total workers	FY 2021-22 Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA	100%	100%	NA
ESI	100%	100%	Y	100%	100%	Y
Others – Superannuation (Managers & above, voluntary, 277 employees)	100%	0%	Y	100%	0%	Y

3. Accessibility of workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is committed to promote and to have an inclusive and diverse workforce. Hence aspects of accessibility and equity are equally important and are considered.

The Company has implemented 'Equal Opportunity and Accessibility Policy for Persons with Disabilities', in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016, which can be accessed at:

https://apar.com/wp-content/uploads/2023/03/Social_Policies/8.Equal_Opportunity_Accessibility_Policy_for_Persons_with_Disabilities.pdf

We are in the process of preparing a comprehensive plan to address workplace accessibility for differently-abled employees and visitors at Company's existing and new infrastructure – this will include work areas, rest rooms, common areas, and areas for movement in and around facilities.

All our facilities have ramps at entry locations and lobbies to facilitate wheelchairs.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. APAR nurtures an inclusive culture that does not discriminate on the basis of religion, gender, caste or disabilities and has a policy for equal opportunity for all, as per the Rights of Persons with Disabilities Act, 2016.

The web-link to this policy is : https://apar.com/wp-content/uploads/2023/03/Social_Policies/8.Equal_Opportunity_Accessibility_Policy_for_Persons_with_Disabilities.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees Return to work rate	Permanent Employees Retention rate	Permanent Workers Return to work rate	Permanent Workers Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	NA	NA
Total	**100%**	**100%**	**100%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of mechanism in brief
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, the Company is committed to providing a safe and conducive work environment to all of its employees and workers, and has a mechanism to receive and redress grievances for its employees and stakeholders. Mechanism: a) Employees are encouraged to share their concerns with their reporting manager. An answer is expected within 48 hours from the reporting manager. b) In case the employee is not satisfied with the answer of his reporting manager, or answer is not received within the stipulated time, the employee can present his case to the head of the department. An answer is expected within 3 days from the head of the department. c) In case the employee is not satisfied with the answer of head of the department, the aggrieved employee can request to forward his case to the Grievance Committee, which shall make its recommendations within 7 days. d) The final decision by the management is communicated to the employee. If no agreement is possible, the employee and management may refer the matter to voluntary arbitration. The Grievance Committee consists of 5 members across functions at locations out of which one of the members shall be Chairman of the Committee, nominated by the local management. Link to the Grievance Redressal Policy for employees is provided below: https://apar.com/wp-content/uploads/2023/03/Social_Policies/APAR-Grievance_Redressal_Policy_for_Employees.pdf Additionally, the Company has implemented following policies to ensure amicable work environment: a) Policy for Prevention of Sexual Harassment at Workplace (POSH), which can be accessed from the link: https://apar.com/wp-content/uploads/2023/03/Social_Policies/16.POSH_at_Workplace.pdf b) Whistle Blower Policy, which can be accessed from the link: https://apar.com/wp-content/uploads/2023/03/Social_Policies/20.Whistle_Blower_Policy.pdf c) Employee Relations Policy, which can be accessed from the link: https://apar.com/wp-content/uploads/2023/03/Social_Policies/7.Employee_Relations_Policy.pdf Over and above, the Company has works committee, safety committee, canteen committee to manage and ensure conducive work environment. Employee Satisfaction Survey was conducted to gauge the satisfaction level of employees.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Gender	FY 2022-23			FY 2021-22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)
Total Permanent Employees						
Male	1522	0	0%	1340	0	0%
Female	137	0	0%	88	0	0%
Total Permanent Workers						
Male	148	33	22%	148	33	22%
Female	0	0	0%	0	0	0%

The Company respects the right of employees to free association and union representation. During the year under review, there was no employee association and union representation in the Company. In respect to this we have an internal Works Committee as per the Industrial Disputes Rules 1957 Subsection (1) of Section (3). This committee comprises of employees & workmen who are elected. This committee addresses to the concerns and issues raised by employees, takes collective decisions and maintains harmonious relationship between employer and workmen.

8. Details of training given to employees and workers

Safety is of paramount importance to the Company. All the plant person, including employees, workers and contract workers are imparted at least one training on H&S each year. The Company's contractual employees receive mandatory safety training before entering the premises and also get on-the-job training through the contractor.

Skill development training is provided as per the TNI (Training Need Identification). Following types of skill-development trainings are imparted for skill upgradation:

i. Functional/ Technical training
ii. Training on soft skills
iii. On-the-job training

The employees receive training through classroom as well as web-based training programs. Various trainings are identified and conducted as per the training calendar, including operational/ functional training, six sigma, soft skills and leadership development programs which are derived from the performance appraisals and competency matrix.

Category	FY 2022-23					FY 2021-22				
	Total (A)	On H&S issues		On Skill Upgradation		Total (D)	On H&S issues		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1522	1225	80%	1065	70%	1340	1018	76%	871	65%
Female	137	95	69%	96	70%	88	56	64%	88	100%
Total	**1659**	**1320**	**80%**	**1161**	**70%**	**1428**	**1074**	**75%**	**959**	**67%**
Workers										
Male	5814	5680	98%	4345	75%	4781	4652	97%	3394	71%
Female	7	7	100%	6	86%	5	5	100%	4	80%
Total	**5821**	**5687**	**98%**	**4351**	**75%**	**4786**	**4657**	**97%**	**3398**	**71%**

9. Details of performance and career development reviews of employees and worker:

All the employees undergo Performance and Career Development Reviews. The Company has a robust HRMS portal to conduct the same. Discussions are carried out periodically and feedback for development is provided. In addition, High Potential (HiPo) employees are identified for the further career development.

The Company also initiated a 'Sarasvati Trainee Program' for women employees across the company.

Internal Job Posting policy is in place to encourage the existing employees for better opportunity within the organization.

Employee satisfaction survey 2022 shows that majority of the employees are satisfied with the company and have a strong affinity towards the organization.

Career development programs and the suggestion schemes are in place which enhance the overall development of an individual.

Category	FY 2022-23			FY 2021-22		
	Total (A)	No (B)	% (B/A)	Total (A)	No (B)	% (B/A)
Employees						
Male	1522	1522	100%	1340	1340	100%
Female	137	137	100%	88	88	100%
Total	**1659**	**1659**	**100%**	**1428**	**1428**	**100%**
Workers						
Male	148	148	100%	148	148	100%
Female	0	0	0%	0	0	0%
Total	**148**	**148**	**100%**	**148**	**148**	**100%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)

Yes, we have implemented a robust health and safety management system across our business.

All APAR's manufacturing locations have been certified for OHSAS-18001/ ISO 45001 for Occupational Health & Safety; undertakes regular safety audits to identify hazardous acts; ensure compliance with standard operating procedures; and assess the performance of the company's safety measures. The certificates are uploaded at our website, and can be accessed through: https://apar.com/apar-esg-report/ under the 'Certificates' tab.

In addition to a collaborative approach for continual improvement and promotion of Health & Safety at the workplace, each plant has been equipped with:

a) safety & 5S committee
b) suggestion scheme
c) Kaizen
d) Safety engagement activities, and
e) a team of qualified H&S professionals at each manufacturing location

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Hazard Identification and Risk Assessment ("HIRA") is used for routine and non-routine activities. When there is a change in the workplace, such as to a production line layout, equipment, applicable legal requirements, we conduct hazard identification and risk assessments to prevent new hazards and reduce risks.

Each manufacturing location conducts hazard and risk assessments annually to determine if additional precautions are needed for health and safety management. We engage employees and encourage participation in health and safety management. This program enables employees to understand how to identify potential risks and hazards in their daily work environment. Through this and other programs, we are able to increase awareness and implement a sense of ownership in maintaining a safe workplace for everyone.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, all our plant locations have incident and hazard reporting procedures laid down to assist the workforce to highlight unsafe working conditions.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. All employees are covered under Company's health insurance and personal accident policy.

In order to provide quality healthcare to all sections of society, including its employees and workers. APAR has tie-ups with local hospitals for healthcare facilities.

All these facilities have benefitted its employees, workers, and the community at large.

11. Details of safety related incidents, in the following format

Safety Incident/ Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.49	0
	Workers	1.94	3.03
Total recordable work-related injuries	Employees	2	0
	Workers	25	44
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	8	5

Due to various safety measure taken by the Company, as described in Q. 15 (under Principle 3), significant reduction in LTIFR was observed (from 3.03 to 1.94) and 'total recordable work-related injuries' also dropped from 44 to 25.

12. **Describe the measures taken by the entity to ensure a safe and healthy work place.**

Following measures are taken by APAR to ensure a safe & healthy workplace:

a) Hazard identification, Risk Assessment and Management is done in accordance with Hazard Identification and Risk Assessment (HIRA) Procedure.

b) Hierarchy of controls is followed for application of risk control measures. Control Plans commensurate to risk are deployed before execution of job. No job is executed until risks are brought to acceptable range i.e. work permit system.

c) Safety Committees are in place at various levels to review the adequacy of resources for safety and to provide support for safety management system deployment

d) Deployment of safe and healthy system of work is assured through periodic safety audits and inspections across sites.

e) Suggestion and feedback scheme deployed at all levels for further improvement towards safe & healthy work place.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	*2	0		*3	0	
Health & Safety	*1	0		*2	0	

* Company has not received complaints for Working Conditions or Health & Safety of employees, but some suggestions were noted during the reporting period from employees for improvement. These are:

a) Refreshment service trolley to serve refreshment items and save time & effort

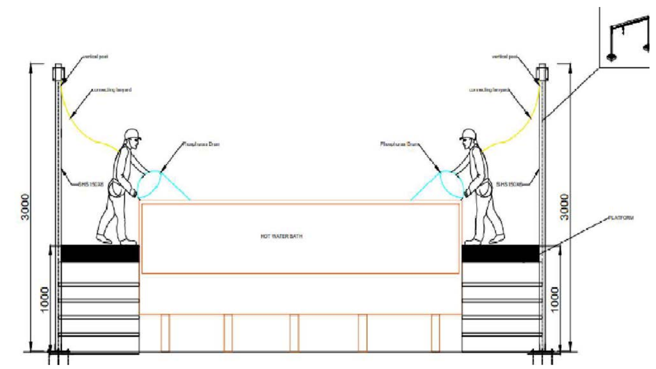
b) Turbo ventilation on rooftop for improving air circulation

c) Worker rest room provision to change/ relax/ safe-locker

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Working Conditions	100%
Health & Safety	100%

All of APAR's manufacturing locations are covered under the ISO 45001/2018: Occupational Health and Safety Management Systems. Compliance to safe working conditions is an essential aspect of EHS management systems. In addition, all APAR units undergo periodic Environment, Health & Safety audits at all division to verify compliance with Standards.



15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.**

Company has Fatal & Serious Injury (FSI) prevention system in which the potential risks are identified through regular safety inspections, audits, HIRA and incident reporting system. Accordingly the corrective & preventive actions are implemented to mitigate the risk within the stipulated time frame. Thus the system keeps on improving on a regular basis. This year we have undertaken many project to benchmarking the safety system like:

a) Fire Hydrant system to ensure the fire safety

b) Installation of retractable life line system for curing tank

c) Fall protection system for rooftops during the project and maintenance work at height

d) Additionally, more than 150 numbers of safety Kaizen has been implemented under the suggestion schemes to make our people safe

e) Flood management system implemented to prevent plant property in premises – we have hired flood management consultant and designed complete control system, and implemented his recommendations:

(i) construction of water collection pit (ii) installation of heavy capacity water evacuation pumps along with flood gates to prevent flood during monsoon in plant premises

f) Provided safety railings and walkways in roof top solar panels for safe repairing and cleaning jobs etc.

LEADERSHIP INDICATORS

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   Employees – Yes

   Workers – Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners**

   The Company had taken following measures to ensure that statutory dues have been deducted and deposited by the value chain partners:

   a) GST: The finance department of the Company checks with the GST portal to ensure that the GST dues are deposited by our supply chain partners. This exercise is done every quarter. In case of any non-compliances, it is escalated to the concerned purchase manager for action.

   b) PF & ESIC of Contract Labours employed by our supply chain partners within APAR premises is checked thoroughly and monitored by APAR HR team.

   c) Since majority of sourcing (87.6%) is through top suppliers, who have their own internal checks and balances to ensure compliance and payment of all the statutory dues in time.

   d) For smaller suppliers, the Company has a system of vendor assessment/ audit during vendor on-boarding, wherein we take declaration from the suppliers that all statutory dues are paid in time. Additionally vendors are sensitized on this topic through regular webinars.

3. **Provide the number of employees/ workers having suffered high consequence work-related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	NA	NA	NA	NA
Workers	NA	NA	NA	NA

We have reported 8 cases in FY 2022-23 and 5 cases in FY 2021-22 under "High consequence work-related injury or ill-health (excluding fatalities)" in Essential Indicator Q.11 above. In all these cases, the workers have re-joined work.

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Yes. We do provide opportunities to employees & workmen who have superannuated from the services of the company.

   The extended services of superannuated employees are used in the advisory roles or in the capacity of retainers with the organization. These employees with their rich experience help the organization to achieve the desired objective more effectively and efficiently.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Working Conditions	* 100%
Health & Safety practices	* 100%

100% of our suppliers are assessed for Working Conditions, and Health & Safety through vendor assessment/ audit at the time of vendor on-boarding.

* All traders and manufacturing suppliers having insignificant supply values are not included.

6. **Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   In case of any non-compliance, the matter is taken up with the supplier immediately. The suppliers need to take corrective actions and are on-boarded only when the corrective actions are implemented.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

The Company has a wide variety of stakeholders and has been consciously engaging with them to understand their requirements.

Many of the Company's key stakeholders, including customers, investors, suppliers, and employees have been increasingly asking about performance on sustainability parameters. This has helped the Company to determine its priorities on areas of sustainability that are material to its business success.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

   Our stakeholders are those individuals or organisations who have an interest in, and/ or whose actions impact our ability to execute our strategy. Our stakeholders play an integral role in our journey and we recognise the need to partner with them and understand their concerns to run and manage our businesses.

   Our process of stakeholder engagement involves identifying key internal and external stakeholders followed by analysing the impact of each stakeholder groups on our business and vice versa.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder	No	Annual General Meeting, Stock Exchange Disclosures, Quarterly and Half yearly Results Publication, Email Communications, Letters, Press Release, Complaints and Resolutions	• AGM- Annual • H/ Y Results- Half yearly • Q/ Y Results- Quarterly • Others- Ongoing	Financial Results, Dividends, Induction of Board members, Changes in shareholding, Company's growth plan etc.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Training & Awareness programs, In-house APAR Engage magazines, Goal setting, Performance appraisal, Meetings, Exit interviews, Wellness initiatives, Grievance Mechanism Functioning, Email, Intranet, Circulars etc.	Regular	KRA setting, Performance Management, Improvement areas, Training and awareness, Brand communication, Health & Safety engagement etc.
Customers	No	Awareness Programs, Distributor/ Retailer/ meets, APAR Plant visits, Trade body membership, Complaints management, Conferences, Website etc.	Regular	Target setting, Product quality & availability, New product launches etc.
Suppliers	No	Awareness Programs, Plant visits, Trade association meets, Seminars, Grievance handing mechanism etc.	Regular	Delivery schedule, Product & Service quality, Payments, ESG consideration (sustainability, safety checks, compliances, ethical behaviour) etc.
Government	No	Meetings with local administration/ state government authorities through seminars on need basis, emails and meetings, Regulatory audits/ inspections etc.	Need basis	Discussions with regard to various regulations, amendments, inspections, approvals and assessments; Govt. Policies etc.
Community	No	Community visits and projects, partnership with local charities, volunteerism, seminars / conferences	Regular	Training & Employment, Water management, Community development, Livelihood support, disaster relief etc.

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   In the Board Meetings, feedback/ internal audit reports are discussed, and progress on various sustainability (ESG) parameters are shared. Suggestions from the Board Members are implemented.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. We engage with our stakeholders regularly on sustainability related issues. Employees are actively encouraged to give their suggestions and participate in the implementation thereof.

   Awareness programs on environmental and social topics are conducted regularly for our employees, customers, and suppliers. These awareness programs provide a platform to discuss the environmental and social issues with the stakeholders, and accordingly the inputs received from stakeholders are discussed, debated and implemented if feasible.

   In addition, prominent customers send us detailed questionnaires on the progress of our sustainability initiatives, to which we regularly respond. This also gives us a detailed understanding of their expectations.

   Platforms such as CDP and EcoVadis give us a clear indications of the expectations from a global standpoint, which enable us to fine-tune our policies and practices.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   APAR is responsible member of the local communities where it has its plants. So the focus is on local procurement, community well-being and employment of the local youth.

   Currently we are training 59 apprentice at our plants in Gujarat and Maharashtra. Total 88% of these apprentices are from SC/ ST/ OBC category.

   APAR management always looks forward to offer merit based employment to the historically disadvantaged sections of society including scheduled castes/ tribes, other backward classes at all the plant locations. Details for our plants are as follows :

   - 36% of employees on Company rolls are in SC, ST, OBC & Others category
   - 78% of employees on Contract are in SC, ST, OBC & Others category

PRINCIPLE 5: Businesses should respect and promote human rights.

The Company is committed to support the principles contained within the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Core Conventions on Labor Standards, the UK Modern Slavery Act and other similar laws and principles.

Towards this the Company had implemented many policies, including:

- APAR Code of Conduct
- Child & Forced Labour Policy
- Human Rights Policy
- Policy on POSH
- Policy for Prevention of Workplace Harassment
- Working Condition Policy
- Grievance Redressal Policy for Employees
- Whistle Blower Policy
- Flexible Working Hours Policy

These policies are available at Company's website at https://apar.com/sustain_envt_policies/ under 'Social Policies' tab.

Regular trainings are being conducted to make all employees aware of these issues.

In addition, human right issues form an integral part of Company's new supplier on-boarding assessment and APAR's Supplier Code of Conduct to which each supplier need to agree and provide consent.

Respect for the dignity of the individual and for the importance of each individual's Human Rights forms the basis of the behaviors, the Company expects of every individual who works for us, either as an employee or indirectly or through its supply chain.

The Company does not accept any form of discrimination, harassment or bullying within APAR or its supply chain. These include requiring suppliers to take measures to avoid any form of forced, bonded or compulsory labor (or any other kind of modern slavery or human trafficking).

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of persons covered (B)	% (B/A)	Total (C)	No. of persons covered (D)	% (D/C)
Employees						
Permanent	1659	841	51%	1428	0	0%
Other than Permanent	0	0	0%	0	0	0%
Total Employees	**1659**	**841**	**51%**	**1428**	**0**	**0%**
Workers						
Permanent	148	76	51%	148	0	0%
Other than Permanent	0	0	0%	0	0	0%
Total Workers	**148**	**76**	**51%**	**148**	**0**	**0%**

2. Details of minimum wages paid to employees and workers, in the following format:

The Company is paying more than the minimum wage to all its employees and workers.

The wage rates in scheduled employments differ across states, sectors, skills, regions, and occupations owing to various factors. Hence, there is no single uniform minimum wage rate across the country and the revision cycle differs for each state. However Minimum wages are paid and adhered by the Company as per the minimum wage notification issued by the respective Central and State bodies for different establishments under the Minimum Wages Act and Rules.

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1522	0	0%	1522	100%	1340	0	0%	1340	100%
Female	137	0	0%	137	100%	88	0	0%	88	100%
Other than Permanent										
Male	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
Workers										
Permanent										
Male	148	0	0%	148	100%	148	0	0%	148	100%
Female	0	NA	NA	NA	NA	0	NA	NA	NA	NA
Other than Permanent										
Male	5666	0	0%	5666	100%	5240	0	0%	5240	100%
Female	7	0	0%	7	100%	7	0	0%	7	100%

3. Details of remuneration/salary/wages, in the following format:

Segment	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	6	₹ 4,12,500	1	₹ 4,12,500
Key Managerial Personnel**	4	₹ 5,79,99,371	0	NA
Employees other than BoD and KMP	1522	₹ 6,97,430 CTC p.a.	137	₹ 7,17,886 CTC p.a.
Workers	148	₹ 4,27,568 CTC p.a.		

*During FY 2022-23, Mr. F.B. Virani, Independent Director (Non-executive) resigned from the closure of Board of Directors meeting dated November 3, 2022.

**KMP includes CMD and MD.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/ No)**

Yes. The Company has following committees for addressing human right issues :

1) Ethics Committee – Ethics Committee can be reached by sending email at ethics.taskforce@apar.com

2) Grievance Committee

3) Works Committee

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company seeks to conduct business in a manner that respects the human rights and dignity of people. The Company's Code of Conduct demonstrates its commitment towards the preservation of human rights across the value chain. The Company believes that a sustainable organization rests on ethics and respect for human rights. The Company promotes awareness of the importance of respecting human rights within its value chain and discourages instances of abuse. The Company has constituted the following Committees to take care of human rights issues:

a) **Ethics Taskforce –** This Committee is responsible for addressing all unethical issues, including human rights, violation of APAR Code of Conduct, integrity, financial wrongdoing, harassment, discrimination, victimization, malpractices etc.

b) **Grievance Committee –** This committee addresses the grievances raised by employees & workmen incl. human rights issue, mainly grievances against canteen facilities, working conditions, harassments, facilities, OT, leave etc. This consists of five members across functions at locations, and the Chairman is nominated by the local management.

c) **Works Committee –** The Company has an internal Works Committee as per the Industrial Disputes Rules 1957 Subsection (1) of Section (3). This committee comprises of employees & workmen who are elected. This committee addresses the concerns and issues raised by employees, takes collective decisions and maintains harmonious relationship between employer and workmen.

The Company has implemented a Human Rights Policy, which can be accessed from the below link:

https://apar.com/wp-content/uploads/2023/03/Social_Policies/13.Human_Rights_Policy.pdf

The Grievance redressal policy for Employees can be accessed from below link:

https://apar.com/wp-content/uploads/2023/03/Social_Policies/APAR-Grievance_Redressal_Policy_for_Employees.pdf

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

The relationship between the Company and its employees/ workers is harmonious. As such, the employees/ workers voice their suggestions on an ongoing basis and these are discussed and implemented as per merit. Accordingly, there are no formal complaints.

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Whistle blower policy provides for the following protection:

- Whistle blower complaint is a protected disclosure and the Complainant can choose to remain anonymous.
- The investigating officer has to protect the identity of the whistle blower.
- The whistle blower is protected against any adverse action not limited to harassment, unfair termination of employment, demotion, suspension and biased behavior on account of whistle blower.

POSH policy provides following protection:

- The POSH Committee has a women member to provide additional comfort to the victim.
- The parties (victim and the alleged harasser) are advised to refrain from communication with each other in all possible ways, during the period of investigation.
- The Company is determined to prevent retaliation, victimization, additional harassment, intimidation, humiliation, character assassination or reprisal in any manner of the complainant or any witnesses. In certain cases, the identity of the complainant is kept confidential.

Policy for Prevention of Workplace Harassment provides the following protection:

- Any retaliation or threat of retaliation against any complainant is considered as a violation of the Code of Conduct of the company and will necessitate appropriate disciplinary action.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/ No)**

Yes.

Human rights requirement is a part of APAR Supplier Code of Conduct, which makes it integral to all agreements & contracts.

We have initiated the process of getting our Suppliers (and service providers) read, understand, and accept (by signing) the APAR Supplier Code of Conduct. The link to Company's Supplier Code of Conduct is as below:

https://apar.com/wp-content/uploads/2023/03/APAR_Supplier_Code_of_Conduct.pdf

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Other human rights related issues	100%

Approx. 48% of our revenue is from exports and majority of this is to US and European customers who have very stringent requirements from their supply chain on these aspects. Our overseas customers regularly conduct audits in our plant and take declaration from us on human right compliances including discrimination, child labour, forced labour, sexual harassment, workplace harassment, working hours, minimum wages etc.

10. **Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 9 above.**

We have not found any major concern.

LEADERSHIP INDICATORS

1. **Details of a business process being modified/ introduced as a result of addressing human rights grievances/ complaints.**

During the reporting period, no business processes have been modified or introduced for addressing human rights grievances/ complaints.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

Our overseas customers regularly conduct audits in our plant and take declaration from us on human right compliances including discrimination, child labour, forced labour, sexual harassment, workplace harassment, working hours, minimum wages etc.

3. **Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

All our facilities have ramps at entry locations and lobbies to facilitate wheelchairs.

However, we are working to improve the facilities as well as increase the coverage to address workplace accessibility for differently-abled employees and visitors at Company's existing and new infrastructure – this will include work areas, rest rooms, common areas, and areas for movement in and around facilities.

4. **Details on assessments of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Child Labour	50% Please refer the Note P5a below this table
Forced Labour/ Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Other human rights related issues	

Note

P5a: We ensure adherence to human right parameters (Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/ Involuntary Labour, Minimum Wages etc.), through the following measures:

a) **Implementation of APAR Supplier Code of Conduct:** We ensure that all the suppliers read, agree and provide their consent to the Supplier Code of Conduct, which ensures adherence to above human right parameters.

b) **Vendor assessment while on-boarding/ audit:** The parameters are assessed while vendor on-boarding, and only the suppliers who declare adherence to above parameters are on-boarded, and all human right assessments are in place from the very beginning.

c) **Regular Webinars:** The suppliers are sensitized through regular webinars to adhere.

d) **Questionnaire on human rights:** The Company had implemented a questionnaire for Suppliers to check adherence to human right issues. These are circulated-to and filled-by all those suppliers who attend our webinar.

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

In case of any non-compliance, the matter is taken up with the supplier immediately. The suppliers need to take corrective actions and are on-boarded only when the corrective actions are implemented.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Environmental management

The Company has implemented adequate steps for protecting the environment. These include:

a) Working to reduce Energy Intensity through various productivity measures, six sigma trainings, efficiency improvement initiatives etc.

b) Focusing on electrification – shifting away from fossil-fuel based energy

c) Increasing the share of RE (Renewable Energy) through roof-top solar installations. In addition, work on procurement of wind-solar hybrid energy is at advanced stage

d) Focus to reduce water consumption, increasing re-cycling of water through ETP/ STP, and augmenting the RWH (Rain Water Harvesting) efforts

e) Reduction of wastes – plastic waste management through EPR and minimising waste, re-cycling of waste and safe disposal through proper channels.

Towards the above, the following policies have been implemented at APAR:

- Environment Policy
- Climate Change Policy
- Water Policy
- Air Pollution Policy
- Materials, Chemicals and Waste Policy
- Biodiversity Policy

These policies are available at Company's website at https://apar.com/sustain_envt_policies_environment/ under 'Environment Policies' tab.

APAR is inspiring its supply chain partners by conducting regular sustainability awareness webinars for them and will continue to do the same.

As a responsible company, APAR is not only trying to manage the climate related risks to its business, but also consistently trying to reduce the impact that its business contributes to this risk. APAR's Task Force on Climate-Related Financial Disclosures (TCFD) Report is a testimonial towards its effort and it can be accessed from the link https://apar.com/apar-esg-report/ under 'TCFD Report' tab.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total electricity consumption **(A)**	MWH	115,259	92,194
Total fuel consumption **(B)**	MWH	89,100	71,018
Energy consumption through other sources **(C)** - Solar	MWH	4,450	2,917
Total energy consumption (A+B+C)	MWH	**208,808**	**166,129**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	MWH/ ₹ Cr	14.55	17.83

We have achieved 18% reduction in energy intensity. This is in line with our journey following a low carbon pathway.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The energy consumption fuel consumption, and other energy consumptions were assessed by external independent third party assurance agency (part of GHG Scope-1 and Scope-2 emission assurance), both during FY 2021-22 and FY 2022-23.

The name of the agency is M/s DNV Business Assurance India Private Limited, India.

2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N).

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in KL)		
(i) Surface water	82,478	43,412
(ii) Groundwater	297,667	180,468
(iii) Third party water	5,829	3,409
(iv) Seawater/ desalinated water		
(v) Others		
Total volume of water withdrawal (KL) (i + ii + iii + iv + v)	**385,974**	**227,289**
Total volume of water consumption (KL)	385,974	227,289
Water intensity per Rupee of turnover (Water consumed/ turnover)	26.89	24.40
Water footprint intensity (KL/₹ Cr. turnover)	**22.88**	**24.40**

Water footprint = Water consumption minus Rain Water Harvesting (RWH) done by the Company

Owing to substantial investments that the Company has made in RWH and re-cycling (ETP and STP), the water footprint intensity has reduced.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. All units of APAR are ZLD (Zero Liquid Discharge). We manage and ensure zero liquid discharge through demand side and supply side management of water.

Demand Side Management

- We are constantly working to reduce water intake by utilizing treated wastewater within the process, thereby reducing demand for fresh water. Treatment and management of waste water is done through ETP and STP across the plants.
- All the plants of APAR operate in line with the CTO (Consent to Operate) conditions.
- Industrial wastewater generated in the plant is treated in Effluent Treatment Plant (ETP) and reused in the plant as feed to the cooling towers and domestic effluent in Sewage Treatment Plant (STP) which is further used in toilets flushes & gardening inside the plant.
- With these advanced water treatment and wastewater management systems, we ensure no industrial wastewater is discharged into the environment

Supply Side Management

- APAR has created rainwater harvesting potential through extensive investments in its Rain Water Harvesting (RWH) initiatives. We had completed hydrological & topological studies of our plants through a leading consultant for water conservation through aquifer recharge. This includes :

a) Preparation of watershed map

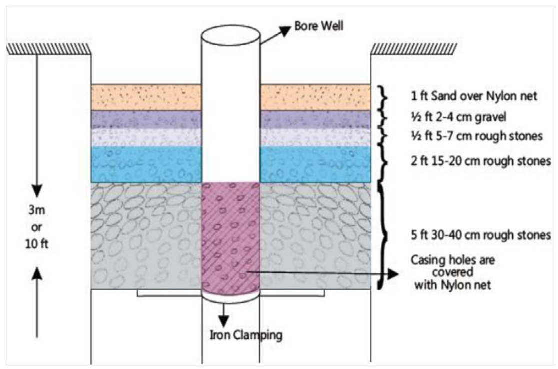
b) Estimation of underground water level, pressure, quality & quantity of water

c) Computation of intensity of the water flow through pores or fractures etc.

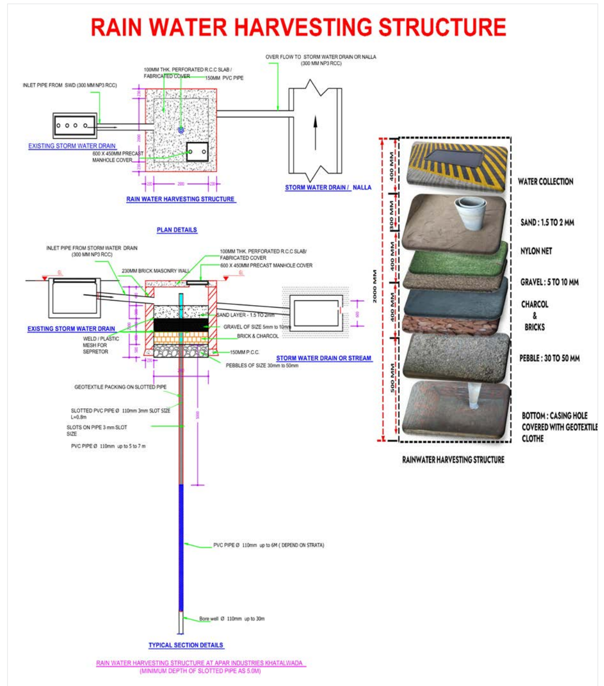
d) Evaluation of water bearing levels of rocks and their capabilities for filtration

e) Assessment of intrinsic ability of the rock to either store or resist water

- 72,000 KL per year RWH system is already implemented at our Khatalwada plant location through aquifer recharge & thereby maintaining water table in the nearby area. It will ensure water security for both APAR and the neighbourhood communities.



Conceptualized schematic depicting the Recharge Injection bore well & pit



In addition, APAR has set the targets of reduction in water footprint intensity by 12% by FY 2023-24 across all its plants.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format :

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	Mg/ Nm^3	19.17	19.07
SOx	Mg/ Nm^3	25.54	25.53
Particulate matter (PM)	Mg/ Nm^3	75.48	73.92
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		Nil	Nil
Others – please specify			

The emissions values stated above, are the highest concentration of parameters among our all plants.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Data measured by approved laboratories of respective Pollution Control Boards (PCBs).

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, if available)	tCO_2e	22,717	17,774
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, if available)	tCO_2e	82,212	72,716
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO_2e/ ₹ Cr	**7.31**	**9.71**
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			
Oil Business – Intensity (tCO_2e/ KL)	tCO_2e/ KL	0.007	0.009
Conductor Business – Intensity (tCO_2e/ MT)	tCO_2e/ MT	0.244	0.271
Cable Business – Intensity (tCO_2e/ MT)	tCO_2e/ MT	0.439	0.473

We have achieved 25% reduction in GHG intensity (from 9.71 tCO_2e/ ₹ Cr to 7.31 tCO_2e/ ₹ Cr). This is in line with our journey following a low carbon pathway.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The Scope-1 and Scope-2 emissions were assessed by external independent third party assurance agency, both during FY 2021-22 and FY 2022-23.

The name of the agency is M/s DNV Business Assurance India Private Limited, India.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

APAR has undertaken a target of 10% reduction in GHG emissions intensity by FY 2023-24 w.r.t. FY 2022-23.

We have been working consistently towards lowering our carbon footprint through various initiatives. We have implemented several GHG reduction projects and many more are under implementation. Some of the examples are:

- Focus on electrification (shifting away from fossil-fuel based energy)
- Increasing share of RE (Renewable Energy) through roof-top solar installations. In addition, work on procurement of wind-solar hybrid energy is at advanced stage. This project has potential to save approx. 6,500 tCO_2e in FY 2023-24 once implemented by Q1, FY 2023-24.
- Increasing productivity using various measures such as initiation of Industry 4.0, Six Sigma etc.
- Conducting detailed energy audits at Athola & Rakholi plants (Conductor Business) and 62 new GHG reduction projects identified which has a potential to save 7000 tCO_2e per year. Work has already began on these identified projects.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total waste generated in MT		
Plastic waste **(A)**	600	577
E-waste **(B)**	3	1
Bio-medical waste **(C)**	0.03	0.03
Construction and demolition waste **(D)**	34	80
Battery waste **(E)**	0.1	Nil

Parameter	FY 2022-23		FY 2021-22	
Radioactive waste **(F)**		Nil		Nil
Other Hazardous waste, if any **(G)**	Effluent Sludge	1	Effluent Sludge	10
	Waste Oil	42	Waste Oil	27
	Oil – Soaked Cotton/Spent Clay	206	Oil – Soaked Cotton/Spent Clay	206
	Aluminium Dross/Tin/ Enamel Residual	104	Aluminium Dross/Tin/ Enamel Residual	73
	Fly-ash	3	Fly-ash	0
Other Non-hazardous waste generated, if any **(H)**	MS scrap	956	MS scrap	669
	Paper waste	296	Paper waste	366
	Electrical waste	14	Electrical waste	21
	Wooden waste	752	Wooden waste	324
	Copper waste	228	Copper waste	59
	Alu. Cond. waste	10.2	Alu. Cond. waste	Nil
	XLPE/ PVC/ PE	1165	XLPE/ PVC/ PE	741
Total (A+B+C+D+E+F+G+H)		**4415 MT**		**3154 MT**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in MT)				
Category of waste				
(i) Recycled		4170		2863
(ii) Re-used		-		-
(iii) Other recovery operations		-		-
Total		**4170**		**2863**
For each category of waste generated, total waste disposed by nature of disposal method (in MT)				
Category of waste				
(i) Incineration		206.6		200.25
(ii) Landfilling		38		90
(iii) Other disposal operations		-		-
Total		**244.6**		**290.2**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Following initiatives are implemented and practiced at APAR:

Waste reduction

- We manage waste reduction through implementation of various quality improvement processes, upgradation of the plant, regular trainings, six sigma implementation, and process monitoring.

Waste disposal

- Plastic Waste - We ensure compliance with the Plastic Waste Management (PWM) Rules 2016, and follow the Extended Producer Responsibility (EPR) approach to manage the downstream operations' plastic packaging waste and these are recycled through a certified re-cycler.

Waste recycle & re-use

- 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.
- 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.
- We 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.
- 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.

E-Waste: We have tie-ups with certified e-waste recyclers who specialize in safely dismantling and processing electronic devices. The recyclers extract valuable materials such as metals, plastics and glass, which can be reused in the manufacturing of new products.

Hazardous Waste: We are constantly exploring to reduce the amount of hazardous waste. All such waste is strictly kept under the limits prescribed in the CTO (Consent to Operate) of respective plant locations. The waste is provided to Govt. approved vendors for proper treatment.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:

Sl	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	NA	NA	NA

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sl	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	NA	NA	NA	NA

LEADERSHIP INDICATORS

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
From Renewable Sources			
Total electricity consumption **(A)**	MWH	4,450	2,917
Total fuel consumption **(B)**	MWH	-	-
Energy consumption through other sources **(C)**	MWH	-	-
Total energy consumption from renewable sources (A+B+C)	MWH	**4,450**	**2,917**
From non-renewable Sources			
Total electricity consumption **(D)**	MWH	115,259	92,194
Total fuel consumption **(E)**	MWH	89,100	71,018
Energy consumption through other sources **(F)**	MWH	-	-
Total energy consumption from non-renewable sources (D+E+F)	MWH	**204,358**	**163,212**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The energy consumption, fuel consumption and other energy consumptions were assessed by external independent third party assurance agency (part of GHG Scope-1 and Scope-2 emission assurance), both during FY 2021-22 and FY 2022-23.

The name of the agency is M/s DNV Business Assurance India Private Limited, India.

2. **Provide the following details related to water discharged:**

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in KL)		
(i) To Surface water	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
Total water discharged (KL)	**NA**	**NA**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)**

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area - Not applicable

(ii) Nature of operations - Not applicable

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in KL)	NA	NA
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater/desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (KL) - Sum of (i) to (v)	NA	NA
Total volume of water consumption (KL)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in KL)	NA	NA
(i) To Surface water	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA

Parameter	FY 2022-23	FY 2021-22
(iv) Sent to third-parties	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
Total water discharged (KL)	**NA**	**NA**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable, as none of our facility/plant is located in areas of water stress.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, if available)	tCO_2e	47,24,288 *	NA
Total Scope 3 emissions per rupee of turnover	tCO_2e/ ₹ Cr.	329 *	NA

Company has computed Scope-3 emissions for the following six categories from FY 2022-23 onwards:

Cat 1 : Purchased Goods and Services

Cat 3 : Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2

Cat 4 : Upstream Transportation and Distribution

Cat 5 : Waste Generated in Operations

Cat 6 : Business Travel

Cat 9 : Downstream Transportation and Distribution

* The Company has computed the GHG Scope-3 emission for the first time in FY 2022-23 and also disclosing it publically. We are trying to improve the quality of data and if any error is discovered, we will update the same in our ESG Report, FY 2022-23. We will also make the changes in the next year's BRSR report.

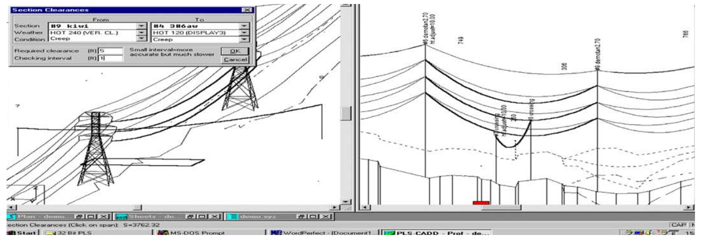
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. Independent Assessment by external agency was done for Scope-1 and Scope-2 emissions only.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Industry 4.0 & Quality initiatives	Industry 4.0 is being implemented at our Cables facilities. It will result in a) increased productivity b) improved operational efficiency c) enhanced product quality d) reduce re-work and enhance employee safety	Cumulative outcome has resulted in reduction in GHG intensity and water footprint intensity, as mentioned in questions 1, 3 and 6 of Essential Indicator under Principle 6 above.
2	Water footprint reduction	APAR has created rainwater harvesting potential through extensive investments in its Rain Water Harvesting (RWH) initiatives. We had completed hydrological & topological studies of our plants through a leading consultant for water conservation through aquifer recharge. This includes : a) Preparation of watershed map b) Estimation of underground water level, pressure, quality & quantity of water c) Computation of intensity of the water flow through pores or fractures etc. d) Evaluation of water bearing levels of rocks and their capabilities for filtration e) Assessment of intrinsic ability of the rock to either store or resist water In addition, all the plants are Zero Liquid Discharge (ZLD). Owing to substantial investments that the Company has made in RWH and re-cycling (ETP and STP), the water footprint intensity has reduced.	
3	Software based simulation	We use advanced software for simulations and calculation of critical transmission line parameters for new product development and validation. 	
4	Irradiation curing Technology - Electron beam	Electron beam cross-link technology enables us to enhance insulation material performance by changing thermoplastic material to thermoset. Our four irradiation units are capable of cross-linking wire from 0.2 sq mm to 400 sq mm and cables with diameter up to 60 mm. Apart from other cross-linking technologies, irradiation cross-link products are easy to cut and strip. Other benefits include: (a) higher temperature resistance (b) increased mechanical strength (c) Increased abrasion and cut through resistance/chemical and oil resistance/ crush resistance (d) increased shear and compressive strength	

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

   We have a BCP to ensure continuity of our business operations during unforeseen disruptions. It outlines procedures to respond to a disaster situation and resources necessary to maintain critical business functions and minimize the impact of disruptions such as natural disasters or cyberattacks. Periodic risk assessments are undertaken to assess the probability of occurrence and impact of occurrence of a disaster situation. Based on this assessment, mitigating action is undertaken and emergency response plans, communication protocols, backup systems and recovery strategies are put in place accordingly. By proactively identifying potential risks and developing contingency measures, we can mitigate financial losses, protect reputation and sustain operations in adverse conditions. Regular testing, training and updating of the BCP to ensure its effectiveness and adaptability to evolving circumstances is in place.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

   The Company has started evaluation of vendors on environmental parameters through vendor assessment/ audits, including ensuring implementation of ISO 14001:2015 by Supplier, for all new vendors.

   In addition, we have introduced questionnaire for existing vendors to assess them on environmental parameters.

   The Company conducts regular webinars for the suppliers to sensitize them towards the environment by showcasing its own journey, achievements and initiatives taken by the Company towards environmental protection.

   We have also started estimating our Scope-3 GHG emissions to try and manage these emissions. Most of the Scope-3 GHG emissions come from our supply chain, particularly Categories 1, 4 and 9. From the FY 2023-24, we have actively started taking action to reduce our Scope-3 emission in partnership with our supply chain.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   100% of major suppliers (this does not include traders and manufacturing suppliers having insignificant supply values) are assessed for environmental impacts parameters through vendor assessment/audits at the time of vendor on-boarding.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Advocacy, aid and corporate responsibility bodies

As the Company remains committed towards its vision, it maintains active memberships & collaborations with industry trade associations. APAR leverages this engagement to advance further initiatives aimed at making the industry even more sustainable.

ESSENTIAL INDICATORS

1. Number of affiliations with trade and industry chambers/associations. - 11

2. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to:

Sl	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Cable and Conductor Manufacturers Association of India (CACMAI)	National
2	EEPC India (Formerly Export Engineering Promotion Council)	National
3	Indian Electrical & Electronics Manufacturers' Association (IEEMA)	National
4	IMC Chamber of Commerce and Industry	National
5	Electrical Research & Development Association (ERDA)	National
6	BIS and IEC Technical Committee	National / International
7	CIGRE (The International Council on Large Electric Systems)	International
8	Manufacturers of Petroleum Specialities Association (MPSA)	National
9	Confederation of Indian Industry	National
10	Indian Transformer Manufacturers Association (ITMA)	National
11	ICDC (Indian Copper Development Centre)	National

3. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities : Nil**

Name of authority	Brief of the case	Corrective action taken
	Not applicable	

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

The various Social Policies of APAR focus on human rights, employee development, health and safety, employee engagement, equal opportunity, harassment and disciplinary practices, community involvement and business ethics.

The company invests time and effort in training and other employee development activities to help them grow within the company. In turn the employees also focus on developing others within and outside the company.

We realize that one of the greatest social impacts is making the youth employable. APAR has been making a difference to communities across India through the following training, educational and medical outreach programs:

a) We assist in employment generation through technical skill development of local tribal youth of Khatalwada, Umbergaon and surroundings areas. We enhance the technical skills of these youths and finally give them employment opportunities at our cable manufacturing facilities.

   This is done at Bhakti Vedanta Kaushal Vikas Kendra, Govardhan Eco Village (Palghar, Maharashtra), which is India's 3rd largest skill development centre, specifically for rural youth & tribal women. Residential facility is being built.

b) 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.

c) In order to provide quality healthcare to all sections of society, APAR and its promoters have been involved in setting up hospitals and supporting accessible healthcare all across India. Few glimpses are as follows:

   i. Dharmsinh Desai Memorial Methodist Institute of Cardiology and Cardiovascular surgery, which was set-up in 1996, has benefited about 400,000 patients mainly from rural Gujarat. The institute carries out open heart surgeries, angiographies and angioplasties with a prolific success rate and a focus to treating patients who are below the poverty line. 70% of the patients are from economically backward strata. It served as Covid ICU during 2nd wave of pandemic.

   ii. Dr. N.Desai Faculty of Medical Science and Research is the fifth Faculty to be started by the Dharmsinh Desai University of Nadiad (DDU) after Faculty of Technology, Faculty of Pharmacy, Faculty of Dental Science and Faculty of Management and Information Science.

   iii. Dr. N. Desai Faculty of Medical Science and Research is extending its hospital capacity to 750 beds for serving the community.

   iv. The Dental School of Dharmsinh Desai University, has since its inception in 2006, provided highly subsidized dental care to 15 lakhs patients, at an average of one lakh patients a year. All patients are treated at a token case fee of ₹ 5 and Dentures at ₹ 50. The dental school also runs an oral cancer centre of excellence where oral cancer surgeries are done for ₹ 15,000 to ₹ 25,000 against a market price of ₹ 1,00,000 to ₹ 3,00,000. Since its inception the oral cancer centre has done 700 such cancer treatments.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable, as there were no projects that required SIA as per law during the reporting period					

However, we keep a track of the impact on beneficiaries of our CSR program, and these are:

Sl	Details of CSR program	Implementing Agencies	Project Undertaken / Project benefited to
1.	Project for upgradation of ICUs including following : 1. ICU Cots 2. Air Conditioning 3. Equipment – Multipara meter monitor, Crash Chart, ECG machines, Syringe pumps, Defibrillator 4. Anti-Bacterial Flooring and walls 5. Civil work modification	Dharmsinh Desai Memorial Methodist Institute of Cardiology & Cardiovascular Surgery (GMCC Care & Research Society), Nadiad	Project benefitted to the poor and needy patients at Nadiad – Gujarat which mainly serve patients with cardiac ailments especially to people from the lower economic and marginalized sections of society. This includes Interventional Cardiology and Cardiac Surgery at nominal charge to several patients.
2.	Project for eradicating malnutrition (Kuposhan Mukt) from UT of DNH & DD.	Dadra & Nagar Haveli and Daman & Diu Juvenile Justice Fund, Silvassa	Project undertaken for adoption of 2 Anganwandis at Silvassa for eradicating malnutrition from UT of DNH & DD. This has benefitted upto 200 children (100 children per anganwadi).
3.	Project for providing for skill development, education, health care and installation of Solar PV Power at Govardhan Eco Village (GEV) / Govardhan Skill Center (GSC), wada, Maharashtra.	Sri Nityanand Educational Trust, Public Charitable Trust	1. Project benefitted 24 students from the Backward / Tribal / SC / ST communities whose annual income is less than ₹ 50,000 p.a. to undergo skill development at Govardhan Eco Village (GEV). 2. Project benefitted 74 students to undergo skill development and training. 3. Installation of 75 kWp (divide into 3 set) On-grid Solar PV Power for the benefit of students belonging to backward communities. 4. Purchase of bus for transportation facility for the tribal youths/ students/ ladies belonging to the tribal/ SC/ST communities under rural development project for education (learning and training). 5. Training to students belonging to backward communities in the areas of technical, computer and tailoring skills. The above courses on skill development viz. Electrical Technician, Welding Technology, Extruder Machine Operator, DBRT, Plumbing, Tailoring, Bag Stitching, Beauty Parlour has trained about 244 students in the age group of 16 plus years who are from SC/ST/tribal communities having annual income of less than of ₹ 50,000/-. Further, under the Anganwadi project, trained about 553 pre-school children and trained about 10 teachers; covering about 35 villages. Under the Zilla Parishad project, trained about 209 pre-school children and trained about 12 teachers; covering about 13 villages.
4.	Projects for supporting orphans by providing food, shelter & education etc.	Tarpan Foundation, Mumbai	Project benefitted for supporting orphans by providing food, shelter, education & also funding their activities towards nurturing & supporting to orphans of 18 years and above who are trying to build a life, independently.
5.	Project of School on Wheels (SOW)	Sister Nivedita Foundation, Rajkot	Project benefitted to : 1. Scholarship for economically challenged bright rural girl students to pursue secondary and higher secondary school education of Standard 9-12. 2. Reading workshop for some SOW Schools. 3. Environmental awareness and protection and health care education for SOW Students.
6.	Project undertaken for rehabilitation of abandoned, unclaimed, parentless and destitute children.	Rawa Academy (Adruta Children Home), Orissa	Project benefitted to abandoned, unclaimed, parentless and destitute children, especially girl children, who are in need of care and protection.
7.	Project undertaken for providing quality care to patients in need of palliation in their times of distress.	Bombay Medical Aid Foundation, Mumbai	Project benefitted to terminally ill and/ or elderly, fully-dependent patients especially from entire city of Mumbai and the neighbouring tribal areas who are in need of palliation in their times of distress.

Sl	Details of CSR program	Implementing Agencies	Project Undertaken / Project benefited to
8.	CSR activities implemented by Government of Nagaland particularly in the North East region for Skill Development Project.	Investment & Development Authority of Nagaland (IDAN), Government of Nagaland	Skill Development Theme for the implementation of the project on **"Animation & Graphic Design Academy"** - a course for the untapped talented candidates of the State and which were planning to set up with the help of CSR funding. Initially 8 students are to be trained and the number of students will be increased for the next batches.
9.	Project undertaken for skill development for under privileged students.	Vishwanidam Public Charitable Trust, Rajkot	Project benefitted to under privileged students from slum and rural areas in/around Rajkot City of Gujarat through computer and Skill development training.
10.	Project undertaken by Company itself for erecting high mast pole of 10 lights at Khatalwada.	Gram Panchayat, Manekpur, Tal. Umargam, Dist. Valsad	Project benefitted to the villagers residing in the vicinity of Gram Panchayat, at Manekpur Bazar (Sarai Char Rasta) in Manekpur, Tal. Umargam, Dist. Valsad, Gujarat, India, adjacent to Khatalwada Plant of the Company.
11.	Project undertaken by Federation of Industries Association (FIA), Silvassa for establishment of National Institute of Fashion Technology (NIFT) for studies under the cause of "Equipment and Material to NIFT, Daman".	Federation of Industries Association (FIA), Silvassa	Project aims at providing for educational equipment for its laboratory and consumable materials for studies under the cause of "Equipment and Material to NIFT, Daman".
12.	Project undertaken for purchase of Mobile Medical Unit for providing Health Services for needy slum communities	Rotary Foundation (India), New Delhi	Project benefitted for providing Preventive and Curative Health Services for the benefit of most vulnerable and needy slum communities from Mumbai and Schools from Wada block, Palghar.
13.	Project undertaken for Setting up of Public Libraries for Manuscript Mission, Physical and Digital Library for Collecting, Preserving, Digitizing & Creating state-of-the-art online searchable repository of rare manuscripts, books and journals of Vaishnava heritage, Literary Heritage Exhibits and Heritage Research, Publishing & Conferences and other projects.	Bhaktivedanta Research Center Trust, Kolkata	Project aims at to collect, preserve, exhibit, research, publish and teach India's rich literary heritage and culture for the socio-economic development of a country.
14.	Project of Dr. Narendra D. Desai Faculty of Medical Science and Research, a 750 Bed Hospital and Institute of Medical Science for construction of hospital building.	Dharmsinh Desai Foundation, Nadiad	Project benefitted on an average of 1100 to 1300 outdoor patients and on an average 30 to 35 operations are carried out free of cost with 100% success. At the hospital, for all indoor patients, 3 meals and treatment to the Outdoor as well as Indoor Patients is provided free of cost.

These people basically belong to BPL (Below Poverty Line) and/or from community backward classes.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sl	Name of the project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

At all our manufacturing locations, we ensure that there is regular engagement on a pro-active basis with the local communities and their representatives. As such there are no long standing grievances at any of our locations. In addition, any stakeholder can also submit any grievance through email to ethics.taskforce@apar.com

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	4.7%	4.2%
Sourced directly from within the district and neighbouring districts	13.3%	12.0%

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken

There is no negative impact.

APAR and its promoters have been contributing to the society much before the mandatory requirement of CSR spend was enforced. In addition, the spend by the promoters far exceeds the 2% that APAR spends on CSR.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sl	State	Aspirational District	Amount spent (in ₹)
1.	Nagaland	Nagaland	5,00,000/-
2.	Gujarat	Gram Panchayat, Manekpur, Tal. Umargam, Dist. Valsad	1,94,133/-
3.	Union Territory of Dadra & Nagar Haveli and Daman & Diu Juvenile Justice Fund, Silvassa	Dadra & Nagar Haveli district	11,40,000/-

3. a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)** Not Applicable.

(b) **From which marginalized/vulnerable groups do you procure?** Not Applicable

(c) **What percentage of total procurement (by value) does it constitute?** Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sl	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/ No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
		Not Applicable		

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not Applicable

6. **Details of beneficiaries of CSR Projects:**

Please refer para 1 above under Essential Indicators.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

APAR's vision is to be a global leader in the energy infrastructure, transportation & telecommunication sectors by providing the best solutions & value creation for our stakeholders. The mission that drives us can be summed up in three words: **'tomorrow's solutions today'**. APAR is committed to provide sustainable goods and services for a cleaner, greener tomorrow.

APAR's commitment is customer focused R&D. The Company's specialty lies in delivering product performance in extreme environments; the Company engineers and manufactures cable, conductor and speciality oil that consistently outlast and outperform the competitions.

The Company has state of the art laboratories, in each businesses, with more than 2000+ testing scope as per various national & international standards. All its laboratories are accreditation by NABL (National Accredited Board for Laboratories) as per ISO 17025:2017. 'Certificates' section at https://apar.com/apar-esg-report/ can be referred for list of NABL certifications across the plants.

The Company has implemented 'Goods & Services' policy to provide guidelines on providing goods and services in a manner that is sustainable and safe. The policy can be accessed at the Company's website at https://apar.com/sustain_envt_policies_environment/.

In accordance with the above, some of our customized solutions include:

- Mareech cable/Torpedo cable
- Tactical cable for army
- Pressure tight and non-pressure tight cables up to 60 BAR for ship building
- In-house development of 5xxx series aluminium alloy wire rods and wires
- Development of 8xxx series compact conductor
- First of its kind fire resistant biodegradable transformer oil "NE premium" with superior oxidation stability, having oxidative life 4 times more than any other product
- Nanofluids for engine oil applications in forklifts which extends the life of the engine oil by approx. 8% as compared to the conventional mineral oil-based engine oils of similar performance
- Fuel additives of biodegradable type for diesel applications with a fuel saving of 5 to 7% in field performance
- Turnkey solutions for re-conductoring with HTLS, live line installation with OPGW

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Customer complaints and feedback are received by the business development/sales team, and attended to by them and the respective manufacturing facility. Complaints are tracked till closure.

In the detailed monthly review meeting, the details of all the complaints and the resolution status is shared and corrective actions discussed to eliminate such issues in future.

2. **Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

Name and brief details of project	As a percentage of total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	We educate and inform our customers about environment precautions, handling & storage, safe and responsible usage and disposal through MSDS (Material Safety Data Sheet). It contains following information: 1) Product and Company Identification 2) Hazards Identification 3) Composition, Information on Ingredients 4) First Aid Measures 5) Fire Fighting Measures 6) Accidental Release Measures 7) Handling And Storage 8) Exposure Controls, Personal Protection 9) Physical And Chemical Properties 10) Stability And Reactivity 11) Toxicological Information 12) Ecological Information 13) Disposal Considerations 14) Transport Information 15) Regulatory Information 16) Other Information As an example, the MSDS for one of the product in Oil business can be accessed from: https://www.apar.com/wp-content/uploads/2021/02/1.SDS-TO-1020-60-U.pdf
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data privacy	No consumer complaints received against these parameters during the reporting period.			No consumer complaints received against these parameters during the reporting period.		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other (delivery time, transportation, perceived quality issues etc.)	Total 185 complaints received: Conductor – 23 Oil – 95 Cable – 67 All the complaints were resolved and nothing is pending at the end of year.			Total 142 complaints received: Conductor – 20 Oil – 43 Cable – 79 All the complaints were resolved and nothing is pending at the end of year.		

4. Details of instances of product recalls on account of safety issues:

	Numbers	Reason for Recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/policy on cyber security and risks related to data privacy (Yes/No). If available, provide a web-link of the policy.

Yes.

The Company has implemented the policies on Cyber Security and Data Privacy. The web-link to these policies are:

Cyber Security Policy:

https://apar.com/wp-content/uploads/2023/04/01_Cyber_Security_Policy-WS.pdf

Data Privacy Policy:

https://apar.com/wp-content/uploads/2023/04/03_Data_Privacy_Policy-WS.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Not Applicable

LEADERSHIP INDICATORS

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Product information can be accessed at –

(a) website links:

https://apar.com/speciality-oils/

https://apar.com/conductors/

https://apar.com/cable-solutions/

https://apar.com/telecom-solutions/

https://apar.com/polymers/

https://apar.com/lubricant/

https://apar.com/speciality-automotive/

(b) Leaflets & Brochures

https://apar.com/apar_brochures/

(c) YouTube

APAR Anushakti Wires & Cables

https://www.youtube.com/watch?v=N7hNjF6Ql_I&t=160s

Speciality Polymers for Automotive Industry

https://www.youtube.com/watch?v=VZH4Vqcc4cg

Polymer APARPRENE TPE in Irrigation Industry

https://www.youtube.com/watch?v=gsiVcjUlUZw

Elastomers

https://www.youtube.com/watch?v=a0PnhPVM6vk

https://www.youtube.com/watch?v=gAINEa-zGBc

Poweroil Product Range

https://www.youtube.com/watch?v=YHXlUlR6Khs

https://www.youtube.com/watch?v=VBF5Ngn59y4

https://www.youtube.com/watch?v=xVHEfM4RpHg

https://www.youtube.com/watch?v=sgO8YYEDQDE

(d) Digital platforms such as IndiaMart

https://www.indiamart.com/apar-oil-lubricants/lubricants-oils.html

https://www.indiamart.com/aparindustries/cable-wire.html

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

We educate and inform our customers about safe and responsible usage through MSDS (Material Safety Data Sheet) for our all businesses including Oil, Cables and Conductors.

Details about MSDS are mentioned under Q2 of Essential Indicator above.

The MSDS for one of the product in Oil business can be accessed from https://www.apar.com/wp-content/uploads/2021/02/1.SDS-TO-1020-60-U.pdf

We have MSDS for our Cable & Conductor businesses as well, which we share with our customers to inform and educate them about safe and responsible usage of our products.

In addition, we also provide soft copies of drum handling, loading, unloading and storage guidelines, installations manual etc. to our customers on demand.

Also, most of our customers are large companies who has sophisticated processes for usage of our products, and as such do not require any specific interventions from our side. However, as a part of our stakeholder involvement process, we periodically engage with our value chain through webinars/seminars and safe & responsible usage is often a part of those engagements.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services**

Since we are a B2B company, we have constant interactions with our customers. Any risk of disruption or disruption is immediately communicated to them, as service levels are specified in every contract.

However, as a part of our stakeholder involvement process, we periodically engage with our value chain through webinars/seminars and risk of disruption/discontinuance of products/services is often a part of those engagements.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable). If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not Applicable

5. **Provide the following information relating to data breaches:**

a. **Number of instances of data breaches along-with impact**

Nil

b. **Percentage of data breaches involving personally identifiable information of customers**

Nil

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	:	1,48,812
g.	Variation in terms of options	:	See Note 1 below
h.	Money realised by exercise of options	:	₹ 54,53,282.90
i.	Total number of options in force	:	15,90,464 options yet to be granted
j.	Employee-wise details of options granted to:		
	i. Senior Management Personnel / Directors		
	(a) Shri F. B. Virani (upto 03.11.2022)	:	4,000*
	(b) Mr. Sanjaya Kunder, CS have exercised 133 options 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	:	Nil
	iii. Identified 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	:	Nil
k.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options.	:	Not Applicable (No options granted and exercised in FY 2022-23).

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 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

Statement containing salient features of the financial statement of subsidiaries companies and associate companies.

Part A Subsidiaries

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Sr. No.	Particulars	Petroleum Specialities Pte. Limited, Singapore (Refer Notes 1,2,3)		Petroleum Specialities FZE, Sharjah (Refer Notes 1,2,3)		APAR Transmission & Distribution Projects Private Limited (Refer Note 1)	APAR Distribution & Logistics Private Limited (Refer Note 1)	Cema Wires & Cable Inc, United States (Refer Note 1,2,3 &5)	
		In USD	₹ in Crore	In USD	₹ in Crore	₹ in Crore	₹ in Crore	In USD	₹ in Crore
(a)	The date since when subsidiary was acquired	March 17, 2004		November 18, 2014		August 26, 2016	March 02, 2020	April 26, 2022	
(b)	Share Capital	59,101	0.49	1,23,29,700	101.31	0.01	1.00	-	-
(c)	Reserve and surplus	1,51,70,036	124.65	12,05,291	9.90	39.69	2.43	-	-
(d)	Total Assets	1,53,29,513	125.96	6,84,35,165	562.33	113.26	12.55	-	-
(e)	Total Liabilities	1,00,376	0.82	5,49,00,174	451.11	73.56	9.12	-	-
(f)	Details of Investment (Except in case of investment in Subsidiaries)	-	-	-	-	-	-	-	-
(g)	Turnover	1,20,817	0.99	14,95,80,578	1,229.10	156.14	8.74	-	-
(h)	Profit Before Taxation (Refer Note 4)	43,613	0.36	7,51,918	6.18	36.72	2.52	-	-
(i)	Provision For Taxation	-	-	-	-	9.29	0.61	-	-
(j)	Profit after Taxation (Refer Note 4)	43,613	0.36	7,51,918	6.18	27.43	1.91	-	-
(k)	Proposed dividend	-	-	-	-	-	-	-	-
(l)	Extent of shareholding (% of shareholding)	100%		100%		100%	100%	100%	

Notes:-

1) The reporting period for all the subsidiaries is April 01, 2022 to March 31, 2023
2) Reporting currency as on March 31, 2023 for subsidiaries viz. Petroleum Specialities Pte. Limited, Petroleum Specialities FZE and Cema Wires & Cable Inc. is U.S. Dollar ("USD")
3) Exchange rate of USD as at March 31 2023 is 1 US Dollar (USD) = ₹ 82.17
4) Profit before taxation and profit after taxation does not include gains or losses recognised in the other comprehensive income.
5) The subsidiary "Cema Wires & Cable Inc." is yet to commence its operation

Part B Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies.

Sr. No.	Name of Associates	Ampoil APAR Lubricants Private Limited	Clean Max Rudra Private Limited
1	Latest audited Balance Sheet Date	March 31, 2023	March 31, 2023
2	Date on which the Associate was associated or acquired	September 19, 2020	August 08, 2022
3	Shares of Associate held by the company on the year end		
	No. of Shares	4,00,000	25,946
	Amount of Investment in Associates	₹ 0.40 Crores	₹ 3.80 Crores
	Extent of Holding (in percentage)	40.00%	26.00%
4	Description of how there is significant influence	Holding more than 20% of voting power / ownership	Holding more than 20% of voting power / ownership
5	Reason why the associate is not consolidated.	Consolidated using equity method as per IND AS 28 - Investments in Associates and Joint Ventures	Consolidated using equity method as per IND AS 28 - Investments in Associates and Joint Ventures
6	Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 0.48 crores	₹ 3.78 crores
7	Profit or Loss for the year		
	i. Considered in Consolidation	*	₹ (0.01) crores
	ii. Not Considered in Consolidation	-	-

*Denotes amounts less than ₹ 50,000

For and on behalf of the Board of Directors

Sd/-
Kushal N. Desai
Chairman & Managing Director & Chief Executive Officer
DIN : 00008084
Mumbai, May 08, 2023

Sd/-
Nina P. Kapasi
Independent Director
DIN : 02856816

Sd/-
Ramesh Iyer
Chief Financial Officer

Sd/-
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. 43 of Audited Financial Statements annexed hereto.

On behalf of the Board of Directors

Sd/-
(Kushal N. Desai)
Chairman & Managing Director
(DIN : 00008084)
Mumbai May 08, 2023

Independent Auditors' 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 Standalone Balance Sheet as at March 31, 2023, the standalone statement of profit and loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone 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 March 31, 2023, 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 Companies Act, 2013. 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 Companies Act,2013 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	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 44 to the Standalone Financial Statements)	To address this key audit matter, our procedures included: · Obtaining from the management details of matters under dispute 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, open tax positions for direct and indirect taxes and other matters and process followed to decide provisioning for the said liabilities 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 and the possible outcomes for the same; · We also involved our firm's internal experts to evaluate the management's underlying judgements in making their estimates with regard to such matters.

Sr. No.	Key Audit Matter	Auditor's Response
2	IT systems and controls over financial reporting. We identified IT systems and controls over financial reporting as a key audit matter for the Company because its financial accounting and reporting systems are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, specifically with respect to revenue and raw material consumption. Also, due to large transaction volumes and the increasing challenge to protect the integrity of the Company's systems and data, cyber security has become more significant. Automated accounting procedures and IT environment controls, which include IT governance, IT general controls over program development and changes, access to program and data and IT operations, IT application controls and interfaces between IT applications are required to be designed and to operate effectively to ensure accurate financial reporting.	In view of the significance of the matter, we applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence: · Assessed the complexity of the IT environment through discussion with the IT team and identified IT applications that are relevant to our audit; · Evaluated the operating effectiveness of IT general controls over program development and changes, access to program and data and IT operations; · Performed inquiry procedures with the IT team of the Company in respect of the overall security architecture and any key threats addressed by the Company in the current year; · Evaluated the operating effectiveness of IT application controls in the key processes impacting financial reporting of the Company; · Assessed the operating effectiveness of controls relating to data transmission through the different IT systems to the financial reporting.

Information other than the Standalone Financial Statement and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to that Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements, Consolidated 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. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 Companies Act, 2013 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 Companies Act, 2013. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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 controls 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 March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to Standalone Financial Statements;

(g) As the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 01, 2023, reporting under this clause is not applicable for the year under audit;

(h) 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.

(i) 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 44 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.49(v)) no funds (which are material either individually or in aggregate) 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.49(vi)) no funds (which are material either individually or in aggregate) 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) of Rule 11 (e) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of F.Y 2021-2022 is in accordance with Section 123 of the Act to the extent it applies to payment of Dividend.

As stated in Note no.16A 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 proposed 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: 23037391BGULVI9761

Place: Mumbai
Date: 8th May, 2023

Annexure A to Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

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) From the current year, the Company has formulated a plan to undertake physical verification of the Property, Plant and Equipment in a phased manner such that the entire Property, Plant and Equipment is covered over a period of three years. In accordance with the said plan, the Company has, during the year, verified the Property, Plant and Equipment of two of its divisions. 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. 49(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 (except goods in transit) 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(ii) 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 unreconciled 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 31 March, 2023 (₹ In crores)
Corporate Guarantee on behalf of a subsidiary	475.78	811.43

(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 31 March, 2023 (₹ In crores)
Loan to employees	2.73	3.60

(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 Companies Act, 2013 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) In our opinion, the Company has been generally regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues to the extent applicable to the Company, in arrears as at March 31, 2023 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 (Rs 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	0.13	1998-99, 2001-02 to 2004-05 & 2011-12	Comm. Tax Officer
		0.06	2011-12 & 2012-13	Dy. Comm. (appeal)
		0.29	2016-17 & 2017-18	Joint comm.(appeal)
		0.16	2013-14,2017-18	Addl. Commissioner
		5.44	2002-03, 2004-05, 2006-07, 2011-12 to 2013-14	Commissioner
		5.46	2006-07, 2008-09, 2009-10	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	1.18	2019-20	Comm. (Appeals)
Finance Act, 1994 (Service Tax)	Service Tax	0.60	2005-2008	Comm. (Appeals)
		1.79	2005-2008	CESTAT
Customs Act,1962	Custom Duty	0.86	1999-1999	Tribunal
		0.72	1999-2006	High Court
Income Tax Act	Income Tax	20.28	2015-16, 2016-17, 2021-22	Comm. Of Income Tax Appeals

(viii) As disclosed in note no. 49(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. 49(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) We report that the Company has not utilised funds raised on short-term basis for long-term purposes;

(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 adequate internal audit system commensurate with the size and nature of its business;

(b) We have considered internal audit reports of the Company issued till date, in determining the nature, timing and extent of our audit procedures, for the period 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: 23037391BGULVI9761

Place: Mumbai
Date: 8th May, 2023

Annexure B to Independent Auditors' Report

[Referred to in paragraph 2 f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of APAR Industries Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to Standalone Financial Statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls with reference to Standalone 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 Standalone Financial Statements were established and maintained and whether 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 Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of such internal financial controls, 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 judgement, 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements 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 controls with reference to Standalone Financial Statements include 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 with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone 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 Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.: 037391
UDIN: 23037391BGULVI9761

Place: Mumbai
Date: 8th May, 2023

Standalone Balance Sheet

as at 31 March, 2023

(₹ crore)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2	774.52	717.44
Right to use assets	2A	17.54	13.32
Capital work-in-progress	2	99.07	37.00
Other intangible assets	2B	1.11	1.48
Intangible assets under development	2B	0.24	0.16
Financial assets			
Investments	3	5.47	1.67
Loans	4	2.51	0.83
Trade receivables	10	27.51	11.29
Derivative financial assets	5	-	42.80
Other financial assets	6	10.24	12.52
Non current tax assets (net)		45.31	20.90
Other non-current assets	7	59.28	29.00
Total non current assets		**1,042.80**	**888.41**
Current Assets			
Inventories	8	2,460.75	1,991.55
Financial Assets			
Investments	9	50.10	30.00
Trade receivables	10	2,987.44	2,423.31
Cash and cash equivalents	11	407.68	242.65
Bank balances other than above	12	31.28	13.25
Loans	13	1.09	0.81
Derivative financial assets	5	34.53	161.07
Other financial assets	14	43.08	20.17
Other current assets	15	546.10	385.15
Total current assets		**6,562.05**	**5,267.96**
TOTAL ASSETS		**7,604.85**	**6,156.37**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16A	38.27	38.27
Other equity	16B,16C	2,021.23	1,546.83
Total equity		**2,059.50**	**1,585.10**
Non current liabilities			
Financial liabilities			
Borrowings	17	151.37	195.37
Lease liabiliies		14.20	10.98
Other financial liabilities	19	5.09	3.13
Provisions	20	12.04	12.19
Deferred tax liabilities (net)	21	21.95	52.51
Total non current liabilities		**204.65**	**274.18**
Current liabilities			
Financial liabilities			
Borrowings	22	155.07	83.49
Lease liabiliies		4.31	3.08
Trade payables	23		
a) Total Outstanding dues of micro enterprises and small enterprises		84.90	20.01
b) Total outstanding dues of creditors other than micro enterprises and small enterprises.		4,752.60	3,834.88
Derivative financial liabilities	18	21.42	89.00
Other financial liabilities	24	73.61	29.83
Other current liabilities	25	209.33	221.97
Provisions	26	2.03	4.88
Current tax liabilities (net)		37.43	9.95
Total current liabilities		**5,340.70**	**4,297.09**
Total liabilities		**5,545.35**	**4,571.27**
Total Equity and Liabilities		**7,604.85**	**6,156.37**
See accompanying notes to financial statement	1 - 49		

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No 037391

For and on behalf of the Board of Directors

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 8th May, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(₹ crore)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from operations	27	13,167.34	8,592.33
Other income	28	42.84	37.09
Total Income		**13,210.18**	**8,629.42**
EXPENSES			
Cost of materials consumed	29	10,015.23	6,849.52
Purchases of Stock-in-trade		69.45	130.71
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	30	(350.49)	(323.37)
Employee benefits expense	31	205.71	160.16
Finance costs	32	290.76	134.80
Depreciation and amortization expense	2,2A,2B	91.94	86.73
Other expenses	33	2,077.99	1,275.27
Total expenses		**12,400.59**	**8,313.82**
Profit before exceptional items and tax		**809.59**	**315.60**
Exceptional items		-	-
Profit before tax		**809.59**	**315.60**
Tax expense:			
Current tax	36	211.83	80.29
Deferred tax charge / (credit)	36	(6.73)	1.34
Current tax of earlier year		1.83	0.37
Total tax expenses		**206.93**	**82.00**
Profit / (Loss) for the year from continuing operations		**602.66**	**233.60**
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
A) Re-measurement gains /(losses) of defined benefit plans		(0.15)	(6.28)
Income tax on items that will not be reclassified to profit or loss	36	0.04	1.58
Items that will be reclassified to profit or loss			
B) Effective portion of gains / (losses) on hedging instruments in a cash flow hedge		(94.54)	128.90
Income tax on items that will be reclassified to profit or loss	36	23.79	(32.44)
Total other comprehensive income / (loss)		**(70.86)**	**91.76**
Total comprehensive income / (loss) for the year		**531.80**	**325.36**
XII. Earnings per equity share (Face value of ₹ 10 each)	34		
Basic		157.48	61.04
Diluted		157.48	61.04

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No 037391

For and on behalf of the Board of Directors

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 8th May, 2023

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	809.59	315.60
Adjustments for		
Depreciation and amortisation	91.94	86.73
(Gain)/loss on sale of property, plant and equipment	1.51	(0.22)
Interest cost	164.63	62.89
Interest income	(18.45)	(6.14)
Bad debts/ Provision for Doubtful Debts made / (written back/reversed)	46.09	42.38
Unrealised exchange loss/(gain)	33.42	12.97
Profit on sale of investments	(1.66)	(7.40)
Movement in working capital		
(Increase) / decrease in trade and other receivables	(755.59)	(954.29)
(Increase) / decrease in inventories	(469.20)	(512.54)
Increase/ (decrease) in trade and other payables	885.69	1,266.54
Tax paid	(210.59)	(88.14)
Net cash generated from / (used in) operating activities	**577.38**	**218.38**
Cash flow from investing activities		
Acquisition of property, plant and equipment	(231.48)	(115.34)
Acquisition of intangible assets	-	(0.60)
Proceeds from sale of property, plant and equipment	1.13	1.22
(Purchase) of investment in subsidiary & associate	(3.80)	-
Sale / (purchase) of investments other than investment in subsidiary & associate (net)	(18.45)	38.64
Net cash generated from / (used in) investing activities	**(252.60)**	**(76.08)**
Cash flow from financing activities		
Proceeds/(repayments) from short-term borrowings - net	57.49	(21.49)
Proceeds/(repayments) of long-term borrowings - net	(38.86)	21.76
Repayment of Lease Liabilities	(4.91)	(2.99)
Interest received/(paid) - net	(115.62)	(43.35)
Dividends paid	(57.36)	(36.36)
Net cash (used in) / generated from financing activities	**(159.26)**	**(82.43)**
Net increase / (decrease) in cash and cash equivalents	165.51	59.87
Effect of exchanges rate changes on cash and cash equivalents	(0.48)	(0.64)
Cash and cash equivalents at the beginning of the year	242.65	183.42
Cash and cash equivalents at the end of the year (Refer Note 11)	**407.68**	**242.65**

Notes:

1) Statement of cash flows has been prepared as per the indirect method as set out in the Ind AS 7 Statement of cash flows.

2) Cash and cash equivalents represents cash and bank balances. It includes unrealised loss of ₹ 0.48 crores; (previous year unrealised loss of ₹ 0.64 crores) on account of translation of foreign currency cash and cash equivalents.

3) Refer Note 17 II) for changes in liabilities arising from financing activities

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No 037391

For and on behalf of the Board of Directors

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 8th May, 2023

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(a) Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount ₹ crore	No. of Shares	Amount ₹ crore
Balance at the beginning of the reporting period	3,82,68,619	38.27	3,82,68,619	38.27
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	3,82,68,619	38.27	3,82,68,619	38.27
Changes in equity share capital during the current year	-	-	-	-
Balance at the end of the reporting period	**3,82,68,619**	**38.27**	**3,82,68,619**	**38.27**

(b) Other equity

(₹ crore)

For the year ended	Reserves and Surplus					Items of Other Comprehensive Income		Total
	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings - surplus	Effective portion of cash flow hedges	Re-measurement of defined benefit plans	
Balance at April 01, 2022	**23.47**	**205.18**	**14.98**	**292.30**	**932.17**	**85.34**	**(6.61)**	**1,546.83**
Profit for the year	-	-	-	-	602.66	-	-	602.66
Other comprehensive income for the year	-	-	-	-	-	(70.75)	(0.11)	(70.86)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**602.66**	**(70.75)**	**(0.11)**	**531.80**
Dividend paid on equity shares	-	-	-	-	(57.40)	-	-	(57.40)
Transfer to / from General reserve	-	-	-	60.00	(60.00)	-	-	-
Balance at March 31, 2023	**23.47**	**205.18**	**14.98**	**352.30**	**1,417.43**	**14.59**	**(6.72)**	**2,021.23**
Balance at April 01, 2021	**23.47**	**205.18**	**14.98**	**268.30**	**758.93**	**(11.11)**	**(1.92)**	**1,257.83**
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**
Dividend paid on equity shares	-	-	-	-	(36.36)	-	-	(36.36)
Transfer to / from General reserve	-	-	-	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**

Standalone Statement of Changes in Equity (Contd..)

for the year ended March 31, 2023

Effective from the second quarter of financial year 2022-2023, the Company has adopted hedge accounting under Ind AS 109 by formally designating, foreign currency denominated financial liabilities relating to procurement of imported raw material in a cashflow hedge relationship for hedge of foreign exchange risk associated with highly probable future sales transactions. Consequent to this change, through demonstration of hedge effectiveness as per requirements of Ind AS 109, the effective portion of gain / loss arising on re-statement of the foreign currency denominated financial liabilities relating to procurement of imported raw material is recognised initially in cash flow hedge reserve account and is then reclassified to the statement of profit and loss in the period of settlement when the sales are effected and ineffective portion is charged / credited to the statement of profit & loss. As at the year ended March 31, 2023, the effective portion of gain of ₹ 1.09 crores on revaluation of financial liabilities designated hedge relationship is deferred to cash flow hedge reserve.

Nature and purpose of reserves

i. Capital reserve

Capital reserve comprises of gains of capital nature earned by the Company and credited directly to such reserve.

ii. Securities premium

Securities Premium is used to recognise the premium received on the issue of shares. It is utilised in accordance with the provisions of the Companies Act 2013. It also comprises of profit on 16,35,387 treasury shares sold in the year 2015-16.

iii. Capital redemption reserve

Capital redemption reserve represents amounts set aside by the Company for redemption of capital which may arise in future.

iv. General reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

v. Retained Earnings

Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

vi. Effective portion of cash flow hedges

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.

viii. Re-measurement of Defined benefit plans

The re-measurement of defined benefit plan comprises of actuarial gains / losses, actual return on plan asset and change in effect of asset ceiling, if any

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No 037391

For and on behalf of the Board of Directors

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 8th May, 2023

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 1 – Significant Accounting Policies

1. Company Overview

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, Power & Telecom Cables and House wires. 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 the state of Maharashra, Gujarat, Orissa and Union territory of Dadra & Nagar Haveli.

2. Basis of preparation and basis of measurement of Financial Statements

(a) Basis of preparation

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.

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.

These Financial Statements are approved for issue by the Board of Directors on May 08, 2023.

(b) Basis of measurement

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.

(c) Key estimates and judgements

The preparation of Financial Statements in accordance with Ind AS requires use of estimates, assumptions and judgements, which might have an effect on their recognition and measurement in the (i) balance sheet and (ii) statement of profit and loss and other comprehensive incomes. 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 a 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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**

  Long term financial assets/liabilities are required to be measured at fair value on initial recognition. In the 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 the 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.

  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 are made for such incentives.

3 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.

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 the 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 towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of returns, allowance, trade discounts, volume rebates and schemes offered by the Company as a part of the contract 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 the sale of products in Conductors, Transformers, Speciality Oils , Power and Telecom Cables and House Wires It also derives its revenue from rendering of services in Power Transmission Conductors.

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 revenue. The Company 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 Company satisfies its performance obligation when the control over the goods is transferred to the customer or the 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 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 using effective interest rate.

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 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 comprises 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 statement of 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 statement of 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. **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.

E. **Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in statement of 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, re-measurement of the defined benefit plans and the effective portion of gain and loss on hedging instrument in a cash flow hedge.

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:

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

- 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 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.

F. Inventories

Inventories and work in progresses 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 also include applicable taxes, other than those which are subsequently recoverable from tax authorities.

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.

G. 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.

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

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 statement of profit and loss.

The cost of the property, plant and equipment 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 after taking into account estimated residual value 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	SLM	SLM	SLM	SLM
Furniture and Fixtures	SLM	WDV	SLM	WDV
Office Equipment	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

H. 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 Statement of Profit or Loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets using the straight-line method over their estimated useful lives and is generally recognised in the Statement of 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

I. 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.

J. Share-based payments:

a. Employees of the Company receive 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 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 statement of profit or loss.

e. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

f. For cash settled share-based payments, a liability is recognised for the services availed. At the end of the reporting period, until liability is settled, the fair value of liability is remeasured with any changes in fair value recognised in statement of profit or loss.

K. 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 the statement of 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.

L. 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. However, trade receivables that do not contain a significant financing component are measured at transaction price. 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 statement of profit or loss. The losses arising from impairment are recognised in the statement of 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 statement of 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 the statement of profit or 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 the statement of profit or loss.

The Company 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 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 the statement of profit or 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 the statement of profit or loss in the same period or periods during which the hedged expected future cash flows affect the statement of profit or 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 the statement of profit or loss in the same period as the hedged future cash flows affect the statement of 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 the statement of profit and loss.

The Company formally designates foreign currency denominated financial liabilities relating to imported raw materials, in one of the division, in a cash flow hedge relationship for hedging of foreign exchange risk associated with highly probable future sales transactions. The effective portion of gains or losses arising on restatement of the foreign currency denominated financial liabilities is initially recognized in other comprehensive income and is reclassified to profit or loss in the period of settlement when the sales are affected. Ineffective portions, if any, is be charged to statement profit or loss.

Effective from the second quarter of financial year 2022 - 2023, the Company has adopted hedge accounting under Ind AS 109 by formally designating, foreign currency denominated financial liabilities relating to procurement of imported raw material in a cash-flow hedge relationship for hedge of foreign exchange risk associated with highly probable future sales transactions. Consequent to this change, through demonstration of hedge effectiveness as per requirements of Ind AS 109, the effective portion of gain / loss arising on restatement of the foreign currency denominated financial liabilities relating to procurement of imported raw material is being recognised initially in cash flow hedge reserve account and reclassified to the statement of profit and loss in the period of settlement when the sales are effected and ineffective portion, if any charged to the statement of profit or loss. As of quarter/

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

year ended 31 March, 2023, the effective portion loss of ₹ 1,09 Crores on revaluation of financial liabilities designated hedge relationship has been deferred to cash flow hedge reserve..

Provisions and contingent liabilities

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

Provisions are determined by discounting the expected future cash flows specific to the liability using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised in the statement of profit and loss as a 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. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A disclosure for a contingent liability is made when there is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that may, but will probably not, require an outflow of resources.

A contingent asset is not recognised but disclosed in the Financial Statements where an inflow of economic benefit is probable.

M. Leases

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 standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-to-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-to-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-to-use assets are 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-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful lives of right-to-use assets are determined on the same basis as those of property, plant and equipment. Right-to-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 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-to-use asset and the statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-to-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 the statement of profit and loss. The Company has elected not to apply the requirements of INDAS 116 leases to: a) short term leases of all assets that have a lease term of 12 months or less; and b) leases for which underlying assets is of low value. The lease payment associated with the above two 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-to -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.

N. 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 or loss, to the extent the amount was previously charged to the statement of profit or loss. In case of revalued assets, such reversal is not recognised.

O. 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.

P. Segment Reporting

The Chief Operating 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 the statement of profit and loss and is measured consistently with the statement of profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products / services.

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.

The Segment disclosure is given in the Consolidated Financial Statements by virtue of exemption given in Ind AS – "Operating Segment".

Q. Earnings per share

Basic Earnings per share are 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.

R. 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

and financing activities of the Company are segregated based on available information.

S. 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

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 01, 2023.

a) Ind AS 101 – First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.

b) Ind AS 102 – Share-based Payment – modification relating to adjustment after vesting date to the fair value of equity instruments granted.

c) Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.

d) Ind AS 107 – Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.

e) Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.

f) Ind AS 1 – Presentation of Financials Statements – modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.

g) Ind AS 8 – Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of 'accounting estimate' and application of changes in accounting estimates.

h) Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.

i) Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.

The Company is evaluating the amendments and the expected impact, if any, on the Company's financial statements on application of the amendments for annual reporting periods beginning on or after April 01, 2023.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note - 2 Property, Plant and Equipment

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2022	Additions	Deductions/ adjustments	Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	For the year	Deductions/ adjustments	Upto March 31, 2023	As at March 31, 2023
(i) Tangible assets										
Land- Freehold	39.45	0.05	-	-	39.50	-	-	-	-	39.50
Land-Leasehold	10.89	-	-	-	10.89	0.98	0.14	-	1.12	9.77
Building (Refer Note d) below)	281.98	28.75	-	-	310.73	52.06	10.70	-	62.76	247.97
Plant and Machinery (Refer Note a) and b) below)	702.37	110.98	(10.40)	-	802.95	300.25	69.69	(9.03)	360.91	442.04
Furniture and Fixtures	13.94	0.83	(0.02)	-	14.75	6.92	1.78	(0.02)	8.68	6.07
Office Equipments	44.85	3.64	(0.42)	-	48.07	21.01	3.13	(0.32)	23.82	24.25
Motor Vehicles	8.62	1.45	(0.95)	-	9.12	3.44	1.58	(0.82)	4.20	4.92
Sub total (i)	**1,102.10**	**145.70**	**(11.79)**	**-**	**1,236.01**	**384.66**	**87.02**	**(10.19)**	**461.49**	**774.52**
(ii) Capital work-in-progress										
Buildings	-	-	-		-	-	-	-	-	17.78
Plant and Equipments	-	-	-	-	-	-	-	-	-	81.29
Sub total (ii)	-	-	-	-	-	-	-	-	-	**99.07**
Total										**873.59**

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2021	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2022	As at April 01, 2021	For the year	Deductions/ adjustments	Upto March 31, 2022	As at March 31, 2022
(i) Tangible assets										
Land- Freehold	39.23	0.22	-	-	39.45	-		-	-	39.45
Land-Leasehold	10.61	0.28	-	-	10.89	0.84	0.14	-	0.98	9.91
Building (Refer Note d) below)	265.49	16.49	-	-	281.98	41.95	10.11	-	52.06	229.92
Plant and Machinery (Refer Note a) and b) below)	652.13	55.32	(7.64)	2.56	702.37	242.51	63.98	(6.24)	300.25	402.11
Furniture and Fixtures	13.51	0.43	-	-	13.94	4.96	1.96	-	6.92	7.03

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note - 2 Property, Plant and Equipment (Contd..)

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2021	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2022	As at April 01, 2021	For the year	Deductions/ adjustments	Upto March 31, 2022	As at March 31, 2022
Office Equipments	42.01	2.99	(0.15)	-	44.85	16.08	5.02	(0.09)	21.01	23.83
Motor Vehicles	7.76	3.21	(2.35)	-	8.62	4.19	1.34	(2.09)	3.44	5.19
Sub total (i)	**1,030.74**	**78.94**	**(10.14)**	**2.56**	**1,102.10**	**310.52**	**82.57**	**(8.42)**	**384.66**	**717.44**
(ii) Capital work-in-progress										
Buildings	-	-	-	-	-	-	-	-		16.08
Plant and Equipments	-	-	-	-	-	-	-	-		20.92
Sub total (ii)	-	-	-	-	-	-	-	-		**37.00**
Total										**754.44**

Capital work-in-progress Ageing Schdule

(₹ crore)

Particulars	As at March 31, 2023					As at March 31, 2022				
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years	Total	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years	Total
Projects in progress	80.83	18.22	0.02		99.07	33.90	1.14	1.91	0.05	37.00
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**80.83**	**18.22**	**0.02**	**-**	**99.07**	**33.90**	**1.14**	**1.91**	**0.05**	**37.00**

Capital work-in-progress Completion Schedule

(₹ crore)

Particulars	As at March 31, 2023 To be completed in				Particulars	As at March 31, 2022 To be completed in			
	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	-	-	-
					Confomring Line - 1 No.	3.73	-	-	-
					Modification of Trolley Wd 2	0.40	-	-	-
Total	**-**	**-**	**-**	**-**	**Total**	**4.71**	**-**	**-**	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note - 2A Right to use assets

(₹ crore)

Particulars	Gross block					Amortisation				Net block
	As at April 01, 2022	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	For the year	Deductions	Upto March 31, 2023	As at March 31, 2023
Righ to use Assets	23.35	8.37	-	-	31.72	10.02	4.16	-	14.18	17.54
Grand Total	**23.35**	**8.37**	**-**	**-**	**31.72**	**10.02**	**4.16**	**-**	**14.18**	**17.54**

(₹ crore)

Particulars	Gross block					Amortisation				Net block
	As at April 01, 2021	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	Upto March 31, 2022	As at March 31, 2022
Righ to use Assets	19.90	9.70	(6.25)	-	23.35	8.80	3.39	(2.16)	10.02	13.32
Grand Total	**19.90**	**9.70**	**(6.25)**	**-**	**23.35**	**8.80**	**3.39**	**(2.16)**	**10.02**	**13.32**

Note - 2B Other Intangible Assets

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2022	Additions	Deductions/ Adjustments	Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	For the year	Deductions	Upto March 31, 2023	As at March 31, 2023
Specialised software	7.71	0.39	-	-	8.10	6.26	0.73	-	6.99	1.11
Non compete fee	0.41	-	-	-	0.41	0.38	0.03	-	0.41	(0.00)
Total	**8.12**	**0.39**	**-**	**-**	**8.51**	**6.64**	**0.76**	**-**	**7.40**	**1.11**
Intangible asset under development					-				-	0.24
Total	**8.12**	**0.39**	**-**	**-**	**8.52**	**6.65**	**0.76**	**-**	**7.40**	**1.35**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note - 2B Other Intangible Assets (Contd..)

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2021	Additions	Deductions/ Adjustments	Effect of movement in exchange rates	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	Upto March 31, 2022	As at March 31, 2022
Specialised software	7.28	0.43	-	-	7.71	5.54	0.72	-	6.26	1.45
Non compete fee	0.41	-	-	-	0.41	0.33	0.05	-	0.38	0.03
Total	**7.69**	**0.43**	**-**	**-**	**8.12**	**5.87**	**0.77**	**-**	**6.64**	**1.48**
Intangible asset under development										0.16
Total	**7.69**	**0.43**	**-**	**-**	**8.12**	**5.87**	**0.77**	**-**	**6.64**	**1.64**

Note

a) Includes development expenditure on research and development of ₹ 0.36 crore, (Previous Year ₹ 0.54 crore) for plant and machinery (refer note 45)

b) Addition to plant and machinery includes ₹ Nil crore (previous year ₹ 2.56 crore) on account of interest cost capitalised on foreign currency borrowings. The unamortised amount of such interest cost at the end of the year is ₹ 4.83 crore (previous year ₹ 6.99 crore)

c) Refer Note 17 a) for details of existence and amounts of restrictions on the title and Property, Plant and Equipment pledged as securities

d) 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 Standalone Financial Statements

for the year ended March 31, 2023

Note 3 Non-Current Investments

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in equity instruments		
In associate company (carried at cost)		
Petroleum Specialities Pte Limited, Singapore		
- 1,00,000; (previous year 1,00,000) Ordinary shares of S$ 1 each fully paid	0.26	0.26
APAR Transmission & Distribution Projects Private Limited		
- 10,000 (previous year 10,000) Equity shares of ₹ 10 each fully paid	0.01	0.01
APAR Distribution & Logistics Private Limited		
- 10,00,000 (previous year 10,00,000) Equity shares of ₹ 10 each fully paid	0.01	0.01
In associate company (carried at cost)	1.00	1.00
Ampoil APAR Lubricants Private Limited		
- 4,00,000 (Previous year 4,00,000) Equity shares of ₹ 10 each fully paid up	0.40	0.40
Clean Max Rudra Private Limited (w.e.f. 08 August 2022) (Refer Note below)		
- 25,946 (Previous year Nil) Equity shares of ₹ 10 each fully paid up	3.80	3.80
Total	**5.47**	**1.67**
a. Aggregate amount of quoted investments	-	-
b. Aggregate amount of un-quoted investments	5.47	1.67
c. Aggregate amount of impairment in values of investments (Refer Note below)	-	-

Note:- Clean Max Rudra Private Limited has invoked force majeure clause on 01 April, 2023 due to pending government formalities required to commence the operation. These fomalities in the opinion of the management are procedural in nature and hence this will not impact carrying value of investment. Accordingly, no impairment provision is recognised as at the year ended 31 March, 2023

Note - Disclosure pursuant to Ind AS 27 - "Separate Financial Statements"

Effective Proportion of ownership (%)*

(₹ crore)

Name of Company	Principal place of business	Current	
		As at March 31, 2023	As at March 31, 2022
Subsidiary Company			
Petroleum Specialities Pte Limited	Singapore	100%	100%
APAR Transmission & Distribution Projects Private Limited	India	100%	100%
APAR Distribution & Logistics Private Limited	India	100%	100%
CEMA Wires & Cables Inc (w.e.f. 26 April 2022) $	United States	100%	-
Associate Company			
Ampoil APAR Lubricants Private Limited	India	40%	40%
Clean Max Rudra Private Limited (w.e.f. 08 August 2022)	India	26%	-

* Effective proportion of voting power is same as effective proportion of ownership

$ Shares issued by the CEMA Wires and Cables Inc are unpaid as on the reporting date

Note 4 Non-Current Loans

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good - Unsecured		
Loan to employees	2.51	0.83
Total	**2.51**	**0.83**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 5 Derivative Financial Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative contracts - Non current	-	42.80
Derivative contracts - Current	34.53	161.07
Total	**34.53**	**203.87**

Note 6 Other Non-Current Financial Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Security deposits	8.69	8.24
Fixed Deposits with maturity of more than 12 months (Refer Note below)	1.55	4.28
Total	**10.24**	**12.52**

Note:- All fixed deposits are under lien

Note 7 Other Non-Current Non-Financial Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	55.81	26.57
Balance with government authorities	3.47	2.43
Total	**59.28**	**29.00**

Note 8 Inventories

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials and components	960.68	724.38
Raw materials-in transit	169.47	302.44
Work-in-progress	410.69	290.04
Finished goods	450.36	483.89
Finished goods - in transit	374.20	107.15
Stock-in-trade	32.64	36.35
Stock-in-trade - in transit	0.03	-
Stores and spares	62.68	47.30
Total	**2,460.75**	**1,991.55**

Note : Inventories are valued at lower of cost (computed on weighted average basis) and net realisable value

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 9 Current Investments

(₹ crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units	Amount	Units	Amount
a. Investment in mutual funds				
Canara Robeco Liquid Fund Direct Growth Plan	2,58,616.16	30.01	58,835.34	15.00
Union KBC Liquid Fund Growth - Direct Plan	-	-	73,150.10	15.00
SBI Overnight Fund	54,835.22	20.09	-	-
Total	**3,13,451.38**	**50.10**	**1,31,985.44**	**30.00**
a) Aggregate amount of quoted investments				
Book value		50.10		30.00
Market value		50.10		30.00
b) Aggregate amount of un-quoted investments		-		-
c) Aggregate amount of impairment in values of investments		-		-

All the above investments have been classified and measured at FVTPL. Information about the company's Fair values and risk management disclosure are included in Note 38

Note 10 Trade Receivables

(₹ crore)

Particulars	Non - current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Considered good, secured	-	-	2,095.83	1,479.51
Considered good, unsecured (Refer Note ii) below)	27.51	11.29	892.58	947.90
Trade Receivables which have significant increase in credit risk	-	-	-	0.34
Trade receivables, credit impaired	-	-	45.23	33.02
	27.51	**11.29**	**3,033.64**	**2,460.77**
Less: Loss allowance	-	-	46.20	37.46
Total	**27.51**	**11.29**	**2,987.44**	**2,423.31**

Note

i) Refer note 22 for receivables offered as security against borrowing

ii) Receivable from subsidiaries (including step down subsidiaries) & associate is as below; Also refer Note 43

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Petroleum Specilities Pte Ltd.	-	0.05
Petroleum Specilities FZE	15.63	75.13
APAR Transmisstion & Distribution Projects Private Limited	-	0.10
Ampoil APAR Lubricants Private Limited	0.02	0.24
Total	**15.65**	**75.52**

The Company's exposure to credit and currency risk related to trade receivables is disclosed in Note 39

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 10 Trade Receivables (Contd..)

Trade receivable ageing

As at March 31, 2023

(₹ crore)

Particulars	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	2,383.13	481.52	70.37	13.87	60.60	6.43	3,015.92
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivables - Credit Impaired	-	3.71	0.78	6.26	3.38	14.68	28.81
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	0.22	3.51	1.17	11.52	16.42
Total	**2,383.13**	**485.23**	**71.37**	**23.64**	**65.15**	**32.63**	**3,061.15**
Less: loss allowances							46.20
Trade receivable net of loss allowance							**3,014.95**
Of the above current trade receivable							**2,987.44**
Of the above non-current trade receivable							**27.51**

As at March 31, 2022

(₹ crore)

Particulars	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	1,978.98	317.79	45.19	65.50	20.00	11.23	2,438.69
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	-	-	-	-	0.44	11.42	11.85
Total	**1,978.98**	**318.10**	**46.76**	**67.87**	**26.51**	**33.84**	**2,472.06**
Less: loss allowances							37.46
Trade receivable net of loss allowance							**2,434.60**
Of the above current trade receivable							**2,423.31**
Of the above non-current trade receivable							**11.29**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 11 Cash and Cash Equivalents

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks	392.27	222.93
Deposits with original maturity of less than three months	-	0.17
Balance in cash credit bank account	15.14	12.46
Cash on hand	0.27	0.26
Cheques on hand	-	0.20
Funds in transit	-	6.64
Total	**407.68**	**242.65**

Note 12 Bank Balance Other than Cash and Cash Equivalents

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity for more than 3 months but less than 12 months(refer note i below)	9.35	10.89
Margin money deposit (refer note ii below)	19.56	0.02
Unclaimed dividend account (refer note iii below)	0.81	0.77
Balances with bank in foreign currencies having restriction on repatriation	1.56	1.57
Total	**31.28**	**13.25**

Notes:

i) All fixed deposits are under lien

ii) The Company has placed ₹ 5.06 crores against letters of credit for import of raw materials and working capital loans for one of its division. Balance ₹ 14.50 crores is interest free margin against performance guarantees

iii) There are no amounts due and outstanding to be credited to the investor education and protection fund as at March 31, 2023 (previous year : ₹ Nil crore)

Note 13 Loans

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good - Unsecured		
Loan to employees	1.09	0.81
Total	**1.09**	**0.81**

Note 14 Other Current Financial Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	7.14	13.27
Advances to related parties (refer note below)	0.32	0.50
Contract assets (refer note 46)	35.43	6.11
Interest accrued but not due on deposits	0.19	0.29
Total	**43.08**	**20.17**

Note: Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Loans and advances to subsidiary companies and other related parties

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 14 Other Current Financial Assets (Contd..)

(₹ crore)

Particulars	Maximum amount due at any time during the year	
	As at March 31, 2023	As at March 31, 2022
APAR Investments (Singapore) Pte Ltd.	0.05	0.13
Petroleum Specialities FZE	0.17	0.16
APAR Distribution & Logistics Private Limited	0.10	0.21
Total	**0.32**	**0.50**

Note 15 Other Current Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with government authorities	291.46	156.61
Prepayments	48.38	27.32
Claims receivable	113.57	49.49
Other receivable	2.76	1.80
Advance to vendors	89.93	149.93
Total	**546.10**	**385.15**

Note 16A Equity Share Capital

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised :		
101,998,750 (previous year 101,998,750) Equity shares of ₹ 10 each	102.00	102.00
	102.00	**102.00**
Issued :		
38,268,619 (previous year 38,268,619) Equity shares of ₹ 10 each	38.27	38.27
	38.27	**38.27**
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**

Reconciliation of number of shares outstanding at the beginning and end of the year :

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	3,82,68,619	3,82,68,619
Changes during the year	-	-
Outstanding at the end of the year	**3,82,68,619**	**3,82,68,619**

Terms/rights attached to equity shares

i) The Company has one class of equity share having a par value of ₹ 10 per share. Each holder of equity share 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.

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 16A Equity Share Capital (Contd..)

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 2022 - 23 @ ₹ 40 per share aggregating to ₹ 153.07 crores on 38,268,619 equity shares having face value of ₹ 10/- each fully paid. This will be paid after approval of 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 date

Shareholders holding more than 5% shares in the Company

(₹ crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	%	No of shares	%
Kushal N. Desai	92,08,503	24.06	92,08,503	24.06
Chaitanya N. Desai	91,24,185	23.84	90,97,432	23.77
Maithili N. Desai Family Pvt. Trust No. 2 - Trustee Maithili Trusteeship Services Private Limited	44,02,687	11.50	44,02,687	11.50
HDFC Trustee Company Limited	24,18,293	6.32	33,10,837	8.65

Shares reserved for issue under options

There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

Shareholding of Promoter / Promoter Group - shares held by promoters at the end of the year

Promoter Name	As at March 31, 2023			As at March 31, 2022		
	No of Shares	% of total shares	%Change during the year	No of Shares	% of total shares	%Change during the year
Kushal N. Desai	92,08,503	24.06	-	92,08,503	24.06	-
Chaitanya N. Desai	91,24,185	23.84	0.07	90,97,432	23.77	0.10
Rishabh K. Desai	42,398	0.11	-	42,398	0.11	-
Gaurangi K. Desai	3,200	0.01	-	3,200	0.01	-
Noopur K. Desai	2,139	0.01	-	2,139	0.01	-
Jinisha C. Desai	500	* 0.00	-	500	* 0.00	-
Devharsh C. Desai	1,31,555	0.34	-	1,31,555	0.34	-
APAR Corporation Pvt Ltd	1,09,853	0.29	-	1,09,853	0.29	-
Maithili N. Desai Family Pvt. Trust	98,983	0.26	-	98,983	0.26	-
Maithili Trusteeship Services Pvt. Ltd.	300	* 0.00	-	300	* 0.00	-
Maithili N. Desai Family Pvt. Trust No. 2	44,02,687	11.50	-	44,02,687	11.50	-
Kushal N. Desai Family Private Trust	40,000	0.10	-	40,000	0.10	-
Chaitanya N. Desai Family Private Trust	40,000	0.10	-	40,000	0.10	-

*denotes holding less than 0.01%

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 16B Other Equity

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	23.47	23.47
Securities premium	205.18	205.18
Capital Redemption Reserve	14.98	14.98
General reserve	352.30	292.30
Retained earnings - Surplus	1,417.43	932.17
Reserves and Surplus	**2,013.36**	**1,468.10**

Note: The nature and purpose of each of the Reserves have been explained under Statement of changes in Equity

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve		
Opening balance	23.47	23.47
Increase / (decrease) during the year	-	-
Closing Balance	**23.47**	**23.47**
Securities premium		
Opening balance	205.18	205.18
Increase / (decrease) during the year	-	-
Closing balance	**205.18**	**205.18**
Capital Redemption Reserve		
Opening balance	14.98	14.98
Increase / (decrease) during the year	-	-
Closing balance	**14.98**	**14.98**
General reserve		
Opening balance	292.30	268.30
Transfer from Retained Earnings	60.00	24.00
Closing balance	**352.30**	**292.30**
Retained earnings - Surplus		
Opening balance	932.17	758.93
Profit for the year	602.66	233.60
Transfer to General Reserves	(60.00)	(24.00)
Dividend paid	(57.40)	(36.36)
Closing balance	**1,417.43**	**932.17**

Note 16C Other Comprehensive Income

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Hedging reserve	14.59	85.34
Re-measurement of defined benefit plan	(6.72)	(6.61)
Items of other comprehensive income	**7.87**	**78.73**
Hedging reserve		
Opening balance	85.34	(11.11)
Other comprehensive income gain / (loss) for the year	(70.75)	96.45
Closing balance	**14.59**	**85.34**
Remeasurement of defined benefit liability (asset)		
Opening balance	(6.61)	(1.92)
Other comprehensive income gain / (loss) for the year	(0.11)	(4.69)
Closing balance	**(6.72)**	**(6.61)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 17 Long Term Borrowings

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans (Secured)		
Rupee term loan from bank	-	23.88
Foreign currency term loan from bank	151.37	171.50
Total	**151.37**	**195.37**

For Current Portion of Long Term Borrowings Refer Note 22

Information about the Company's exposure to liquidity risk, foreign currency and interest rate is included in Note 39

I) Rupee term loan and foreign currency loan from banks are secured as under:

a) Details of security:

The rupees term loan from Kotak Mahindra Bank is secured by charge first charge on property located at Jharsuguda and Lapanga (Movable & Immovable Fixed Assets)

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 :

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.

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 Jun 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 respect of repayment of principle and interest.

II) Changes in liabilities arising from Financing Activities

(₹ crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Long term	Short term	Long term	Short term
Opening Balance				
Long Term borrowing	195.37	-	184.63	-
Short term borrowing (Refer Note 22)	-	83.49	-	49.19
Current maturities of long term borrowing (Refer Note 22)	44.43	(44.43)	27.70	(27.70)
Total Opening Balance	**239.80**	**39.06**	**212.33**	**21.49**
Cash flow movements				
Proceeds / (repayments) from long term borrowings - net	(38.86)	-	21.76	-
Proceeds / (repayments) from short term borrowings - net	-	57.49	-	(21.49)
Total Cash flow movements	**(38.86)**	**57.49**	**21.76**	**(21.49)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 17 Long Term Borrowings (Contd..)

(₹ crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Long term	Short term	Long term	Short term
Foreign exchange adjustments	8.95	-	5.71	-
Total Foreign exchange adjustments	**8.95**	**-**	**5.71**	**-**
Closing Balance				
Long Term borrowing	151.37	-	195.37	-
Short term borrowing (Refer Note 22)	-	155.07	-	83.49
Current maturities of long term borrowing (Refer Note 22)	58.52	(58.52)	44.43	(44.43)
Total Closing Balance	**209.89**	**96.55**	**239.80**	**39.06**

Note 18 Derivative Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Derivatives contracts - Non Current	-	-
Derivatives contracts - Current	21.42	89.00
Total	**21.42**	**89.00**

Note 19 Non-Current Other Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits from dealers (Refer Note below)	5.09	3.13
Total	**5.09**	**3.13**

Note: Measured at amortised cost

Note 20 Long Term Provisions

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee benefits		
Provision for gratuity (Refer Note 37A)	2.75	2.55
Provision for leave encashment	9.29	9.64
Total	**12.04**	**12.19**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 21 Deferred Tax Liabilities (net)

(a) Movement in deferred tax balances

(₹ crore)

Particulars	Net opening balance	For the year ended March 31, 2023		As at March 31, 2023		
		Recognised in statement of profit or loss	Recognised in OCI	Net closing balance	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(39.44)	1.15	-	(38.29)	-	(38.29)
Derivatives	(27.30)	0.21	23.79	(3.30)	-	(3.30)
Loans and borrowings	(0.37)	0.11	-	(0.26)	-	(0.26)
Employee benefits	4.30	1.24	0.04	5.58	5.58	-
Lease Expenses	0.18	0.05	-	0.23	0.23	-
Deferred income	0.14	(0.14)	-	-	-	-
Provisions	9.98	4.11	-	14.09	14.09	-
Deferred Tax assets / (liabilities)	**(52.51)**	**6.73**	**23.83**	**(21.95)**	**19.90**	**(41.85)**
Set off of deferred tax asset						**19.90**
Net tax assets (liabilities)						**(21.95)**

(b) Movement in deferred tax balances

(₹ crore)

Particulars	Net opening balance	For the year ended March 31, 2022		As at March 31, 2022		
		Recognised in statement of profit or loss	Recognised in OCI	Net closing balance	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	-	0.14	0.14	-
Provisions	12.71	(2.73)	-	9.98	9.98	-
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)**

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 22 Short Term Borrowings

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Loans		
Current Portion of Long Term Borrowing (Refer Note 17)		
(i) Foreign currency term loan	34.64	20.57
(ii) Rupee term loan	23.88	23.87
Unsecured Loans		
Buyer's credit facilities	72.03	-
From others (bills discounting with recourse)	24.52	39.05
Total	**155.07**	**83.49**

Note:

(i) The Company does not have any continuing default as at the Balance Sheet date in repayment of loans and interest.

(ii) The below table provides the reconciliation between quarterly returns filed by the Company with banks and books of accounts.

(₹ crore)

Particulars	Amount as per Books of Account (A)	Amount as per statement of assets filed with the banks (B)	Variation (A-B)
For the quarter ended June 30, 2022 (Refer note i) below)			
Trade Receivable	2,547.91	2,545.73	2.18
Trade Payable	4,060.21	3,479.70	580.51
Inventories	2,021.67	1,809.97	211.70
For the quarter ended September 30, 2022 (Refer note i) below)			
Trade Receivable	2,600.32	2,599.07	1.25
Trade Payable	4,215.75	3,634.06	581.69
Inventories	2,332.44	2,161.99	170.45
For the quarter ended December 31, 2022 (Refer note i) below)			
Trade Receivable	2,939.99	2,928.54	11.45
Trade Payable	4,497.69	3,818.52	679.17
Inventories	2,491.30	2,225.17	266.13
For the quarter ended March 31, 2023 (Refer note ii) below)			
Trade Receivable	3,014.95		3,014.95
Trade Payable	4,837.50		4,837.50
Inventories	2,460.75		2,460.75

Notes:-

i) The statement of assets filed with bank comprising of trade receivable, trade payables and inventories reconcile with the books of accounts expect for provision for purchase in transit, sales in transit and provision for expenses which have not been considered in the statement of return.

ii) In respect of quarter ended March 31, 2023, the statement of assets are not filed with banks upto the date of approval of these financial statements

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 23 Trade Payable

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Acceptances	4,136.57	2,612.80
Due to micro and small Enterprises	84.90	20.01
Due to other than micro and small enterprises	545.60	1,200.34
Due to subsidiary companies (Refer Note 43)	70.43	21.74
Total	**4,837.50**	**3,854.89**

Note

i) 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).

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
(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	0.01	0.07
(c) Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act	0.01	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	-	-

Trade Payable ageing schedule

As at March 31, 2023

(₹ crore)

Particulars	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	84.90	-	-	-	-	84.90
ii) Others	4,360.11	358.70	18.62	7.05	8.12	4,752.60
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	**4,445.01**	**358.70**	**18.62**	**7.05**	**8.12**	**4,837.50**

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 23 Trade Payable (Contd..)

As at March 31, 2022

(₹ crore)

Particulars	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	3,755.50	60.41	6.09	10.34	2.54	3,834.88
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	**3,775.51**	**60.41**	**6.09**	**10.34**	**2.54**	**3,854.89**

Note 24 Other Current Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due	50.77	21.06
Creditors for capital expenditure	13.83	6.87
Liability for share based payments	8.07	-
Unclaimed dividend (Refer Note below)	0.81	0.77
Deposit from Dealers	0.13	1.13
Total	**73.61**	**29.83**

Note :-

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as on the reporting date.

Note 25 Other Current Non-Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Contract Liability (Refer note 46 iv)	181.08	195.78
Statutory dues	9.70	7.09
Other payables	7.45	10.85
Salary, wages and others benefits payable to employees	11.10	8.25
Total	**209.33**	**221.97**

Note 26 Short Term Provisions

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for Gratuity (Refer Note 37A)	0.21	3.29
Provision for leave benefits	1.82	1.59
Total	**2.03**	**4.88**

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 27 Revenue from Operations

(₹ crore)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sale of goods	13,070.65	8,548.90
Sale of services	18.26	14.08
Other operating revenue		
Scrap Sales	53.22	25.33
Export Incentives	25.21	4.02
Other Operating Revenue	-	-
Total	**13,167.34**	**8,592.33**

Note 28 Other Income

(₹ crore)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest income on financial assets measured at amortized cost	18.45	6.14
Gain on foreign exchange translations (net)	-	9.22
Profit on sale of Property, plant & equipments (net)	-	0.22
Commission on Corporate Guarantee	3.07	1.43
Gain on sale of investments (net)	1.66	7.40
Bad debts written off in earlier years now written back	5.14	-
Provision no longer required written back	6.54	4.40
Miscellaneous Income	7.98	8.28
Total	**42.84**	**37.09**

Note 29 Cost of Material Consumed

(₹ crore)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Inventory at the beginning of the year	1,026.82	845.13
Add : Purchases	10,118.56	7,031.21
	11,145.38	7,876.34
Less: Inventory at the end of the year	1,130.15	1,026.82
Total	**10,015.23**	**6,849.52**

Note 30 Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress

(₹ crore)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Inventories at the beginning of the year		
Finished goods	591.04	375.13
Work-in-progress	290.04	203.50
Traded goods	36.35	15.43
	917.43	**594.06**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 30 Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress (Contd..)

(₹ crore)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Inventories at the end of the year		
Finished goods	824.56	591.04
Work-in-progress	410.69	290.04
Traded goods	32.67	36.35
	1,267.92	**917.43**
Total	**(350.49)**	**(323.37)**

Note 31 Employee Benefit Expenses

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages, bonus, etc.	174.95	140.59
Contribution to provident and other funds (Refer Note 37A)	8.57	7.07
Gratuity expense (Refer Note 37 A)	2.52	1.48
Share based payments	8.07	-
Staff welfare expenses	11.60	11.01
Total	**205.71**	**160.16**

Note 32 Finance Costs

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on borrowings	12.35	7.80
Interest on suppliers credit	151.23	54.39
Unwinding of lease liabilities	1.05	0.70
Other borrowing cost	77.47	42.29
Exchange differences regarded as an adjustment to borrowing costs	48.66	29.62
Total	**290.76**	**134.80**

Note 33 Other Expenses

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spares	59.86	40.89
Packing materials	335.83	244.12
Storage charges	23.17	14.66
Power, electricity and fuel	126.20	89.29
Processing charges, fabrication and labour charges	299.44	183.87
Freight and forwarding charges	723.75	402.78
Statutory levies, duties and taxes	4.16	2.96
Insurance	19.21	12.20
Repairs and maintenance		

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 33 Other Expenses (Contd..)

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Plant and machinery	8.61	4.53
Buildings	2.78	2.28
Others	10.42	8.17
Advertising and sales promotion	11.29	4.50
Sales commission	174.24	68.40
Travelling and conveyance	25.69	14.30
Printing and stationery	1.70	1.37
Legal and professional fees (Refer note 33A)	50.73	20.99
Loss on foreign exchange translations (net)	10.43	-
Directors' sitting fees	0.16	0.14
Commission to Directors	16.76	6.09
Lease rental (Refer note 47)	2.23	0.91
Expenditure on Corporate Social Responsibility activities (Refer note 33B)	4.42	3.92
Donations	0.07	0.00
Royalty	25.57	39.69
Bank charges and commission	32.32	27.84
Bad debts written-off	30.33	52.40
Less: Loss allowances utilised	(25.75)	(45.15)
Loss allowances for doubtful debts	34.49	35.13
Loss on sale of property, plant and equipments (net)	1.51	-
Miscellaneous expenses	68.37	38.99
Total	**2,077.99**	**1,275.27**

Note 33A Payment to auditor

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
for statutory audit	0.50	0.44
for other services	0.03	0.01
for reimbursement of expenses	-	0.02
Total	**0.53**	**0.47**

Note 33B Corporate social responsibility

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Amount required to be spent by the Company during the year	4.42	3.91
ii) Amount spent during the year (in cash)	-	-
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above (refer note below)	4.42	3.92
iii) Contribution made to entities controlled by key management personnel or individuals havingsignificant influence (Refer note 43 Related party transactions)	3.28	3.38
iv) Provision made for corporate social responsibility expenditure	-	-
v) Shortfall at the end of the year	-	-

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 33B Corporate social responsibility (Contd..)

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
vi) Total previous year shortfall	-	-
vii) Reason for shortfall	-	-
viii) Nature of CSR activities		
Education & environmental sustainability	-	0.02
Rural Development	0.02	-
Education & Rural Development	1.16	0.05
Education, Empowerment and Rural Development	0.07	1.00
Healthcare	2.38	2.79
Healthcare, Education and Gender equality	0.38	-
Education	0.17	0.06
Healthcare & Education	0.24	-

Note 34 Earning Per Share

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..

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to equity shareholders (₹ crore)	602.66	233.60
Weighted average number at end of the year	3,82,68,619	3,82,68,619
Earning per share (Basic & Diluted) (₹)	**157.48**	**61.04**
Face value per share (₹)	**10.00**	**10.00**

Note 35 Analysis of Financial Ratios

Particulars	March 31, 2023	March 31, 2022	Variances%	Formulae
Performance Ratios				
Net profit margin (%)	4.6%	2.7%	1.86%	(Profit after tax / Revenue from operations) X 100
Net capital turnover ratio (times)	12.01	12.25	(1.95%)	Revenue from operations / Average Working Capital
Return on Capital employed (%)	34.4%	16.9%	17.55%	(Profit before interest on borrowings and tax / Total equity + Long Term Borrowings + Short Term Borrowings +Deferred tax liability) X 100
Return on Equity ratio (%)	33.1%	17.5%	15.54%	Profit after tax / Average equity
Return on investment (%)	6.1%	13.5%	(7.37%)	(Gain from sale of investments + Interest income on bank deposits / Average Investments + Fixed Deposits) X 100
Debt service coverage ratio (times)	11.19	9.50	17.71%	Profit after tax + Depreciation + Interest on borrowings + Profit or Loss on sale of fixed asset / Long term borrowing + short term borrowing +Lease payaments
Leverage Ratios				
Debt - Equity Ratio (times)	0.15	0.18	(15.42%)	Long Term borrowing + short term borrowing / Total equity

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 35 Analysis of Financial Ratios (Contd..)

Particulars	March 31, 2023	March 31, 2022	Variances%	Formulae
Liquidity Ratios				
Current Ratio (times)	1.23	1.23	0.22%	Current Assets / Current Liabilities
Activity Ratios				
Inventory Turnover ratio (times)	4.37	4.42	(1.13%)	(Cost of material consumed + changes in inventories + purchase of stock in trade) / Average Inventory
Trade receivable turnover ratio (times)	4.83	4.06	19.09%	Revenue from operations / Average Trade receivables
Trade payable turnover ratio (times)	2.34	2.19	7.23%	Purchases of materials and stock-in-trade / Average Trade payables

Note 36 Tax Expenses

(a) Amounts recognised in statement of profit and loss

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
In respect of current year	211.83	80.29
In respect of prior year	1.83	0.37
	213.66	80.66
Deferred tax		
In respect of current year origination or reversal of temporary difference	(6.73)	1.34
	(6.73)	1.34
Income Tax expense for the year	**206.93**	**82.00**

(b) Amounts recognised in other comprehensive income

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability / (asset)	0.04	1.58
Items that will be reclassified to profit or loss		
The effective portion of gains and loss on hedging instruments in a cash flow hedge	**23.79**	**(32.44)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 36 Tax Expenses (Contd..)

(c) Reconciliation of effective tax rate

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	809.59	315.60
Enacted income tax rate in India	25.168%	25.168%
Tax using the Company's domestic tax rate	203.76	79.43
Tax effect of:		
Non-deductible tax expenses	1.11	0.99
Deduction under chapter VIA	(0.03)	(0.24)
Employee benefits	-	(0.47)
Others	0.26	1.92
Income tax recognised in respect of earlier years	1.83	0.37
Income Tax expense for the year	**206.93**	**82.00**

Note 37A 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 ₹ 2.1 crore (previous year ₹ 1.94 crore) for superannuation contribution and other retirement benefit contributions in the Statement of Profit and Loss.

The Company recognised ₹ 6.47 crore (previous year ₹ 5.13 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, 2023. The Company has recognised ₹ 1.27 crore (previous year ₹ 3.44 crore) for leave encashment liability in the Statement of Profit and Loss.

As at March 31, 2023, actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out. 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 reporting date:

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 37A Employee Benefits (Contd..)

Movement in net defined benefit (asset) liability

(₹ crore)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Defined benefit obligation at beginning of the year	25.29	18.16
Current service cost	2.11	1.48
Interest cost	1.75	1.28
Re-measurement of actuarial (gain) / loss arising from:		
Demographic assumptions	-	0.95
Financial assumptions	(0.78)	4.54
Experience adjustment	0.41	0.85
Benefits paid	(2.32)	(1.97)
Defined Benefit obligation at end of the year	**26.46**	**25.29**

Table showing change in fair value of plan assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at beginning of the year	19.45	18.16
Interest income	1.34	1.28
Return on plan assets, excluding interest income	(0.52)	0.06
Employer Contribution	5.55	1.92
Benefit paid	(2.32)	(1.97)
Fair value of plan assets at year end	**23.50**	**19.45**
Actual return on plan assets	0.82	1.34
Expected contribution for next year	4.72	3.82

Expense recognised during the year

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Included in statement of profit and Loss		
Current service cost	2.11	1.48
Interest cost	1.75	1.28
Net actuarial (gain) / loss		
Return on plan assets,excluding acturial gain or loss	(1.34)	(1.28)
	2.52	**1.48**
Included in OCI		
Re-measurement or Actuarial (gain) / loss arising from:		
Demographic assumptions	-	0.95
Financial assumptions	(0.78)	4.54
Experience adjustment	0.41	0.85
Return on plan assets, excluding interest income	0.52	(0.06)
	0.15	**6.28**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 37A Employee Benefits (Contd..)

Net asset / (liability) recognised in the balance sheet

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value of plan assets	23.50	19.45
Present value of obligation	(26.46)	(25.29)
Amount recognised in balance sheet *	**(2.96)**	**(5.84)**

* Includes provision for gratuity in respect of directors aggregating to ₹ 2.75 crores (previous year ₹ 2.55 crores) which is classified as long term provision. Balance amount of ₹ 0.21 crores (Previous year ₹ 3.29 crores) is classified short term provision

Balance sheet Reconciliation

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Net Liability	5.84	-
Expenses recognised in P&L	2.52	1.48
Expenses recognised in Other comprehensive income	0.15	6.28
Employer Contribution	(5.55)	(1.92)
Closing Net Liability	**2.96**	**5.84**

i) Actuarial assumptions

In arriving at the valuation for gratuity & leave benefit following assumptions were used:

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Mortality Table (LIC)	"Indian Assured Lives Mortality 2012-14 (Urban)"	"Indian Assured Lives Mortality 2012-14 (Urban)"
Retirement Age	60 years	60 years
Employee Turnover rate*	4.80% p.a. to 11.60%	4.80% p.a. to 11.60%
Discount Rate	6.90%	6.90%
Expected rate of return on plan assets (per annum)	6.90%	6.90%
Rate of escalation in salary (per annum)*	6.90% p.a. to 10.00% p.a.	6.90% p.a. to 10.00% p.a.

*Range is pertaining to different divisions of the Company in respect of Employee Turnover rate and Rate of escalation in salary.

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	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.40)	1.57	(1.49)	1.67
Future salary growth (1% movement)	1.54	(1.40)	1.63	(1.49)
Employee Turnover (1% movement)	(0.10)	0.09	(0.15)	0.14

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 37 A Employee Benefits (Contd..)

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.

These plan typically exposes the Company to actuarial risks such as salary risk, investment risk, interest yield risk, logentivity risk etc.

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:

Maturity analysis of the benefit payments: from the fund

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Projected benefits payable in future years from the date of reporting		
1st following year	3.50	2.07
2nd following year	2.06	2.09
3rd following year	3.07	2.15
4th following year	3.20	2.60
5th following year	3.83	2.93
From 6 to 10 years	12.53	15.20
From 11 years and above	16.64	15.76

Insurers funds

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Insurance Funds	1.22	1.14
Mutual Funds	18.87	18.13
Cash And Cash Equivalents	3.41	0.18
Fair value of plan assets	**23.50**	**19.45**

Note 37 B Share Based Payments

The disclosures pertaining to cash-settled share-based payment arrangments in the year are as below:

(₹ crore)

Particulars	As at March 31, 2023
Employees covered	Select senior management
Date of Grant of Share appreciation right (SAR)	26th April, 2022
Number of SAR	60,000
Vesting period	1/3rd at the end of year 1
	1/3rd at the end of year 2
	1/3rd at the end of year 3

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 38 Fair Value of Financial Instruments

A. Hierarchy of fair value of financial instruments

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 as the carrying amount is a reasonable approximation of fair value.

As at March 31, 2023

(₹ crore)

Particulars	Note No.	Carrying Amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Total
Financial assets								
Investments								
- Non-current	3	-	-	5.47	5.47			
- Current	9	50.10	-		50.10	50.10	-	50.10
Loans								
- Non-current	4	-	-	2.51	2.51			
- Current	13	-	-	1.09	1.09			
Trade receivables								
- Non-current	10	-	-	27.51	27.51			
- Current	10	-	-	2,987.44	2,987.44			
Cash and cash equivalents	11	-	-	407.68	407.68			
Other bank balances	12	-	-	31.28	31.28			
Other financial assets								
- Non-current	6	-	-	10.24	10.24			
- Current	14	-	-	43.08	43.08			
Derivatives								
- Non-current	5	-	-	-	-	-	-	-
- Current	5	0.05	34.48	-	34.53	-	34.53	34.53
Total financial assets		**50.15**	**34.48**	**3,516.30**	**3,599.93**	**50.10**	**34.53**	**84.63**
Financial liabilities								
Borrowings								
- Non-current	17	-	-	151.37	151.37			
- Current	22	-	-	155.07	155.07			
Lease liabiliies					-			
- Non-current		-	-	14.20	14.20			
- Current		-	-	4.31	4.31			
Other financial liabilities								
- Non-current	19	-	-	5.09	5.09			
- Current	24	-	-	73.61	73.61			
Derivatives								
- Non-current	18	-	-		-		-	-
- Current	18	4.80	16.62	-	21.42	-	21.42	21.42
Trade payables	23	-	-	4,837.50	4,837.50			-
Total financial liabilities		**4.80**	**16.62**	**5,241.15**	**5,262.57**	**-**	**21.42**	**21.42**

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 38 Fair Value of Financial Instruments (Contd..)

As at March 31, 2022

(₹ crore)

Particulars	Note No.	Carrying Amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Total
Financial assets								
Investments								
- Non Current	3	-	-	0.67	0.67			
- Current	9	30.00	-		30.00	30.00	-	30.00
Loans & advances								
- Non-current	4	-	-	0.83	0.83			
- Current	13	-	-	0.81	0.81			
Trade receivables					-			
- Non-current	10	-	-	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	-	-	13.25	13.25			
Contract assets					-			
Other financial assets								
- Non-current	6	-	-	12.52	12.52			
- Current	14	-	-	20.17	20.17			
Derivatives								-
- Non-current	5	-	42.80	-	42.80	-	42.80	42.80
- Current	5	0.39	160.68	-	161.07	-	161.07	161.07
Total financial assets		**30.39**	**203.48**	**2,726.51**	**2,960.37**	**30.00**	**203.87**	**233.87**
Financial liabilities								
Borrowings								
- Non-current	17	-	-	195.37	195.37			
- Current	22	-	-	83.49	83.49			
Leases			-					
- 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
Trade payables	23	-	-	3,854.89	3,854.89			
Total financial liabilities		**89.00**	**-**	**4,180.77**	**4,269.77**	**-**	**89.00**	**89.00**

Notes:

i) The fair value for financial instruments which are measured at amortised cost has fair value which is reasonably approximate to its carrying value.
Fair values for those financial assets and finacial liabilities have not been disclosed in the above table

ii) There are no financial instruments which are measured using level 3 valuation technique

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 38 Financial Instruments (Contd..)

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	Net Asset value quoted by mutual funds
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 39 Financial Instruments

The Company has exposure to the following risks arising from financial instruments:

(A) Credit risk ;

(B) Liquidity risk ; and

(C) 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 to the board of directors.

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.

(A) 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. It arises principally from amounts 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 receivables. The carrying amount of the following financial assets represent the maximum credit exposure:

At March 31, the maximum exposure (age wise) to credit risk for trade receivables is as follows.

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 39 Financial Instruments (Contd..)

Trade receivables

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Neither past due nor impaired	2,383.13	1,978.99
Past due less than 6 months	485.23	318.10
Past due 6 months - 1 year	71.37	46.76
Past due 1 - 2 years	23.64	67.87
Past due 2 - 3 years	65.15	26.51
Past due more than 3 years	32.63	33.84
Total	**3,061.15**	**2,472.07**
Less: Loss allowance	46.20	37.46
Net Total	**3,014.95**	**2,434.61**

Short term loans

At March 31, the maximum exposure (age wise) to credit risk for loans and advances is as follows

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Neither past due nor impaired	3.60	1.64
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	-	-
Total	**3.60**	**1.64**

Management believes that the unimpaired amounts which are past due are fully recoverable / receivable.

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 :

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 39 Financial Instruments (Contd..)

Provision matrix for credit loss

Particulars	Oil Division	Cable Division	Conductor Division
Past due less than 6 months	0.0%	2.0%	0.0%
Past due 6 months - 1 year	0.0%	0.0%	0.0%
Past due 1 - 2 years	6.5%	8.8%	0.0%
Past due 3 - 5 years	6.5%	8.8%	0.0%
Past due more than 5 years	6.5%	8.8%	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

Particulars	Oil Division	Cable Division	Conductor Division
Past due less than 6 months	15.3%	23.3%	24.9%
Past due 6 months - 1 year	64.4%	69.6%	72.8%
Past due 1 - 2 years	83.5%	93.8%	93.6%
Past due 3 - 5 years	83.5%	93.8%	93.6%
Past due more than 5 years	83.5%	93.8%	93.6%

The movement in the allowance for impairment in respect of trade receivable and short term loans and advances as as follows:

Movement in loss allowances for expected credit loss

(₹ crore)

Particulars	Trade and other receivables	Short term loans and advances
Balance as on April 01, 2021	47.48	-
Amounts provided	35.13	-
Amount written back / utilised	(45.15)	-
Balance as on March 31, 2022	37.46	-
Amounts provided	34.49	-
Amount written back / utilised	(25.75)	-
Balance as on March 31, 2023	**46.20**	**-**

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 ₹ 407.68 Crore (Previous year ₹ 242.65 Crore). The cash and cash equivalents are held with the bank and financial institutions having good credit ratings.

Derivatives

Derivatives are entered with counterparties who have good credit ratings.

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 39 Financial Instruments (Contd..)

(B) 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 affecting Company's reputation.

Maturity profile of financial liabilities

TThe following are the remaining contractual maturities of financial liabilities at the reporting date..

As at March 31, 2023

(₹ crore)

Particulars	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	209.89	209.89	58.52	57.51	93.86	-
Other short term borrowings	96.55	96.55	96.55	-	-	-
Trade and other payables	4,837.50	4,837.50	4,837.50	-	-	-
Other financial liabilities	73.61	73.61	73.61	-	-	-
Lease liabiliies	18.51	18.51	4.31	4.07	7.59	2.54
Derivative financial liabilities						
Forward exchange contracts / commodity contracts						
- Outflow	21.42	21.42	21.42	-	-	-

As at March 31, 2022

(₹ crore)

Particulars	Carrying amount	Contractual cash flows				
		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	44.44	55.81	139.56	-
Other short term borrowings	39.05	39.05	39.05	-	-	-
Trade and other payables	3,854.89	3,854.89	3,854.89	-	-	-
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 / commodity contracts						
- Outflow	89.00	89.00	89.00	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual cash flows relating to the financial liabilities which are not usually closed out before contractual maturity.

Contractual outflow of other non current financial liabilities amounting to ₹ 5.09 crores (Previous year ₹ 3.13 crores) has not been included above as the amount cannot be ascertained on reporting date.

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 39 Financial Instruments (Contd..)

(C) 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.

The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and market value of investments. Thus, an 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 the foreign currency.

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.

The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summarised quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows.

(₹ crore)

Particulars	Currency	Trade receivables	Cash and cash equivalent	Borrowings	Trade payable	Net exposure receivable/ (payable)
As at March 31, 2023	USD	18.22	2.35	(3.27)	(13.64)	3.66
As at March 31, 2022		11.42	0.76	(2.55)	(16.19)	(6.56)
As at March 31, 2023	EUR	1.13	0.04	-	(0.03)	1.14
As at March 31, 2022		0.54	0.01	-	(0.04)	0.51
As at March 31, 2023	CAD	0.17	0.00	-	-	0.17
As at March 31, 2022		0.10	0.00	-	-	0.10
As at March 31, 2023	ETB	-	0.97	-	-	0.97
As at March 31, 2022		-	0.97	-	(0.03)	0.94
As at March 31, 2023	NPR	-	0.13	-	-	0.13
As at March 31, 2022		-	0.23	-	-	0.23
As at March 31, 2023	KES	-	0.04	-	-	0.04
As at March 31, 2022		-	0.04	-	-	0.04
As at March 31, 2023	EGP	-	0.01	-	-	0.01
As at March 31, 2022		-	0.01	-	-	0.01

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 39 Financial Instruments (Contd..)

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee (₹) against all other currencies by 100 basis points 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. Sensitivity analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ crore)

Particulars	Currency appreciation / (depreciation) against ₹ by 100 basis points	As at March 31, 2023			As at March 31, 2022		
		Average exchange rate	Year end spot rate	Effect on profit / (loss)	Average exchange rate	Year end spot rate	Effect on profit / (loss)
US Dollars (USD)	1%	78.98	82.17	3.01	74.51	75.79	(4.97)
Euro (EURO)	1%	86.83	89.44	1.02	86.58	84.22	0.43
Canadian Dollars (CAD)	1%	60.58	60.67	0.10	59.44	60.49	0.06
Ethiopian Birr (ETB)	1%	1.77	1.53	0.01	1.60	1.47	0.01
Nepalese Rupee (NPR)	1%	0.63	0.63	* 0.00	0.63	0.63	* 0.00
Kenyan Shilling (KES)	1%	0.64	0.62	* 0.00	0.67	0.66	* 0.00
Egyptian Pound (EGP)	1%	3.41	2.67	* 0.00	4.68	4.15	* 0.00

* denotes amounts less than ₹ 50,000

Strenghtening of foreign currency as against ₹ will reduce the net profit while weakning of foreign cyrrency as agaisnst ₹ will increase net profit. Sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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.

(₹ crore)

Particulars	Nominal amount	
	As at March 31, 2023	As at March 31, 2022
Fixed rate instruments	1,722.48	960.76
Floating-rate instruments*	1,784.12	1,780.13
Total	**3,506.60**	**2,740.89**

*Floating rate intruments include foreign letter of credit

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 39 Financial Instruments (Contd..)

Cash flow sensitivity analysis for floating-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	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Increase in 100 basis points	Decrease in 100 basis points	Increase in 100 basis points	Decrease in 100 basis points
Floating-rate instruments	(17.84)	17.84	(17.80)	17.80
Cash flow sensitivity (net)	**(17.84)**	**17.84**	**(17.80)**	**17.80**

Note 40 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 to mitigate the impact of fluctuations in the aluminium/copper prices on highly forecast purchase transactions. The Company uses fowards 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 Standalone Financial Statements

for the year ended March 31, 2023

Note 40 Hedge Accounting (Contd..)

The tables below provide details of the derivatives that have been designated as hedges for the periods presented

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

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 40 Hedge Accounting (Contd..)

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 Standalone Financial Statements

for the year ended March 31, 2023

Note 40 Hedge Accounting (Contd..)

The tables below provide details of the derivatives that have been designed as hedges for the periods presented:

As at March 31, 2023

(₹ crore)

	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 statement of profit or loss	Line item in statement of profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to statement of (profit) or loss	Line item in statement of profit or loss affected by the reclassification	Balance in cash flow hedge reserve*	Balance in cash flow hedge reserve**
Foreign exchange forward contracts	829.32	0.56	1.44	1.28	2.96	NA	NA	(1.68)	COGS	2.96	NA
Commodity contracts	678.57	33.92	15.41	(141.02)	(97.53)	NA	NA	(43.49)	COGS	(97.53)	NA
Foreign currency denominated purchases	110.18	-	0.12	0.03	0.03	NA	NA	-	Sales	0.03	NA

As at March 31, 2022

(₹ crore)

	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 statement of profit or loss	Line item in statement of profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to statement of (profit) or loss	Line item in profit or loss affected by the reclassification	Balance in cash flow hedge reserve*	Balance in cash flow hedge reserve**
Foreign exchange forward contracts	600.38	0.39	0.75	(1.80)	(0.63)	NA	NA	2.05	COGS	(0.63)	NA
Commodity contracts	30.94	203.48	87.43	120.70	130.19	NA	NA	8.59	COGS	130.19	NA
Foreign currency denominated purchases	133.77	-	0.82	(1.50)	(0.66)	NA	NA	0.84	Sales	(0.66)	NA

* where hedge accounting is continued

** where hedge accounting is discontinued

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	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance	(114.04)	14.84
Effective portion of changes in fair value:		
a) Commodity price risk	141.02	(120.70)
b) Foreign currency risk	(1.28)	1.80
c) Forecasted Export Sales	(0.03)	1.50
Net amount reclassified to statement of profit or loss:		
a) Commodity price risk	(43.49)	(8.59)
b) Foreign currency risk	(1.68)	(2.05)
c) Forecasted Export Sales	-	(0.84)
Closing balance	**(19.50)**	**(114.04)**

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 41 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other reserves forming part of other equity except cash flow hedge reserve . 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 (or net cash) to adjusted equity ratio. Adjusted net debt (or net cash) is defined as total debt less cash and bank balances. Adjusted equity is defined as total equity less cash flow hedge reserve.

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	306.44	278.86
Less : Cash and cash equivalents	407.68	242.65
Adjusted net (cash) / debt	**(101.24)**	**36.21**
Total equity	2,059.50	1,585.10
Less : Cash flow hedge reserve	14.59	85.34
Adjusted equity	**2,044.91**	**1,499.76**
Adjusted net cash debt to adjusted equity ratio	**(4.95%)**	**2.41%**

Note 42 Segment Reporting

The segment reporting disclosures are given in the Consolidated financial statement by virtue of exemption given in the Ind AS 108 - "Operating Segment".

Note 43 Related Party

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 with whome company had transaction or balances during the year are as follows:

a). Subsidiary Companies:

Petroleum Specialties Pte. Ltd, Singapore (Wholly owned subsidiary)
Petroleum Specilities FZE, Sharjah (Wholly owned subsidiary of Petroleum Specialities Pte. Ltd)
APAR Transmission & Distribution Projects Private Limited (Wholly owned subsidiary)
APAR Distribution & Logistics Private Limited (Wholly owned subsidiary)
CEMA Wires & Cables Inc. (Wholly owned subsidiary of APAR Industries Limited w.e.f. April 26, 2022)

b). Associate Company:

Ampoil APAR Lubricants Private Limited
Clean Max Rudra Private Limited (w.e.f. August 08, 2022)

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 (upto November 03, 2022)
Mr. Rajesh Sehgal
Mr. Kaushal Sampat

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

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 43 Related Party (Contd..)

f). Entities controlled by key management personnel/ individuals having significant influence:

APAR Corporation Private Ltd
APAR Investment (Singapore) Pte. Ltd
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
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 (upto November 03, 2022)
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 company:

Transactions for the year

(₹ crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Sale of finished goods/ Raw materials / traded goods	60.13	95.41
2	Purchase of finished goods/ Raw materials / traded goods	144.23	69.53
3	Investment made	3.80	-
4	Rent income	0.04	0.03
5	Commission expenses	1.09	1.44
6	Guarantee commission received from the subsidiary	3.07	1.44
7	Reimbursement of expenses received (net)	5.36	2.68

Balances outstanding as at year end

(₹ crore)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Receivable for supply of raw material, finished goods, capital goods, and services	15.63	75.28
2	Payable for supply of raw material, finished goods, capital goods, and services	70.43	21.74
3	Short term advances given	0.10	0.37
4	Guarantee given by the company on behalf of subsidiaries	811.43	454.76
5	Investments	1.27	1.27
6	Committments	40.51	12.55

(ii) Associate company:

Transactions for the year

(₹ crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Sale of finished goods/ Raw materials / traded goods	-	0.52

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 43 Related Party (Contd..)

Balances outstanding as at year end

(₹ crore)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1.	Investment	4.20	0.40
2.	Receivable for supply of raw material & finished goods	0.02	0.24

(iii) Key Managerial Personnel

Transactions for the year

(₹ crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Remuneration including commission	22.52	11.83
2	Dividends paid	27.83	17.56
3	Sitting fees	0.16	0.14

Balances outstanding as at year end

(₹ crore)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Commission payable	16.76	6.09

(iv) Relatives of Key Managerial Personnel:

Transactions for the year

(₹ crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Dividends paid	0.21	0.13
2	Salary paid	0.25	0.10

(v) Entities controlled by key management personnel/individuals having significant influence:

Transactions for the year

(₹ crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Rent paid	1.79	1.32
2	Dividends paid (payment basis)	6.77	4.29
3	Sale of finished goods/ Raw materials / traded goods/services	0.93	0.05
5	Purchase of finished goods/ Raw materials / traded goods/services	0.02	0.30
6	Corporate social responsibility expenses	3.28	3.38

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 43 Related Party (Contd..)

Balances outstanding as at year end

(₹ crore)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Receivable for supply of finished goods / services / reimbursements	0.92	0.14
2	Payable for supply of finished goods / services / reimbursements	-	0.03
3	Security deposit given	0.76	0.76
4	Committments	6.01	7.76

C. Compensation of key management personnel of the Company

(₹ crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Short-term employment benefits	22.20	11.55
2	Post Employment benefis	0.20	0.15
3	Other Long term employee benefits	**0.12**	**0.12**

Disclosure pursuant to Section 186 of the Companies Act, 2013

(₹ crore)

Sr. No.	Particulars	Purpose of transactions	As at March 31, 2023	As at March 31, 2022
	(Loans given/ Investment made/ guarantee provided)			
a	**Short Term Advances**			
i	**Subsidiary Companies**			
	Petroleum Specialities FZE	Reimbursement of Expenses	0.17	0.16
	APAR Distribution & Logistics Private Limited	Reimbursement of Expenses	0.10	0.21
b	**Investment as at the end of the year**			
i	**Subsidiary Companies**			
	Petroleum Specialities Pte. Ltd		0.26	0.26
	APAR Transmission & Distribution Projects Private Limited		0.01	0.01
	APAR Distribution & Logistics Private Limited			1.00
ii	**Associate company**			
	Ampoil APAR Lubricants Private Limited		0.40	0.40
	Clean Max Rudra Private Limited		3.80	-
c	**Guarantees**			
i	**Subsidiary Companies**			
	Petroleum Specialities Pte. Ltd	Corporate Guarantee for subsidiary's debt	-	3.79
	Petroleum Specialities FZE	Corporate Guarantee for subsidiary's debt	811.43	450.97

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 44 Contingent Liabilities

A) Contingent liabilities not provided for:

(₹ crore)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
a)	**Claims against the Company not acknowledged as debts (Refer Note 1)**		
i)	Demand/ Show cause-cum-demand notices received and contested by the Company with the relevant appellate authorities:		
	Excise duty	8.26	7.08
	GST	-	15.39
	Customs duty	2.08	2.40
	Sales tax	12.06	12.99
	Income tax	20.28	10.74
ii)	Arbitration award regarding dispute of alleged contractual non-performance by the Company, against which the Company is in appeal before Bombay High Court.	13.84	15.00
iii)	Labour matters	0.05	0.05
iv)	Others	7.33	17.13
b)	**Corporate Guarantees (Refer Note 2)**		
i)	Guarantee given by the Company for credit facilities enjoyed by Petroleum Specialities Pte Ltd.,a wholly-owned subsidiary	-	3.79
ii)	Guarantee given by the Company for term loan facilities enjoyed by Petroleum Specialities FZE, a downstream subsidiary company	811.43	450.97

B) Capital commitments

(₹ crore)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
a)	Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	139.78	39.63

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) mentioned in A, 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, 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.

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 45 Expenditure on Research and Development

(A) R & D Center-OIL (Rabale - DSIR Recognised)

(₹ crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Salary, wages and other benefits	2.27	2.37
	Consumables and other expenses	0.13	0.14
	Sub-total	**2.40**	**2.51**
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	-	-
	Sub-total	**-**	**-**
	Total	**2.40**	**2.51**

(B) R & D Center-Conductor (Silvassa)

(₹ crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Salary, wages and other benefits	-	-
	Consumables and other expenses	7.25	0.86
	Sub-total	**7.25**	**0.86**
(b)	Capital expenditure		
	Building		
	Plant and machinery	0.36	0.54
	Sub-total	**0.36**	**0.54**
	Total	**7.61**	**1.40**

(C) R & D Center-Cable (Khatalwad)

(₹ crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Salary, wages and other benefits	0.26	0.28
	Consumables and other expenses	2.78	3.77
	Sub-total	**3.04**	**4.05**
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	-	-
	Sub-total	**-**	**-**
	Total	**3.04**	**4.05**
	Grand Total (A+B+C)	**13.05**	**7.97**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 46 Ind AS 115 Revenue from Contract with customer

i Revenue from contracts with customers

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue recognised at point in time	13,123.87	8,574.23
Revenue recognised over time	18.26	14.08
Total revenue from contracts with customers under Ind AS 115	**13,142.13**	**8,588.31**
Other operating revenue	25.21	4.02
Total revenue from operation	**13,167.34**	**8,592.33**

ii Disaggregated revenue

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.

The company uses the same operating segment information for reporting purposes in all its communication to various stakeholders i.e. annual report, investor presentation. Revenue by geographical presence is as follows:

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Within India (including deemed exports)	7,415.18	5,817.36
Outside India	5,752.66	2,778.39
Total	**13,167.84**	**8,595.75**

iii Sales by performance obligation

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Upon shipment	13,123.87	8,574.23
Upon providing of services	18.26	14.08
Total	**13,142.13**	**8,588.31**

iv Contract assets and contract liabilities

A) Contract assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	6.11	0.73
Add: Additions during the year	35.33	6.11
	41.44	**6.84**
Less: Trasferred to receivable	6.01	0.73
Balance as at the end of the year	**35.43**	**6.11**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 46 Ind AS 115 Revenue from Contract with customer (Contd..)

B) Contract liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	195.78	106.50
Add: Additions during the year	658.09	290.49
	853.87	396.99
Less: Revenue recognised during the year	672.79	201.21
Balance as at the end of the year	**181.08**	**195.78**

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 at 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. Accordingly, the company has applied practical expedient as per para 121 of the Ind AS 115 in regards to remaining performance obligations.

Note 47 Ind AS 116 Leases

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Right of use Assets		
Addition during the year	8.37	9.70
Deletion during the year	-	(6.25)
Amortisation for the year	4.16	3.39
Carrying value at the end of the year	17.54	13.32
Maturity Analysis of lease liabilities		
Less than 1 year	4.31	3.08
1 - 2 years	4.07	3.29
3 - 5 years	7.59	7.43
More than 5 years	2.54	0.26
Total lease liabilities at the year end	18.51	14.06
Recognised in balance sheet		
Non Current	14.20	10.98
Current	4.31	3.08
Amount recognised into statement of profit & loss		
Amortisation of right to use assets	4.16	3.39
Unwinding of lease liabilities	1.05	0.70
Expenses relating to short term leases & low value leases	2.23	0.91
Amount recognised into statement of cash flows		
Total cash outflows of lease payments (including short term leases & low value leases)	5.92	4.61

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 48 Master Netting Arrangement

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, 2023 and March 31, 2022.

As at March 31, 2023

(₹ crore)

Particulars	Effects of offsetting on the balance sheet		
	Amounts of financial instruments recognised in the balance sheet	Related amounts that are not off set	Net amounts after set off
As at March 31, 2023			
Financial assets			
Derivative instruments			
Forward contract	34.53	10.55	45.08
Total	**34.53**	**10.55**	**45.08**
Financial liabilities			
Derivative instruments			
Forward contract	21.42	10.55	31.97
Total	**21.42**	**10.55**	**31.97**

(₹ crore)

Particulars	Effects of offsetting on the balance sheet		
	Amounts of financial instruments recognised in the balance sheet	Related amounts that are not off set	Net amounts after set off
As at March 31, 2022			
Financial assets			
Derivative instruments			
Forward contract	203.87	86.90	116.97
Total	**203.87**	**86.90**	**116.97**
Financial liabilities			
Derivative instruments			
Forward contract	89.00	86.90	2.10
Total	**89.00**	**86.90**	**2.10**

The 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 49 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 has not traded or invested in crypto currency or virtual currency during the period/year.

(v) The Company has not advanced or loaned or invested funds to any other person / persons or entity / entities, 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 has not received any funds from any person / persons or entity / entities, 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 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 wilful defaulter by any bank or financial institution or other lender.

ix) During the year company has not entered into any scheme of arrangement.

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No 037391

For and on behalf of the Board of Directors

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 08th May, 2023

Independent Auditors' 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 associates comprising of the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Financial Statements, including a summary of 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 and based on the consideration of reports of other auditors on Separate Financial Statements and on the other financial information of the subsidiaries and associates, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March 2023, their consolidated profit and other comprehensive income, 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 Companies Act, 2013. 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	**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 45 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.
2.	**IT systems and controls over financial reporting.** We identified IT systems and controls over financial reporting as a key audit matter for the Company because its financial accounting and reporting systems are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, specifically with respect to revenue and raw material consumption. Also, due to large transaction volumes and the increasing challenge to protect the integrity of the Company's systems and data, cyber security has become more significant. Automated accounting procedures and IT environment controls, which include IT governance, IT general controls over program development and changes, access to program and data and IT operations, IT application controls and interfaces between IT applications are required to be designed and to operate effectively to ensure accurate financial reporting.	In view of the significance of the matter, we applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence: • Assessed the complexity of the IT environment through discussion with the IT team and identified IT applications that are relevant to our audit; • Evaluated the operating effectiveness of IT general controls over program development and changes, access to program and data and IT operations; • Performed inquiry procedures with the IT team of the Company in respect of the overall security architecture and any key threats addressed by the Company in the current year; • Evaluated the operating effectiveness of IT application controls in the key processes impacting financial reporting of the Company; • Assessed the operating effectiveness of controls relating to data transmission through the different IT systems to the financial reporting.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

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, Business Responsibility and Sustainability Report, Management Discussion and Analysis Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements, 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. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of the assets of the Group and of its associates 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

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 Companies Act 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Financial Statements 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 ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the Consolidated 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 and its associates 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 and its associates of which we are the independent auditors and whose financial information we have audited, 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 auditors. 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. Our responsibilities in this regard are further described in paragraph a) of the section titled 'Other Matters' in this audit report.

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 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 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

a) We did not audit the financial statements and other financial information, in respect of two subsidiaries whose Consolidated or Standalone Financial Statements and other financial information as applicable, include total assets (before consolidation adjustments) of ₹ 125.81 crores as at 31st March, 2023 and total revenues (before consolidation adjustments) of ₹ 164.93 crores, total net profit after tax (before consolidation adjustments) of ₹ 29.35 crores, total comprehensive income (before consolidation adjustments) of ₹ 29.34 crores and net cash inflow (before consolidation adjustments) of ₹ 2.24 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The Consolidated Financial Statements also include the Group's share of net loss after tax of ₹ (0.00) crores and total comprehensive loss of ₹ (0.00) crores for the year ended 31st March 2023, as considered in the Consolidated Financial Statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. 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 associate and our report in terms of sub-sections (3) and (11) of section 143 of the Companies Act, 2013 in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

b) The accompanying Consolidated Financial Statements include unaudited financial statements and other unaudited financial information in respect of a subsidiary, whose Consolidated Financial Statements and other financial information reflect total assets (before consolidation adjustments) of ₹ 105.76 crores as at 31st March 2023, total revenues (before consolidation adjustments) of ₹ 0.95 crores, total net profit after tax (before consolidation adjustments) of ₹ 0.34 crores, total comprehensive income (before consolidation adjustments) of ₹ 0.34 crores and net cash inflow (before consolidation adjustments) of ₹ 2.81 crores for the year ended on that date. These unaudited financial statements and other unaudited financial information have been approved and furnished to us by the management. The Consolidated Financial Statements also include the Group's share of net loss after tax of ₹ (0.01) crores and total comprehensive loss of ₹ (0.01) crores for the year ended 31st March 2023, as considered in the Consolidated Financial Statements, in respect of an associate, whose financial statements, other financial information have been approved and furnished to us by the management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary and our report in terms of sub-sections (3) and (11) of section 143 of the Companies Act, 2013 in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements and other unaudited financial information.

*Amount less than ₹ 50 lakhs

The Financial Statements of these subsidiaries and the associates 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 associates 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 matters covered in paragraph a) and b) above with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

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 and the other

financial information of subsidiaries and associates, as noted in the 'Other Matters' paragraph we report, to the extent applicable, 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 31st March 2023 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, 2023 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' which is based on the auditors' reports of the Holding Company and its associate incorporated in India;

g) As the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable for the year under audit.

h) 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 and based on the consideration of auditors' reports of the Holding Company and its associate incorporated in India, the remuneration paid by the Holding Company and its associate incorporated in India to their directors during the year is in accordance with the provisions of Section 197 of the Act;

i) 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 as also the other financial information of the subsidiaries and assoicates, as noted in the 'Other Matters' paragraph:

   i. The Consolidated Financial Statements has disclosed the impact of pending litigations on consolidated financial position of the Group and its associate in Note 45 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate incorporated in India;

   iv. i. The respective managements of the Holding Company and its associate which are the companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or its associate to or in any other persons or entities, 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 respective Holding Company or its associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      ii. The respective managements of the Holding Company and its associate which are the companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or its associate from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or 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 performed by us and those performed by the auditors of the associate which is the company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause i) and ii) contain any material mis-statement;

   v. The dividend paid by the Holding Company during the year in respect of F.Y 2021-2022 is in accordance with Section 123 of the Act to the extent it applies to payment of Dividend.

      As stated in Note no.16A 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 proposed 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: 23037391BGULVJ2464

Place: Mumbai
Date: 8th May 2023

Annexure A to Independent Auditors' Report

[Referred to in paragraph 1 f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements 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 its associates 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 2023 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 Companies Act, 2013.

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 auditors in terms of their reports referred to in the Other Matter paragraph below, 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 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 2023, 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 and associate companies, which are incorporated in India, 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: 23037391BGULVJ2464

Place: Mumbai
Date: 8th May 2023

Consolidated Balance Sheet

as at 31 March, 2023

(₹ crore)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2	884.42	817.50
Right to use assets	2A	64.95	62.26
Capital work-in-progress	2	99.07	38.33
Other intangible assets	2B	1.11	1.48
Intangible assets under development	2B	0.24	0.16
Financial assets			
Investments	3	4.18	0.52
Loans	4	2.51	0.83
Trade receivables	10	27.51	11.29
Derivative financial assets	5	-	42.80
Other financial assets	6	10.81	14.91
Non current tax assets (net)		54.27	24.10
Other non-current assets	7	61.02	35.49
Total non current assets		**1,210.09**	**1,049.67**
Current Assets			
Inventories	8	2,575.64	2,138.65
Financial assets			
Investments	9	50.10	30.00
Trade receivables	10	3,198.07	2,531.13
Cash and cash equivalents	11	498.81	253.16
Bank balances other than above	12	31.29	13.25
Loans	13	5.20	7.40
Derivative financial assets	5	34.53	161.07
Other financial assets	14	47.61	22.81
Other current assets	15	566.31	400.38
Total current assets		**7,007.56**	**5,557.85**
TOTAL ASSETS		**8,217.65**	**6,607.52**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16A	38.27	38.27
(b) Other equity	16B, 16C	2,198.12	1,676.96
Total equity		**2,236.39**	**1,715.23**
Non current liabilities			
Financial liabilities			
Borrowings	17	151.37	195.37
Lease liabilities		63.70	60.93
Derivative financial liabilities	18	-	-
Other financial liabilities	19	5.09	3.13
Provisions	20	12.18	12.32
Deferred tax liabilities (net)	21	21.70	52.34
Total non current liabilities		**254.04**	**324.09**
Current liabilities			
Financial liabilities			
Borrowings	22	152.79	96.54
Lease liabilities		8.37	6.35
Trade payables	23		
a) Total outstanding dues of micro enterprises and small enterprises		84.90	20.01
b) Total outstanding dues of creditors other than micro enterprises and small enterprises.		5,121.67	4,063.40
Derivative financial liabilities	18	21.42	89.00
Other financial liabilities	24	77.07	30.15
Other current liabilities	25	209.01	243.47
Provisions	26	4.26	6.37
Current tax liabilities (net)		47.73	12.91
Total current liabilities		**5,727.22**	**4,568.20**
Total liabilities		**5,981.26**	**4,892.29**
TOTAL EQUITY AND LIABILITIES		**8,217.65**	**6,607.52**
See accompanying notes to financial statement	1 - 50		

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

For and on behalf of the Board of Directors

Himanshu Kishnadwala
Partner
Membership No 037391

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 08th May, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ crore)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from operations	27	14,352.15	9,316.57
Other income	28	37.47	32.49
Total income		**14,389.62**	**9,349.06**
EXPENSES			
Cost of materials consumed	29	10,973.96	7,418.32
Purchases of stock-in-trade		69.45	130.71
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	(334.66)	(341.21)
Employee benefits expense	31	220.50	172.49
Finance costs	32	305.50	140.62
Depreciation and amortization expense	2,2A,2B	104.34	97.84
Other expenses	33	2,195.95	1,388.41
Total expenses		**13,535.04**	**9,007.18**
Profit before share of profit/(loss) of an associates and exceptional items		**854.58**	**341.88**
Share in net profit / (loss) of associates		(0.02)	0.12
Profit before exceptional items		854.56	342.00
Exceptional items		-	-
Profit before tax		**854.56**	**342.00**
Tax expense:	35		
Current tax		221.80	83.61
Deferred tax charge / (credit)		(6.81)	1.29
Taxes of earlier years (net)		1.85	0.36
Total tax expenses		**216.84**	**85.27**
Profit / (Loss) for the year from continuing operations		**637.72**	**256.73**
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss:-			
A) Re-measurement gains /(losses) of defined benefit plans		(0.15)	(6.28)
Income tax on items that will not be reclassified to profit or loss	35	0.04	1.58
Items that will be reclassified to profit or loss:-			
A) Effective portion of gains / (losses) on hedging instruments in a cash flow hedge		(94.54)	128.90
B) Exchange differences in translating the financial statements of foreign operations	35	11.67	3.58
Income tax on items that will be reclassified to profit or loss		23.79	(32.44)
Total other comprehensive income / (loss)		**(59.19)**	**95.34**
Total comprehensive income / (loss) for the year		**578.53**	**352.07**
XII. Earnings per equity share (Face value of ₹ 10 each)	34		
Basic		166.64	67.09
Diluted		166.64	67.09

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

For and on behalf of the Board of Directors

Himanshu Kishnadwala
Partner
Membership No 037391

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 08th May, 2023

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before share of profit/(loss) of an associate and exceptional items	854.58	341.88
Adjustments for:-		
Depreciation and amortisation	104.34	97.84
(Gain)/loss on sale of property, plant and equipment	1.51	(0.22)
Interest costs	174.75	67.10
Interest income	(19.41)	(6.27)
Bad debts/ provision for doubtful debts made / (written back/reversed)	46.09	42.69
Unrealised exchange loss/(gain)	33.42	12.97
Profit on sale of investments	(1.66)	(7.40)
Movement in working capital		
(Increase) / decrease in trade and other receivables	(836.23)	(999.46)
(Increase) / decrease in inventories	(424.40)	(575.96)
Increase/ (decrease) in trade and other payables	984.34	1,361.41
Tax paid	(218.99)	(90.83)
Net cash generated from / (used in) operating activities	**698.34**	**243.75**
Cash flow from investing activities		
Acquisition of property, plant and equipment	(247.83)	(130.03)
Acquisition of intangible assets	-	(0.44)
Proceeds from sale of property, plant and equipment	1.13	1.22
Sale / (purchase) of investment in subsidiary & associate	(3.80)	-
Sale / (purchase) of investments other than investment in subsidiary and associate (net)	(18.44)	38.64
Net cash generated from / (used in) investing activities	**(268.94)**	**(90.61)**
Cash flow from financing activities		
Proceeds/(repayments) from short-term borrowings - net	57.50	(21.49)
Proceeds/(repayments) of long-term borrowings - net	(54.19)	4.44
Repayment of lease liabilities	(10.03)	(5.59)
Interest received/(paid) - net	(119.98)	(47.35)
Dividend paid	(57.36)	(36.36)
Net cash (used in) / generated from financing activities	**(184.06)**	**(106.35)**
Net increase / (decrease) in cash and cash equivalents	245.34	46.79
Effect of exchanges rate changes on cash and cash equivalents	0.31	(0.65)
Cash and cash equivalents at the beginning of the year	253.16	207.02
Cash and cash equivalents at the end of the year (Refer Note 11)	**498.81**	**253.16**

Notes:

1) Statement of cash flows has been prepared as per the indirect method as set out in the Ind AS 7 statement of cash flows.
2) Cash and cash equivalents represents cash and bank balances. It includes unrealised gain of ₹ 0.31 crore; (previous year unrealised loss of ₹ 0.65 crore) on account of translation of foreign currency cash and cash equivalents.
3) Refer Note 17 c) for changes in liabilities arising from financing activities

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No 037391

For and on behalf of the Board of Directors

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 08th May, 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(a) Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	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

(₹ crore)

Particulars	Reserves and Surplus					Items of Other Comprehensive Income			Total
	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings - surplus	Foreign currency translation reserve	Effective portion of cash flow hedges	Re-measurement of defined benefit plans	
Balance at April 1, 2022	**23.46**	**205.18**	**14.98**	**292.30**	**1,049.43**	**12.88**	**85.34**	**(6.61)**	**1,676.96**
Profit for the year		-	-	-	637.72	-	-	-	637.72
Other comprehensive income for the year	-	-	-	-	-	11.67	(70.75)	(0.11)	(59.19)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**637.72**	**11.67**	**(70.75)**	**(0.11)**	**578.53**
Transactions with the owners of the Group	-	-	-	-	-	-	-	-	-
Dividend paid on equity shares	-	-	-	-	(57.40)	-	-	-	(57.40)
Other adjustments	-	-	-	-		-	-	-	-
Transfer to / from general reserve	-	-	-	60.00	(60.00)	-	-	-	-
Balance at March 31, 2023	**23.46**	**205.18**	**14.98**	**352.30**	**1,569.75**	**24.55**	**14.59**	**(6.72)**	**2,198.12**
Balance at April 1, 2021	**23.46**	**205.18**	**14.98**	**268.30**	**853.06**	**9.30**	**(11.11)**	**(1.92)**	**1,361.25**
Profit for the year	-	-	-	-	256.73		-	-	256.73
Other comprehensive income for the year	-	-	-	-	-	3.58	96.46	(4.70)	95.34
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**256.73**	**3.58**	**96.46**	**(4.70)**	**352.07**
Transactions with the owners of the Group	-	-	-	-		-	-	-	-
Dividend paid on equity shares	-	-	-	-	(36.36)	-	-	-	(36.36)
Other adjustments	-	-	-	-		-	-	-	-
Transfer to / from general reserve	-	-	-	24.00	(24.00)	-	-	-	-
Balance at March 31, 2022	**23.46**	**205.18**	**14.98**	**292.30**	**1,049.43**	**12.88**	**85.34**	**(6.61)**	**1,676.96**

Consolidated Statement of Changes in Equity (Contd.)

for the year ended March 31, 2023

Effective from the second quarter of financial year 2022-2023, the Group has adopted hedge accounting under Ind AS 109 by formally designating, foreign currency denominated financial liabilities relating to procurement of imported raw material in a cashflow hedge relationship for hedge of foreign exchange risk associated with highly probable future sales transactions. Consequent to this change, through demonstration of hedge effectiveness as per requirements of Ind AS 109, the effective portion of gain / loss arising on re-statement of the foreign currency denominated financial liabilities relating to procurement of imported raw material is recognised initially in cash flow hedge reserve account and is then reclassified to the consolidated statement of profit and loss in the period of settlement when the sales are effected and ineffective portion is charged to the consolidated statement of profit and loss as at the year ended 31 March 2023, the effective portion of gain of ₹ 1.09 crores on revaluation of financial liabilities designated hedge relationship is deferred to cash flow hedge reserve.

Nature and purpose of reserves

i. Capital reserve

Capital reserve comprises of gains of capital nature earned by the Group and credited directly to such reserve.

ii. Securities premium

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. It also comprises of profit on 16,35,387 treasury shares sold in the year 2015-16.

iii. Capital redemption reserve

Capital redemption reserve represents amounts set aside by the Group for redemption of capital which may arise in future.

iv. General reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

v. Retained earnings

Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilized or distributed by the Group in accordance with the provisions of the Companies Act, 2013.

vi. Effective portion of cash flow hedges

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 consolidated statement of profit or loss as the hedged cash flows or items that affect profit or loss.

vii. 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.

viii. Re-measurement of defined benefit plans

The re-measurement of defined benefit plan comprises of actuarial gains / losses, actual return on plan asset and change in effect of asset ceiling, if any

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No 037391

For and on behalf of the Board of Directors

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 08th May, 2023

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 and Housewires. 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.

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.

These financial statements are approved for issue by the Board of Directors on May 08, 2023.

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, assumptions and judgements for some items, which might have an effect on their recognition and measurement in the (i) balance sheet and (ii) consolidated statement of profit and loss and other comprehensive income. 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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.

- **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 estimate 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 obligation 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 are 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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.

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 consoldiated statement of profit and loss reflects the Group's share of the result 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 unanimous 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 report 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 consolidated 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 consolidated 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 consolidated 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.

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 towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of returns, allowance, trade discounts, volume rebates and schemes offered by the Group as a part of the contract. 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 sale of products in Conductors, Transformers, Cables, Speciality Oils, Power & Telecom Cables and Housewires. It also derives revenue from rendering of services in Power Transmission Conductors

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 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 using effective interest rate.

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 consolidated 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 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 consolidated statement of Profit and Loss.

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 consolidated statement of profit and loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognised in the consolidated 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, re-measurements of the defined benefit plans and 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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

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.

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 and work in progress 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 also include applicable taxes, other than those which are subsequently recoverable from tax authorities.

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 the consolidated 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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

The cost of the property, plant and equipment 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	SLM	SLM	SLM	SLM
Furniture and Fixtures	SLM	WDV	SLM	WDV
Office Equipment	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.

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

I. 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.

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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

K. Share-based payments

a. Employees of the Group receive 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.

f. For cash settled share-based payments, a liability is recognised for the services availed. At the end of the reporting period, until liability is settled, the fair value of liability is remeasured with any changes in fair value recognised in profit or loss.

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 Group'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 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.

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. However, trade receivables that do not contain a significant financing component are measured at transaction price. 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 or 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 or 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:

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 consolidated 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 consolidated statement of profit and 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 or 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 or loss in the same period or periods during which the hedged expected future cash flows affect profit or 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 or loss in the same period as the hedged future cash flows affect the profit or 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 or loss.

The Group formally designates foreign currency denominated financial liabilities relating to imported raw materials, in one of the division, in a cash flow hedge relationship for hedging of foreign exchange risk associated with highly probable future sales transactions. The Effective portion of gains or losses arising on restatement of the foreign currency denominated financial liabilities is initially recognized in other comprehensive income and is reclassified to profit or loss in the period of settlement when the sales are affected. Ineffective portions, if any, is be charged to profit or loss.

Effective from the second quarter of financial year 2022 - 2023, the Group has adopted hedge accounting under Ind AS 109 by formally designating, foreign currency denominated financial liabilities relating to procurement of imported raw material in a cash-flow hedge relationship for hedge of foreign exchange risk associated with highly probable future sales transactions. Consequent to this change, through demonstration of hedge effectiveness as per requirements of Ind AS 109, the effective portion of gain / loss arising on restatement of the foreign currency denominated financial liabilities relating to procurement of imported raw material is being recognised initially in cash flow hedge reserve account and reclassified to consolidated statement of profit and loss in the period of settlement when the sales are effected and ineffective portion, if any charged to the profit & loss statement.

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

A contingent asset is not recognised but disclosed in the consolidated financial statements where an inflow of economic benefit is probable.

N. 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 are 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 consolidated 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 consolidated 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 consolidated statement of profit and loss.

The Group 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.

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.

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, 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 Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated 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 Group 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 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 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.

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 Group 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 Group's Board of Directors.

U. Cash settled employee stock options

For cash settled share-based payments, a liability is recognised for the services availed. It is measured initially at the fair value of the liability. At the end of the reporting period, until liability is settled as well as at the end of the settlement, the fair value of liability is remeasured with any changes in fair value is recognised in consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

8. Recent Amendments

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023.

a) **Ind AS 101 – First time adoption of Ind AS –** modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.

b) **Ind AS 102 – Share-based Payment –** modification relating to adjustment after vesting date to the fair value of equity instruments granted.

c) **Ind AS 103 – Business Combination –** modification relating to disclosures to be made in the first financial statements following a business combination.

d) **Ind AS 107 – Financial Instruments Disclosures –** modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.

e) **Ind AS 109 – Financial Instruments –** modification relating to reassessment of embedded derivatives.

f) **Ind AS 1 – Presentation of Financials Statements –** modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.

g) **Ind AS 8 –** Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of 'accounting estimate' and application of changes in accounting estimates.

h) **Ind AS 12 – Income Taxes –** modification relating to recognition of deferred tax liabilities and deferred tax assets.

i) **Ind AS 34 – Interim Financial Reporting –** modification in interim financial reporting relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.

The Group is evaluating the amendments and the expected impact, if any, on the Group's consolidated financial statements on application of the amendments for annual reporting periods beginning on or after 1 April 2023.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note - 2 Property, Plant and Equipment

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2022	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	For the year	Deductions	Upto March 31, 2023	As at March 31, 2023
(i) Tangible assets										
Land- Freehold	39.45	0.05	-	-	39.50	-	0.00	-	0.00	39.50
Land-Leasehold	10.89	-	-	-	10.89	0.98	0.14	-	1.12	9.77
Building (Refer Note d) below)	315.20	28.75	-	3.44	347.39	56.80	11.75	-	68.55	278.84
Plant and Machinery (Refer Note a) and b) below)	802.00	119.96	(10.40)	4.75	916.31	329.38	76.01	(9.03)	396.36	519.95
Furniture and fixtures	14.36	0.91	(0.02)	0.16	15.41	7.21	1.88	(0.02)	9.07	6.34
Office Equipments	45.46	3.64	(0.42)	-	48.68	20.86	3.14	(0.34)	23.66	25.02
Motor vehicles	10.36	1.45	(0.97)	0.03	10.87	4.99	1.71	(0.83)	5.87	5.00
Sub total (i)	1,237.72	154.76	(11.81)	8.38	1,389.05	420.22	94.63	(10.22)	504.63	884.42
(ii) Capital work-in-progress										
Buildings	-	-	-	-	-	-	-	-	-	17.70
Plant and equipments	-	-	-	-	-	-	-	-	-	81.37
Sub total (ii)	-	-	-	-	-	-	-	-	-	99.07
Total										983.49

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2021	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	Upto March 31, 2022	As at March 31, 2022
(i) Tangible assets										
Land- Freehold	39.23	0.22			39.45	-			-	39.45
Land-Leasehold	10.63	0.26			10.89	0.84	0.14		0.98	9.91
Building (Refer Note d) below)	297.54	16.62		1.04	315.20	45.72	11.08		56.80	258.40
Plant and Machinery (Refer Note a) and b below)	744.86	62.44	(7.64)	2.34	802.00	265.94	69.68	(6.24)	329.38	472.62
Furniture and fixtures	13.98	0.37		0.01	14.36	5.20	2.01		7.21	7.15

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note - 2 Property, Plant and Equipment (Contd..)

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2021	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	Upto March 31, 2022	As at March 31, 2022
Office Equipments	42.65	2.73	(0.15)	0.23	45.46	15.93	5.02	(0.09)	20.86	24.60
Motor vehicles	9.49	3.21	(2.35)	0.01	10.36	5.65	1.43	(2.09)	4.99	5.37
Sub total (i)	**1,158.38**	**85.85**	**(10.14)**	**3.63**	**1,237.72**	**339.28**	**89.36**	**(8.42)**	**420.22**	**817.50**
(ii) Capital work-in-progress										
Buildings	-	-	-	-	-	-	-	-		16.08
Plant and equipments	-	-	-	-	-	-	-	-		22.25
Sub total (ii)	-	-	-	-	-	-	-	-		**38.33**
Total										**855.83**

Capital work-in-progress Ageing Schdule

(₹ crore)

Particulars	As at March 31, 2023					As at March 31, 2022				
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years	Total	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years	Total
Projects in progress	80.83	18.22	0.02		99.07	35.07	1.14	1.91	0.21	38.33
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**80.83**	**18.22**	**0.02**	**-**	**99.07**	**35.07**	**1.14**	**1.91**	**0.21**	**38.33**

Capital work-in-progress Completion Schedule

(₹ crore)

Particulars	As at March 31, 2023 To be completed in				Particulars	As at March 31, 2022 To be completed in			
	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	-	-	-
					Confomring Line - 1 No.	3.73	-	-	-
					Modification of Trolley Wd 2	0.40	-	-	-
Total	**-**	**-**	**-**	**-**	**Total**	**4.71**	**-**	**-**	**-**

Note - 2A Right to use assets

(₹ crore)

Particulars	Gross block					Amortisation				Net block
	As at April 01, 2022	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	For the year	Deductions	Upto March 31, 2023	As at March 31, 2023
Righ to use assets	80.70	8.41	-	3.23	92.34	18.44	8.95	-	27.39	64.95
Total	**80.70**	**8.41**	**-**	**3.23**	**92.34**	**18.44**	**8.95**	**-**	**27.39**	**64.95**

(₹ crore)

Particulars	Gross block					Amortisation				Net block
	As at April 01, 2021	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	Upto March 31, 2022	As at March 31, 2022
Righ to use assets	69.78	15.76	(6.29)	1.46	80.70	12.78	7.72	(2.06)	18.44	62.26
Total	**69.78**	**15.76**	**(6.29)**	**1.46**	**80.70**	**12.78**	**7.72**	**(2.06)**	**18.44**	**62.26**

Note - 2B Intangible assets

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2022	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	For the year	Deductions	Upto March 31, 2023	As at March 31, 2023
Specialised software	7.67	0.39	-	-	8.06	6.22	0.73	-	6.95	1.11
Non compete fee	0.41	-	-	-	0.41	0.38	0.03	-	0.41	-
Total	**8.08**	**0.39**	**-**	**-**	**8.48**	**6.60**	**0.76**	**-**	**7.36**	**1.11**
Intangible asset under development					-				-	0.24
Total	**8.08**	**0.39**	**-**	**-**	**8.48**	**6.60**	**0.76**	**-**	**7.36**	**1.35**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note - 2B Intangible assets (Contd..)

(₹ crore)

Particulars	Gross block					Depreciation				Net block
	As at April 01, 2021	Additions	Deductions	Effect of movement in exchange rates	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	Upto March 31, 2022	As at March 31, 2022
Specialised software	7.23	0.44	-	-	7.67	5.50	0.72	-	6.22	1.45
Non compete fee	0.41	-	-	-	0.41	0.33	0.05	-	0.38	0.03
Total	**7.64**	**0.44**	**-**	**-**	**8.08**	**5.83**	**0.77**	**-**	**6.60**	**1.48**
Intangible asset under development										0.16
Total	**7.64**	**0.44**	**-**	**-**	**8.08**	**5.83**	**0.77**	**-**	**6.60**	**1.64**

Note

a) Includes expenditure on research and development ₹ 0.36 crore, (Previous Year ₹ 0.54 crore) for plant and machinery (refer note 46).

b) Additions to plant and machinery includes ₹ Nil crore (Previous Year ₹ 2.06 crore) on account of interest cost capitalised on foreign currency borrowings. The unamortised amount of such interest cost at the end of the year is ₹ 4.83 crore (Previous Year ₹ 6.99 crore).

c) Refer Note 17 a) for details of existence and amounts of restrictions on the title and Property, Plant and Equipment pledged as securities.

d) 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
for the year ended March 31, 2023

Note 3 Non-Current Investments

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in equity instruments		
In associate company (carried at cost)		
Ampoil APAR Lubricants Private Limited		
- 400,000 (Previous year 400,000) Equity shares of of ₹ 10 each fully paid up	0.40	0.52
Clean Max Rudra Private Limited (w.e.f. 08 August 2022) (Refer Note below)		
- 25,946 (Previous year Nil) Equity shares of ₹ 10 each fully paid up	3.78	-
Total	**4.18**	**0.52**
a. Aggregate amount of quoted investments	-	-
b. Aggregate amount of un-quoted investments	4.18	0.52
c. Aggregate amount of impairment in values of investments (Refer Note below)	-	-

Note:- Clean Max Rudra Private Limited has invoked force majeure clause on 01 April 2023 due to pending government formalities required to commence the operation. These fomalities in the opinion of the management are procedural in nature and hence this will not impact carrying value of investment. Accordingly, no impairment provision is recognised as at the year ended 31 March 2023

Note 4 Non-Current Loans

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good - Unsecured		
Loan to employees	2.51	0.83
Total	**2.51**	**0.83**

Note 5 Derivative Financial Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative contracts - Non current	-	42.80
Derivative contracts - Current	34.53	161.07
Total	**34.53**	**203.87**

Note 6 Other Non-Current Financial Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Security deposits	9.26	10.63
Fixed Deposits with maturity of more than 12 months (Refer Note below)	1.55	4.28
Total	**10.81**	**14.91**

Note:- All fixed deposits are under lien.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 7 Other Non-Current Non-Financial Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	57.55	33.06
Balance with government authorities	3.47	2.43
Total	**61.02**	**35.49**

Note 8 Inventories

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials and components	1,066.70	777.10
Raw materials-in transit	169.47	375.64
Work-in-progress	410.69	290.07
Finished goods	456.96	504.11
Finished goods - in transit	374.20	107.15
Stock-in-trade	32.63	36.35
Stock-in-trade - in transit	0.03	-
Stores and spares	64.96	48.23
Total	**2,575.64**	**2,138.65**

Note : Inventories are valued at lower of cost (computed on weighted average basis) and net realisable value.

Note 9 Current investments

(₹ crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units	Amount	Units	Amount
Investment in mutual funds				
Canara Robeco Liquid Fund Direct Growth Plan	258,616.16	30.01	58,835.34	15.00
Union KBC Liquid Fund Growth - Direct Plan	-	-	73,150.10	15.00
SBI Overnight Fund	54,835.22	20.09		-
Total	**313,451.38**	**50.10**	**131,985.44**	**30.00**
a) Aggregate amount of quoted investments				
Book value		50.10		30.00
Market value		50.10		30.00
b) Aggregate amount of un-quoted investments		-		-
c) Aggregate amount of impairment in values of investments		-		-

All the above investments have been classified and measured at FVTPL. Information about The Group's Fair values and risk management Disclosure are included in Note 39

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 10 Trade Receivables

(₹ crore)

Particulars	Non - current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Considered good, secured	-	-	2,095.83	1,479.50
Considered good, unsecured (Refer Note ii) below)	27.51	11.29	1,103.22	1,057.01
Trade Receivables which have significant increase in credit risk	-	-		0.34
Trade receivables, credit impaired	-	-	45.18	33.02
	27.51	**11.29**	**3,244.22**	**2,569.87**
Less: Loss allowance (Refer note (ii) below)			46.15	38.74
Total	**27.51**	**11.29**	**3,198.07**	**2,531.13**

Note

i) Refer note 22 for receivables offered as security against borrowing

ii) Receivable from associate is as below; Also Refer Note 44

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Ampoil APAR Lubricants Private Limited	0.02	0.24
Total	**0.02**	**0.24**

The Group's exposure to credit and currency risk related to trade receivables is disclosed in Note 40

iv) Trade receivable ageing

As at March 31, 2023

(₹ crore)

Particulars	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	2,517.54	552.40	75.71	13.87	60.60	6.43	3,226.55
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivables - Credit Impaired	-	3.71	0.78	6.26	3.38	14.68	28.81
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	0.22	3.51	1.17	11.47	16.37
Total	**2,517.54**	**556.11**	**76.71**	**23.64**	**65.15**	**32.58**	**3,271.73**
Less: loss allowances							46.15
Trade receivable net of loss allowance							**3,225.58**
Of the above current trade receivable							**3,198.07**
Of the above non-current trade receivable							**27.51**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 10 Trade Receivables (Contd.)

As at March 31, 2022

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed trade receivables - considered good	2044.9	358.17	47.23	66.27	20.00	11.21	2,547.78
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	21.17
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	-	-	0.44	11.42	11.86
Total	**2044.9**	**358.48**	**48.80**	**68.65**	**26.51**	**33.82**	**2,581.16**
Less: loss allowances							38.74
Trade receivable net of loss allowance							**2,542.42**
Of the above current trade receivable							**2,531.13**
Of the above non-current trade receivable							**11.29**

Note 11 Cash and Cash Equivalents

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks	483.40	233.43
Deposits with original maturity of less than three months	-	0.17
Balance in cash credit bank account	15.14	12.46
Cash on hand	0.27	0.26
Cheques on hand	-	0.20
Funds in transit	-	6.64
Total	**498.81**	**253.16**

Note 12 Bank Balance Other than Cash and Cash Equivalents

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity for more than 3 months but less than 12 months (refer note i below)	9.35	10.89
Margin money deposit (refer note ii below)	19.57	0.02
Unclaimed dividend account (refer note iii below)	0.81	0.77
Balances with bank in foreign currencies having restriction on repatriation	1.56	1.57
Total	**31.29**	**13.25**

Notes:

i) All fixed deposits are under lien

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 12 Bank Balance Other than Cash and Cash Equivalents (Contd.)

ii) The Group has placed ₹ 5.07 crores against letters of credit for import of raw materials and working capital loans for one of its division. Balance ₹ 14.50 crores is interest free margin against performance guarantees

iii) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2023 (Previous year : ₹ Nil crore)

Note 13 Loans

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Others		
Loan to employees	1.09	0.81
Loan to Others	4.11	6.59
Total	**5.20**	**7.40**

Note 14 Other Current Financial Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	8.77	13.28
Advances to related parties	0.91	0.47
Contract assets (refer note 47)	37.26	8.77
Interest accrued but not due on deposits	0.67	0.29
Total	**47.61**	**22.81**

Note 15 Other Current Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with statutory / government authorities	304.32	165.33
Prepayments	51.51	31.22
Claims receivable	115.07	50.56
Other receivable	3.32	2.26
Advances to vendors	92.09	151.01
Total	**566.31**	**400.38**

Note 16A Equity Share Capital

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised :		
10,19,98,750 (Previous year 101,998,750) Equity shares of ₹ 10 each	102.00	102.00
	102.00	**102.00**
Issued :		
3,82,68,619 (Previous year 38,268,619) Equity shares of ₹ 10 each	38.27	38.27
	38.27	**38.27**
Subscribed and paid up :		
3,82,68,619 (Previous year 38,268,619) Equity shares of ₹ 10 each	38.27	38.27
	38.27	**38.27**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 16A Equity Share Capital (Contd.)

Reconciliation of number of shares outstanding at the beginning and end of the year :

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	3,82,68,619	3,82,68,619
Changes during the year	-	-
Outstanding at the end of the year	**3,82,68,619**	**3,82,68,619**

Terms/rights attached to equity shares

i) The Company has one class of equity share having a par value of ₹ 10 per share. Each holder of equity share 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 2022-23 @ ₹ 40 per share aggregating to ₹ 153.07 crore on 38,268,619 equity shares of ₹ 10/- each fully paid. This will be paid after approval of 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 date.

Shareholders holding more than 5% shares in The Group

(₹ crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	% of total shares	No of shares	% of total shares
Kushal N. Desai	92,08,503	24.06	92,08,503	24.06
Chaitanya N. Desai	91,24,185	23.84	90,97,432	23.77
Maithili N. Desai Family Pvt. Trust No. 2 - Trustee Maithili Trusteeship Services Private Limited	44,02,687	11.50	44,02,687	11.50
HDFC Trustee Company Limited	24,18,293	6.32	33,10,837	8.65

Shares reserved for issue under options

There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

Shareholding of Promoter / Promoter Group - shares held by promoters at the end of the year

Promoter Name	As at March 31, 2023			As at March 31, 2022		
	No of Shares	% of total shares	%Change during the year	No of Shares	% of total shares	%Change during the year
Kushal N. Desai	92,08,503	24.06	-	9,208,503	24.06	-
Chaitanya N. Desai	91,24,185	23.84	0.07	9,097,432	23.77	0.10
Rishabh K. Desai	42,398	0.11	-	42,398	0.11	-
Gaurangi K. Desai	3,200	0.01	-	3,200	0.01	-

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 16A Equity Share Capital (Contd.)

Promoter Name	As at March 31, 2023			As at March 31, 2022		
	No of Shares	% of total shares	%Change during the year	No of Shares	% of total shares	%Change during the year
Noopur K. Desai	2,139	0.01	-	2,139	0.01	-
Jinisha C. Desai	500	* 0.00	-	500	* 0.00	-
Devharsh C. Desai	1,31,555	0.34	-	1,31,555	0.34	-
APAR Corporation Pvt Ltd	1,09,853	0.29	-	1,09,853	0.29	-
Maithili N. Desai Family Pvt. Trust	98,983	0.26	-	98,983	0.26	-
Maithili Trusteeship Services Pvt. Ltd.	300	* 0.00	-	300	* 0.00	-
Maithili N. Desai Family Pvt. Trust No. 2	4,40,2687	11.50	-	44,02,687	11.50	-
Kushal N. Desai Family Private Trust	40,000	0.10	-	40,000	0.10	-
Chaitanya N. Desai Family Private Trust	40,000	0.10	-	40,000	0.10	-

* denotes holding less than 0.01%

Note 16B Other Equity

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	23.46	23.46
Securities premium	205.18	205.18
Capital Redemption Reserve	14.98	14.98
General reserve	352.30	292.30
Retained earnings - Surplus	1,569.75	1,049.43
Reserves and Surplus	**2,165.67**	**1,585.35**

Note: The nature and purpose of each of the Reserves have been explained under Statement of changes in Equity

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve		
Opening balance	23.46	23.46
Increase / (decrease) during the year	-	-
Closing Balance	**23.46**	**23.46**
Securities premium		
Opening balance	205.18	205.18
Increase / (decrease) during the year	-	-
Closing balance	**205.18**	**205.18**
Capital Redemption Reserve		
Opening balance	14.98	14.98
Increase / (decrease) during the year	-	-
Closing balance	**14.98**	**14.98**
General reserve		
Opening balance	292.30	268.30
Transfer from Retained Earnings	60.00	24.00
Closing balance	**352.30**	**292.30**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 16B Other Equity (Contd.)

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings - Surplus		
Opening balance	1,049.43	853.06
Profit for the year	637.72	256.73
Transfer to General Reserves	(60.00)	(24.00)
Dividend paid	(57.40)	(36.36)
Closing balance	**1,569.75**	**1,049.43**

Note 16C Other Comprehensive Income

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Foreign currency translation reserve	24.55	12.88
Effective portion of cash flow hedges	14.59	85.34
Re-measurement of defined benefit plan	(6.72)	(6.61)
Items of other comprehensive income	**32.42**	**91.61**
Foreign currency translation reserve		
Opening balance	12.88	9.30
Other comprehensive income for the year	11.67	3.58
Closing balance	**24.55**	**12.88**
Effective portion of cash flow hedges		
Opening balance	85.34	(11.11)
Other comprehensive income for the year	(70.75)	96.45
Closing balance	**14.59**	**85.34**
Remeasurement of defined benefit plan		
Opening balance	(6.61)	(1.92)
Other comprehensive income for the year	(0.11)	(4.69)
Closing balance	**(6.72)**	**(6.61)**

Note 17 Long Term Borrowings

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans (Secured)		
Rupee term loan from bank	-	23.88
Foreign currency term loan from bank	151.37	171.50
Total	**151.37**	**195.37**

For Current Portion of Long Term Borrowings Refer Note 22

Information about the Group's exposure to liquidity risk, foreign currency and interest rate is included in Note 40

Rupee term loan and foreign currency loan from banks are secured as under:

a) Details of security

The rupee term loan from Kotak Mahindra Bank is secured by first charge on property located at Jharsuguda and Lapanga (Movable & Immovable Fixed Assets)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 17 Long Term Borrowings (Contd.)

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 Group 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 :

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 are of ₹ 7.50 crore each, next 2 installment are of ₹ 8.50 crore each, subsequent next 2 installment are of ₹ 10.00 crore each and last 4 installments are of ₹ 12.00 crore each. The interest is payable at 8.30% p.a.

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 are of ₹ 3.79 crore will be paid in June 2022, thereafter next 5 installment are of ₹ 5.69 crore each, next 1 installment is of ₹ 7.57 crore, next 5 installment are of ₹ 13.26 crore each, subsequent 2 installment are of ₹ 15.16 crore each and last 3 installments are of ₹ 18.95 crore each. The interest is payable at 3 months Libor + 1.70% on quarterly basis.

The Group does not have any continuing default as on the Balance Sheet date in respect of repayment of principle and interest.

c) Changes in liabilities arising from Financing Activities

(₹ crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Long term	Short term	Long term	Short term
Opening Balance				
Long Term borrowing	195.37	-	191.59	
Short term borrowing (Refer Note 22)	-	96.54	-	72.59
Current maturities of long term borrowing (Refer Note 22)	57.48	(57.48)	51.10	(51.10)
Total Opening Balance	**252.85**	**39.06**	**242.69**	**21.49**
Cash flow movements				
Proceeds/(repayments) from long term borrowings - net	(54.19)	-	4.44	-
Proceeds/(repayments) from short term borrowings - net	-	57.50	-	(21.49)
Total Cash flow movements	**(54.19)**	**57.50**	**4.44**	**(21.49)**
Foreign exchange adjustments	8.94	-	5.72	-
Total Foreign exchange adjustments	**8.94**	**-**	**5.72**	**-**
Closing Balance				
Long Term borrowing	151.37	-	195.37	-
Short term borrowing (Refer Note 22)	-	152.79	-	96.54
Current maturities of long term borrowing (Refer Note 22)	56.23	(56.23)	57.48	(57.48)
Total Closing Balance	**207.60**	**96.56**	**252.85**	**39.06**

Note 18 Derivative Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Derivatives contracts - Non Current	-	-
Derivatives contracts - Current	21.42	89.00
Total	**21.42**	**89.00**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 19 Non-Current Other Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits from dealers (Refer Note below)	5.09	3.13
Total	**5.09**	**3.13**

Note: Measured at amortised cost

Note 20 Long Term Provisions

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity - in respect of directors (Refer Note 38A)	2.75	2.55
Provision for gratuity - In respect of leave encashment	9.43	9.77
Total	**12.18**	**12.32**

Note 21 Deferred Tax Liabilities (net)

(a) Movement in deferred tax balances as at March 31, 2023

(₹ crore)

Particulars	Net opening balance	For the year ended March 31, 2023		As at March 31, 2023		
		Recognised in profit or loss	Recognised in OCI	Net closing balance	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(39.44)	1.15	-	(38.29)	-	(38.29)
Derivatives	(27.30)	0.20	23.79	(3.31)	-	(3.31)
Loans and borrowings	(0.37)	0.11	-	(0.26)	-	(0.26)
Employee benefits	4.39	1.24	0.04	5.67	5.67	-
Lease Expenses	0.26	0.14	-	0.40	0.40	-
Deferred income	0.14	(0.14)	-	0.00	0.00	-
Provisions	9.98	4.11	-	14.09	14.09	-
Deferred tax assets/ (liabilities)	**(52.34)**	**6.81**	**23.83**	**(21.70)**	**20.16**	**(41.86)**
Set off of deferred tax asset	-	-	-	-	-	**20.16**
Net deferred tax assets (liabilities)	-	-	-	-	-	**(21.70)**

(b) Movement in deferred tax balances as at March 31, 2022

(₹ crore)

Particulars	Net opening balance	For the year ended March 31, 2022		As at March 31, 2022		
		Recognised in profit or loss	Recognised in OCI	Net closing balance	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)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 21 Deferred Tax Liabilities (net) (Contd.)

(₹ crore)

Particulars	Net opening balance	For the year ended March 31, 2022		As at March 31, 2022		
		Recognised in profit or loss	Recognised in OCI	Net closing balance	Deferred tax asset	Deferred tax liability
Loans and borrowings	(0.48)	0.11	-	(0.37)	-	(0.37)
Employee benefits	2.97	(0.16)	1.58	4.39	4.39	-
Lease Expenses	0.44	(0.18)	-	0.26	0.26	-
Deferred income	0.10	0.04	-	0.14	0.14	-
Provisions	12.71	(2.73)	-	9.98	9.98	-
Deferred tax assets (liabilities)	**(20.19)**	**(1.29)**	**(30.86)**	**(52.34)**	**14.77**	**(67.11)**
Set off of deferred tax asset	-	-	-	-	-	14.77
Net deferred tax assets (liabilities)	-	-	-	-	-	**(52.34)**

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.

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 tax assets will be recovered.

Note 22 Short Term Borrowings

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Loans		
Current Portion of Long Term Borrowing (Refer Note below)		
(i) Foreign currency term loan	34.64	20.57
(ii) Rupee term loan	21.59	23.87
(iii) Foreign currency term loans from others	-	13.04
Unsecured Loans		
Buyer's credit facilities	72.04	-
From others (bills discounting with recourse)	24.52	39.06
Total	**152.79**	**96.54**

Note:

The Group does not have any continuing default as at the balance sheet date in repayment of loans and interest

Note 23 Trade Payable

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Acceptances	4,136.57	2,756.80
Due to micro and small Enterprises	84.90	20.01
Due to other than micro and small enterprises	985.10	1,306.60
Total	**5,206.57**	**4,083.41**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 23 Trade Payable (Contd.)

Note

There are no amounts due to associate companies.

Trade Payable ageing schedule

As at March 31, 2023

(₹ crore)

Particulars	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	84.90	-	-	-	-	84.90
ii) Others	4,489.54	595.42	25.10	7.17	4.44	5,121.67
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	**4,574.44**	**595.42**	**25.10**	**7.17**	**4.44**	**5,206.57**

As at March 31, 2022

(₹ crore)

Particulars	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	3,973.31	70.50	6.66	10.40	2.53	4,063.40
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	**3,993.32**	**70.50**	**6.66**	**10.40**	**2.53**	**4,083.41**

Note 24 Other Current Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due	54.10	21.38
Creditors for capital expenditure	13.96	6.87
Liability for share based payments	8.07	-
Unclaimed dividend (Refer Note below)	0.81	0.77
Deposit from dealers	0.13	1.13
Total	**77.07**	**30.15**

Note :-

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as on the reporting date.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 25 Other Current Non-Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Contract liability (Refer note 47 iv)	176.20	216.93
Statutory dues	12.28	7.12
Other payables	8.22	10.85
Salary, wages and others benefits payable to employees	12.31	8.57
Total	**209.01**	**243.47**

Note 26 Short Term Provisions

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity (Refer Note 38A)	2.43	4.78
Provision for leave benefits	1.83	1.59
Total	**4.26**	**6.37**

Note 27 Revenue from Operations

(₹ crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of goods	14,228.06	9,265.83
Sale of services	44.57	21.39
Other operating revenue		
Scrap sales	53.25	25.34
Export incentives	25.21	4.02
Others	1.06	-
Total	**14,352.15**	**9,316.57**

Note 28 Other Income

(₹ crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on financial assets measured at amortized cost	19.41	6.27
Gain on foreign exchange translations (net)	-	8.99
Profit on sale of property, plant & equipments (net)	-	0.22
Gain on sale of investments (net)	1.66	7.40
Bad debts written off in earlier years written back	5.14	-
Provisions no longer required written back	7.00	4.44
Miscellaneous incomes	4.26	5.17
Total	**37.47**	**32.49**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 29 Cost of Material Consumed

(₹ crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventory at the beginning of the year	1,152.74	925.23
Add : Purchases	11,046.50	7,641.73
	12,199.24	8,566.96
Less: Inventory at the end of the year	1,236.17	1,152.74
Foreign currency translation	10.89	4.10
Total	**10,973.96**	**7,418.32**

Note 30 Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress

(₹ crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the beginning of the year		
Finished goods	611.26	377.10
Work-in-progress	290.07	203.63
Traded goods	36.35	15.43
	937.68	**596.16**
Inventories at the end of the year		
Finished goods	831.16	611.26
Work-in-progress	410.69	290.07
Traded goods	32.66	36.35
	1,274.51	**937.68**
Foreign currency translation	2.17	0.31
Total	**(334.66)**	**(341.21)**

Note 31 Employee Benefit Expenses

(₹ crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages, bonus, etc.	188.20	151.24
Contribution to provident and other funds	8.65	7.18
Gratuity expense	2.55	1.93
Share based payments	8.07	-
Staff welfare expenses	13.03	12.14
Total	**220.50**	**172.49**

Note 32 Finance Costs

(₹ crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on borrowings	12.63	8.49
Interest on suppliers credit	159.32	56.17
Unwinding of lease liabilities	2.80	2.44
Other borrowing cost	82.09	43.90
Exchange differences regarded as an adjustment to borrowing costs	48.66	29.62
Total	**305.50**	**140.62**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 33 Other Expenses

(₹ crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spares	60.49	41.40
Packing materials	367.47	272.72
Storage charges	16.57	17.21
Power, electricity and fuel	127.04	89.98
Processing charges, fabrication and labour charges	276.71	173.92
Freight and forwarding charges	788.63	468.67
Statutory levies, duties and taxes	4.16	2.96
Insurance	21.59	13.40
Repairs and maintenance		
Plant and machinery	8.61	4.53
Buildings	2.78	2.28
Others	10.94	8.80
Advertising and sales promotion	11.29	4.51
Sales commission	188.24	72.88
Travelling and conveyance	28.89	15.17
Printing and stationery	1.84	1.45
Legal and professional fees	55.31	21.47
Loss on foreign exchange translations (net)	10.50	-
Directors' sitting fees	0.16	0.14
Commission to Directors	16.76	6.09
Lease rental (Refer note 48)	11.67	1.99
Expenditure on corporate social responsibility activities	4.53	3.93
Donations	0.07	0.01
Royalty	25.57	39.69
Bank charges and commission	38.61	30.12
Bad debts and advances written-off	30.33	52.40
Less: loss allowances utilised	(25.77)	(45.15)
Loss allowances for doubtful debts and advances	34.49	35.47
Loss on sale of property, plant and equipments (net)	1.51	-
Miscellaneous expenses	76.96	52.37
Total	**2,195.95**	**1,388.41**

Note 34 Earning Per Share

The calculation of basic and diluted earnings per share is based on profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to equity shareholders (₹ crore)	637.72	256.73
Weighted average number at end of the year	3,82,68,619	3,82,68,619
Earning per share (Basic & Diluted) (₹)	**166.64**	**67.09**
Face value per share (₹)	10.00	10.00

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 35 Tax Expenses

(a) Amounts recognised in profit and loss

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
In respect of current year	221.80	83.61
In respect of prior year	1.85	0.36
	223.65	83.97
Deferred tax		
In respect of current year origination or reversal of temporary difference	(6.81)	1.29
	(6.81)	1.29
Income Tax expense for the year	**216.84**	**85.27**

(b) Amounts recognised in other comprehensive income

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(0.15)	1.58
Items that will be reclassified to profit or loss		
The effective portion of gains / losses on hedging instruments in a cash flow hedge	23.79	(32.44)
Income tax expense for the year	**23.64**	**(30.86)**

(c) Reconciliation of effective tax rate

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before share of profit/(loss) of an associates and exceptional items	854.58	341.88
Enacted Income tax rate in India	25.168%	25.168%
Tax using the Group's domestic tax rate	215.08	86.04
Tax effect of:		
Non-deductible tax expenses	1.11	0.99
Deduction under chapter VIA	(0.03)	(0.24)
Employee benefits	-	1.90
Others	0.28	(0.44)
Non-taxable subsidiaries and effect of differential tax rates compared to local laws	(1.45)	(3.35)
Income tax recognised in respect of earlier years	1.85	0.36
Income Tax expense for the year	**216.84**	**85.27**

Note 36 Analysis of Financial Ratios

Particulars	As at March 31, 2023	As at March 31, 2022	Variances%	Formulae
Performance Ratios				
Net profit margin (%)	4.4%	2.8%	1.7%	Profit after tax X 100 / Revenue from operations

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 36 Analysis of Financial Ratios (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022	Variances%	Formulae
Net capital turnover ratio (times)	12.65	10.89	16.2%	(Revenue from operations) / (average working capital)
Return on capital employed (%)	33.8%	17.0%	16.8%	(Profit before interest on borrowings) / (Total equity + Long term borrowings + Short Term Borrowings +Deferred tax liability) * tax X 100
Return on equity ratio (%)	32.3%	16.5%	15.8%	(Profit after tax) / (Average equity)
Return on investment (%)	4.5%	14.5%	(10.0%)	(Gain from sale of investments + Interest income on bank deposits) * 100 / (Average investments + Fixed deposits)
Debt service coverage ratio (times)	11.03	9.65	14.3%	(Profit after tax + Interest on borrowings) / (Long term borrowing + short term borrowing +Lease payments)
Leverage Ratios				
Debt - Equity Ratio (times)	0.14	0.17	(20.1%)	(Long Term borrowing + short term borrowing) / Total equity
Liquidity Ratios				
Current Ratio (times)	1.22	1.22	0.6%	(Current Assets) / (Current Liabilities)
Activity Ratios				
Inventory Turnover ratio (times)	4.54	3.89	16.6%	(Cost of material consumed + changes in inventories + purchase of stock in trade) / (Average inventory)
Trade receivable turnover ratio (times)	4.98	4.22	17.8%	(Revenue from operations) / (Average Trade receivables)
Trade payable turnover ratio (times)	2.39	2.18	9.6%	(Purchases of materials and stock-in-trade + Other expenses) / Average Trade payables

Note 37 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 other comprehensive income	Amount ₹ Crore	As % of total comprehensive income	Amount ₹ Crore
Parent								
APAR Industries Limited	92.09%	2,059.50	94.50%	602.66	119.72%	(70.86)	91.92%	531.80
Subsidiaries								
Indian								-
APAR Transmission & Distribution Projects Private Limited	1.78%	39.70	4.30%	27.43	0.00%	-	4.74%	27.43
APAR Distribution and Logistics Private Limited	0.15%	3.43	0.30%	1.91	0.00%	-	0.33%	1.91
Foreign								
Petroleum Specialities Pte Limited	5.60%	125.14	0.05%	0.34	0.00%	-	0.06%	0.34
Petroleum Specialities FZE	4.97%	111.22	0.93%	5.94	0.00%	-	1.03%	5.94

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 37 Statement of Net Assets & Profit or Loss Attributable to Owners & Non Controlling Interest (Contd.)

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 other comprehensive income	Amount ₹ Crore	As % of total comprehensive income	Amount ₹ Crore
CEMA Wires & Cables Inc. (w.e.f. 26 April 2022) $	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non-controlling interests in all subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Associate (Investment accounted as per the equity method)								
Indian								
Ampoil APAR Lubricants Private Limited	0.05%	1.19	0.01%	(0.01)	0.00%	-	0.00%	(0.01)
Clean Max Rudra Private Limited (w.e.f. 08 August 2022)	0.65%	14.57	(0.01%)	(0.04)	0.00%	-	(0.01%)	(0.04)
Consolidation adjustments/ Eliminations	(5.29%)	(118.36)	(0.08%)	(0.51)	(19.72%)	11.67	1.93%	11.16
Total	**100.00%**	**2,236.39**	**100.00%**	**637.72**	**100.00%**	**(59.19)**	**100.00%**	**578.53**

$ Company yet to commence any operation

Note 38A 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 ₹ 2.1 crore (previous year ₹ 1.94 crore) for superannuation contribution and other retirement benefit contributions in the Consolidated statement of profit and loss.

The Group recognised ₹ 6.56 crore (previous year ₹ 5.24 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, 2023. The Group has recognised ₹ 1.27 crore (previous year ₹ 3.44 crore) for leave encashment liability in the Consolidated Statement of Profit and Loss.

As at 31 March 2023, actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out. 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 Group's consolidated financial statements as at reporting date:

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 38A Employee Benefits (Contd.)

Movement in net defined benefit (asset) liability

(₹ crore)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Defined benefit obligation at beginning of the year	25.37	18.16
Current service cost	2.11	1.49
Interest cost	1.75	1.28
Re-measurement or Actuarial (gain) / loss arising from:		
Demographic assumptions	-	0.95
Financial assumptions	(0.78)	4.54
Experience adjustment	0.41	0.85
Benefits paid	(2.32)	(1.97)
Liability transferred in /Acquisitions	-	0.05
Defined benefit obligation at end of the year	**26.54**	**25.37**

Table showing change in fair value of plan assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at beginning of the year	19.45	18.16
Interest income	1.34	1.28
Return on plan assets, excluding interest income	(0.52)	0.06
Employer Contribution	5.55	1.92
Benefit paid	(2.32)	(1.97)
Fair value of plan assets at year end	**23.50**	**19.45**
Actual return on plan assets	0.82	1.34
Expected contribution for next year	4.72	3.82

Expense recognised during the year

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Gratuity	Gratuity
Included in consolidated statement of profit and Loss		
Current service cost	2.11	1.49
Interest cost	1.75	1.28
Net actuarial (gain) / loss		
Return on plan assets,excluding acturial gain or loss	(1.34)	(1.28)
	2.52	**1.49**
Included in OCI		
Re-measurement or Actuarial (gain) / loss arising from:		
Demographic assumptions	-	0.95
Financial assumptions	(0.78)	4.54
Experience adjustment	0.41	0.85
Return on plan assets, excluding interest income	0.52	(0.06)
	0.15	**6.28**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 38A Employee Benefits (Contd.)

Net asset / (liability) recognised in the consolidated balance sheet

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets	23.50	19.45
Present value of defined benefit obligation	(26.54)	(25.37)
Amount recognised in consolidated balance sheet *	**(3.04)**	**(5.92)**

Balance sheet Reconciliation

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Net Liability	5.85	-
Expenses recognised consolidated statement of profit & loss	2.52	1.49
Expenses recognised in Other comprehensive income	0.15	6.28
Employer Contribution	(5.55)	(1.92)
Closing Net Liability	**2.97**	**5.85**

i) Actuarial assumptions

In arriving at the valuation for gratuity & leave benefit following assumptions were used:

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Mortality Table (LIC)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Retirement Age	60 years	60 years
Employee Turnover rate*	4.80% p.a. to 11.60%	4.80% p.a. to 11.60%
Discount Rate	6.90%	6.90%
Expected rate of return on plan assets (per annum)	6.90%	6.90%
Rate of escalation in salary (per annum)*	6.90% p.a. to 10.00% p.a.	6.90% p.a. to 10.00% p.a.

*Range is pertaining to different divisions of the Group for Employee Turnover rate and rate of escalation in salary.

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	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.40)	1.57	(1.49)	1.67
Future salary growth (1% movement)	1.54	(1.40)	1.63	(1.49)
Employee Turnover (1% movement)	(0.10)	0.09	(0.15)	0.14

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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 38A Employee Benefits (Contd.)

These plan typically exposes The Group to actuarial risks such as salary risk, investment risk, interest yield risk, logentivity risk etc.

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 financial statements as at balance sheet date:

Maturity analysis of the benefit payments: from the fund

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Projected benefits payable in future years from the date of reporting		
1st following year	3.50	2.07
2nd following year	2.06	2.10
3rd following year	3.07	2.16
4th following year	3.20	2.60
5th following year	3.83	2.93
From 6 to 10 years	12.53	15.21
From 11 years and above	16.64	15.96

Insurers funds

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Insurance funds	1.22	1.14
Mutual funds	18.87	18.13
Cash and cash equivalents	3.41	0.18
Fair value of plan assets	**23.50**	**19.45**

Note 38 B Share Based Payments

The disclosures pertaining to cash-settled share-based payment arrangments in the year are as below:

(₹ crore)

Particulars	As at March 31, 2023
Employees covered	Select senior management
Date of Grant of Share appreciation right (SAR)	26th April, 2022
Number of SAR	60,000
Vesting period	1/3rd at the end of year 1 1/3rd at the end of year 2 1/3rd at the end of year 3

Note 39 Fair Value of Financial Instruments

A. Hierarchy of fair value of financial instruments

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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 39 Fair Value of Financial Instruments (Contd.)

As at March 31, 2023

(₹ crore)

Particulars	Note No.	Carrying Amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Total
Financial assets								
Current Investments								
- Non-current	3	-	-	4.18	4.18			
- Current	9	50.10	-	-	50.10	50.10	-	50.10
Loans								
- Non-current	4	-	-	2.51	2.51			
- Current	13	-	-	5.20	5.20			
Trade Receivables								
- Non-current	10	-	-	27.51	27.51			
- Current	10	-	-	3,198.07	3,198.07			
Cash and Cash Equivalents	11	-	-	498.81	498.81			
Other Bank Balances	12	-	-	31.29	31.29			
Other financial assets								
- Non-current	6	-	-	10.81	10.81			
- Current	14	-	-	47.61	47.61			
Derivatives								
- Non-current	5	-	-	-	-	-	-	-
- Current	5	0.05	34.48	-	34.53	-	34.53	34.53
Total financial assets		**50.15**	**34.48**	**3,825.99**	**3,910.62**	**50.10**	**34.53**	**84.63**
Financial liabilities								
Borrowings								-
- Non-current	17	-	-	151.37	151.37			
- Current	22	-	-	152.79	152.79			
Lease liabilities								
- Non-current		-	-	63.70	63.70			
- Current		-	-	8.37	8.37			
Other financial liabilities								
- Non-current	19	-	-	5.09	5.09			
- Current	24	-	-	77.07	77.07			
Derivatives								
- Non-current	18	-	-	-	-			-
- Current	18	4.80	16.62	-	21.42	-	21.42	21.42
Trade Payables	23	-	-	5,206.57	5,206.57			-
Total financial liabilities		**4.80**	**16.62**	**5,664.96**	**5,686.38**	**-**	**21.42**	**21.42**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 39 Fair Value of Financial Instruments (Contd.)

As at March 31, 2022

(₹ crore)

Particulars	Note No.	Carrying Amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Total
Financial assets								
Current Investments								
- Non Current	3	-	-	0.52	0.52			
Current Investments	9	30.00	-	-	30.00	30.00	-	30.00
Loans & advances								
- Non-current	4	-	-	0.83	0.83			
- Current	13	-	-	7.40	7.40			
Trade Receivables					-			
- Non-current	10	-	-	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	-	-	13.25	13.25			
Other financial assets								
- Non-current	6	-	-	14.91	14.91			
- Current	14	-	-	22.81	22.81			
Derivatives								
- Non-current	5	-	42.80	-	42.80	-	42.80	42.80
- Current	5	0.39	160.68	-	161.07	-	161.07	161.07
Total financial assets		**30.39**	**203.48**	**2,855.31**	**3,089.17**	**30.00**	**203.87**	**233.87**
Financial liabilities								
Borrowings								
- Non-current	17	-	-	195.37	195.37			-
- Current	22	-	-	96.54	96.54			
Liabilities								
- 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
Trade Payables	23	-	-	4,083.41	4,083.41			
Total financial liabilities		**89.00**	**-**	**4,408.60**	**4,564.88**	**-**	**89.00**	**89.00**

Notes:

i) The fair value for financial instruments which are measured at amortised cost (e.g. trade receivables, cash and cash equivalents, trade payables etc.) has fair value which is reasonably approximate to its carrying value. Fair values for those financial assets and finacial liabilities have not been disclosed in the above table.

ii) There are no financial instruments which are measured using level 3 valuation technique.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 39 Fair Value of Financial Instruments (Contd.)

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	Net asset value quoted by mututal funds
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 40 Financial Instruments

The Group has exposure to the following risks arising from financial instruments:

(A) Credit risk ;

(B) Liquidity risk ; and

(C) 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 has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports to the board of directors on its activities. The Group's risk management policies 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.

(A) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument defaults to meet its contractual obligations. It arises principally from amounts receivables from customers and loans and advances. The Group's export receivables are covered under ECGC credit insurance policy. The Group also takes credit insurance for its domestic receivables. The carrying amount of following financial assets represents the maximum credit exposure:

At March 31, the maximum exposure (age wise) to credit risk for trade and other receivables is as follows:

Trade receivables

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Neither past due nor impaired	2,517.54	2,044.90
past due less than 6 months	556.11	358.48
past due 6 months - 1 year	76.71	48.80
past due 1 - 2 years	23.64	68.65

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 40 Financial Instruments (Contd.)

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
past due 2 - 3 years	65.15	26.51
past due more than 3 years	32.58	33.82
Total	**3,271.73**	**2,581.16**
Less: Loss allowance	46.15	38.74
Net Total	**3,225.58**	**2,542.42**

Short term loans

At March 31, the maximum exposure (age wise) to credit risk for short term loans and advances is as follows:

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Neither past due nor impaired	7.71	8.23
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	-	-
Total	**7.71**	**8.23**

Management believes that the unimpaired amounts which are past due are fully recoverable / receivable.

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 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

The Group 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

Particulars	Oil Division	Cable Division	Conductor Division
past due less than 6 months	0.0%	2.0%	0.0%
past due 6 months - 1 year	0.0%	0.0%	0.0%
past due 1 - 2 years	6.5%	8.8%	0.0%
past due 2 - 5 years	6.5%	8.8%	0.0%
past due more than 5 years	6.5%	8.8%	0.0%

Expected credit loss is worked out on the trade receivables for which no specific provision is made

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 40 Financial Instruments (Contd.)

Provision matrix for delay in receipts

Particulars	Oil Division	Cable Division	Conductor Division
past due less than 6 months	15.3%	23.3%	24.9%
past due 6 months - 1 year	64.4%	69.6%	72.8%
past due 1 - 2 years	83.5%	93.8%	93.6%
past due 2 - 5 years	83.5%	93.8%	93.6%
past due more than 5 years	83.5%	93.8%	93.6%

Movement in loss allowances for expected credit loss

(₹ crore)

Particulars	Trade and other receivables	Short term loans and advances
Balance as on 1 April 2021	48.42	-
Amounts provided	35.47	-
Amount written back / utilised	(45.15)	-
Balance as on 31 March 2022	38.74	-
Amounts provided	34.49	-
Amount written back / utilised	(25.77)	-
Foreign currency translation reserve	0.08	
Balance as on 31 March 2023	**47.54**	-

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 Group holds cash and cash equivalents of ₹ 498.81 Crore (Previous Year ₹ 253.16 Crore). The cash and cash equivalents are held with the bank and financial institutions having good credit ratings.

Derivatives

Derivatives are entered with counterparties who have good credit ratings.

(B) 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 affecting to the Group'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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 40 Financial Instruments (Contd.)

As at March 31, 2023

(₹ crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	207.60	207.60	56.23	57.51	93.86	-
Other short term borrowings	96.56	96.56	96.56	-	-	-
Trade and other payables	5,206.57	5,206.57	5,206.57	-	-	-
Other current financial liabilities	77.07	77.07	77.07	-	-	-
Lease liabilities	72.07	72.07	8.37	8.59	16.99	38.12
Derivative financial liabilities						
Forward exchange contracts/ Futures used for hedging/ Natural hedging						
- Outflow	21.42	21.42	21.42	-	-	-

As at March 31, 2022

(₹ crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	252.85	252.85	57.48	55.81	139.56	-
Other short term borrowings	39.06	39.06	39.06	-	-	-
Trade and other payables	4,083.41	4,083.41	4,083.41	-	-	-
Other current financial liabilities	30.15	30.15	30.15	-	-	-
Lease liabilities	67.28	67.28	6.35	7.27	18.62	35.04
Derivative financial liabilities						
Forward exchange contracts/ Futures used for hedging/ Natural hedging						
- Outflow	89.00	89.00	89.00	-	-	-

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 ₹ 5.09 crores (Previous year ₹ 3.13 crores) has not been included above as the amount cannot be ascertained on reporting date.

(C) 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, payables and long term debt.

The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of Group's investments. Thus, Group's 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 40 Financial Instruments (Contd.)

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 require 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.

The Group does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summarised quantitative data about the group's exposure to currency risk as reported to the management of The Group is as follows.

(₹ crore)

Particulars	Currency	Trade Receivables	Cash and Cash Equivalent	Borrowings	Trade Payable	Net Exposure Receivable/ (Payable)
As at March 31, 2023	USD	20.65	3.32	(3.27)	(18.06)	2.65
As at March 31, 2022		13.64	0.89	(2.72)	(19.05)	(7.24)
As at March 31, 2023	EUR	1.13	0.04	-	(0.03)	1.14
As at March 31, 2022		0.54	0.01	-	(0.04)	0.51
As at March 31, 2023	CAD	0.17	0.00	-	-	0.17
As at March 31, 2022		0.10	0.00	-	-	0.10
As at March 31, 2023	ETB	-	0.97	-	-	0.97
As at March 31, 2022		-	0.97	-		0.97
As at March 31, 2023	NPR	-	0.13	-	-	0.13
As at March 31, 2022		-	0.23	-	-	0.23
As at March 31, 2023	KES	-	0.04	-	-	0.04
As at March 31, 2022			0.04			0.04
As at March 31, 2023	EGP	-	0.01	-	-	0.01
As at March 31, 2022		-	0.01	-	-	0.01

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee ₹ against all other currencies by 100 basis points 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. Sensitivity analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ crore)

Particulars	Currency appreciation / (depreciation) against ₹ by 100 basis points	As at March 31, 2023			As at March 31, 2022		
		Average Exchange Rate	Year end spot Rate	Effect on Profit / (Loss)	Average Exchange Rate	Year end spot Rate	Effect on Profit / (Loss)
US Dollars (USD)	1%	78.98	82.17	2.17	74.51	75.79	(5.49)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 40 Financial Instruments (Contd.)

(₹ crore)

Particulars	Currency appreciation / (depreciation) against ₹ by 100 basis points	As at March 31, 2023			As at March 31, 2022		
		Average Exchange Rate	Year end spot Rate	Effect on Profit / (Loss)	Average Exchange Rate	Year end spot Rate	Effect on Profit / (Loss)
Euro (EURO)	1%	86.83	89.44	1.02	86.58	84.22	0.43
Canadian Dollars (CAD)	1%	60.58	60.67	0.10	59.44	60.49	0.06
Ethiopian Birr (ETB)	1%	1.77	1.53	0.01	1.60	1.47	0.01
Nepalese Rupee (NPR)	1%	0.63	0.63	* 0.00	0.63	0.63	* 0.00
Kenyan Shilling (KES)	1%	0.64	0.62	* 0.00	0.67	0.66	* 0.00
Egyptian Pound (EGP)	1%	3.41	2.67	* 0.00	4.68	4.15	* 0.00

* denotes amounts less than ₹ 50,000

Strenghtening of foreign currency as against ₹ will reduce the net profit while weakning of foreign cyrrency as agaisnst ₹ will increase net profit. Sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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 Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

(₹ crore)

Particulars	Nominal amount	
	As at March 31, 2023	As at March 31, 2022
Fixed rate instruments	1,722.48	960.76
Floating-rate instruments*	1,795.42	1,883.81
Total	**3,517.90**	**2,844.57**

**Floating rate intruments include foreign letter of credit*

Cash flow sensitivity analysis for floating-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	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Increase in 100 basis points	Decrease in 100 basis points	Increase in 100 basis points	Decrease in 100 basis points
Floating-rate instruments	(17.95)	17.95	(18.84)	18.84
Cash flow sensitivity (net)	**(17.95)**	**17.95**	**(18.84)**	**18.84**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 41 Hedge Accounting

The objective of hedge accounting is to represent, in the Group's 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 sales. The Group uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as fair value hedges. Groups'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 to mitigate the impact of fluctuations in the aluminium/copper/zinc prices on highly forecast purchase transactions. The Group uses future contracts to hedge its commodity risk. Such contracts are generally designated as cash flow hedges. 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 Grooup 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 41 Hedge Accounting (Contd.)

The tables below provide details of the derivatives that have been designated as hedges for the periods presented

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	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.	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 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 41 Hedge Accounting (Contd.)

As at March 31, 2023

(₹ crore)

	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	Balance in cash flow hedge reserve*	Balance in cash flow hedge reserve**
Foreign exchange forward contracts	829.32	0.56	1.44	1.28	2.96	NA	NA	(1.68)	COGS	2.96	NA
Commodity contracts	678.57	33.92	15.41	(141.02)	(97.53)	NA	NA	(43.49)	COGS	(97.53)	NA
Foreign currency denominated purchases	110.18	-	0.12	0.03	0.03	NA	NA	-	Sales	0.03	NA

As at March 31, 2022

(₹ crore)

	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	Balance in cash flow hedge reserve*	Balance in cash flow hedge reserve**
Foreign exchange forward contracts	600.38	0.39	0.75	(1.80)	(0.63)	NA	NA	2.05	COGS	(0.63)	NA
Commodity contracts	30.94	203.48	87.43	120.70	130.19	NA	NA	8.59	COGS	130.19	NA
Foreign currency denominated purchases	133.77	-	0.82	(1.50)	(0.66)	NA	NA	0.84	Sales	(0.66)	NA

* where hedge accounting is continued

** where hedge accounting is discontinued

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting

(₹ crore)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance	(114.04)	14.84
Effective portion of changes in fair value:		
a) Commodity price risk	141.02	(120.70)
b) Foreign currency risk	(1.28)	1.80
c) Forecasted Export Sales	(0.03)	1.50
Net amount reclassified to profit or loss:		
a) Commodity price risk	(43.49)	(8.59)
b) Foreign currency risk	(1.68)	(2.05)
c) Forecasted Export Sales	-	(0.84)
Closing balance	**(19.50)**	**(114.04)**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 42 Capital Management

For the purpose of the Group's capital management, capital includes issued capital and other reserves forming part of other equity except cash flow hedge reserve. The primary objective of the Group's capital m anagement 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 / (cash) to adjusted equity ratio. For this purpose, adjusted net debt / (cash) is defined as total debt less cash and cash equivalents. Adjusted equity is defined as total equity less cash flow hedge reserve.

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	304.16	291.91
Less : Cash and cash equivalent	498.81	253.16
Adjusted net (cash) / debt	**(194.65)**	**38.75**
Total equity	2,236.39	1,715.23
Less : Cash flow hedge reserve	14.59	85.34
Adjusted equity	**2,221.80**	**1,629.89**
Adjusted net (cash) / debt to adjusted equity ratio	**(8.76%)**	**2.38%**

Note 43 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

- Conductor
- Transformer & Specialities Oils
- Power/Telecom Cables
- Others

(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. Segment liabilities includes all operating liabilities used by the operating segments. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable corporate assets/ liabilities.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 43 Segment Reporting (Contd.)

B. Information about reportable segments

For the year ended March 31, 2023

(₹ crore)

Particulars	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total Reportable segments	Others	Elimination	Total
External revenues (Gross)	6,425.84	4,613.75	3,205.65	14,245.24	106.91	-	14,352.15
Intersegment revenue	587.21	42.94	57.80	687.95	0.36	(688.31)	-
Segment revenue	**7,013.05**	**4,656.69**	**3,263.45**	**14,933.19**	**107.27**	**(688.31)**	**14,352.15**
Segment profit / (loss) before finance cost & tax expenses	**682.49**	**225.08**	**316.81**	**1,224.38**	**6.78**	-	**1,231.16**
Less : finance cost							305.50
Less : other unallocated expenditure net of unallocable income							71.08
Less : share in net loss of associates	-	0.02	-	-	-	-	0.02
Profit before tax							**854.56**
Tax expenses							216.84
Profit after tax							**637.72**
Capital Employed							
Segment assets	4,011.43	2,376.39	1,988.18	8,376.00	48.45	(346.55)	8,077.89
Unallocable corporate assets							139.76
Total Asset	**4,011.43**	**2,376.39**	**1,988.18**	**8,376.00**	**48.45**	**(346.55)**	**8,217.65**
Segment liabilities	2,953.22	1,577.63	1,377.22	5,908.07	14.89	(346.55)	5,576.41
Unallocable corporate liabilities							79.01
Total Liabilities	**2,953.22**	**1,577.63**	**1,377.22**	**5,908.07**	**14.89**	**(346.55)**	**5,655.42**
Segment capital expenditure	89.74	22.68	129.24	241.66	3.98	-	245.64
Unallocable capital expenditure							2.19
Segment depreciation and amortisation expense	24.69	38.18	34.19	97.05	1.03		98.09
Unallocable depreciation and amortisation				-		-	6.25

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 43 Segment Reporting (Contd.)

For the year ended March 31, 2022

(₹ crore)

Particulars	Reportable segments						
	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total Reportable segments	Others	Elimination	Total
External revenues (Gross)	3,774.74	3,507.19	1,961.74	9,243.67	72.90		9,316.57
Intersegment revenue	425.69	37.00	32.00	494.69	0.11	(494.80)	-
Segment revenue	**4,200.43**	**3,544.19**	**1,993.74**	**9,738.36**	**73.01**	**(494.80)**	**9,316.57**
Segment profit/ (loss) before finance cost & tax expenses	**162.75**	**267.58**	**79.79**	**510.12**	**4.48**	-	**514.60**
Less :- finance cost							140.62
Less:- other unallocated expenditure net of unallocable income							32.10
Add: - share in net profit of associate	-	0.12	-	-	-	-	0.12
Profit before tax							**342.00**
Tax expenses							85.27
Profit after tax							**256.73**
Capital Employed							
Segment assets	3,240.93	1,824.22	1,614.82	6,679.97	38.29	(224.09)	6,494.17
Unallocable corporate and other assets							113.35
Total Segment Asset	**3,240.93**	**1,824.22**	**1,614.82**	**6,679.97**	**38.29**	**(224.09)**	**6,607.52**
Segment liabilities	2,520.17	1,169.76	1,033.58	4,723.51	8.05	(224.09)	4,507.47
Unallocable corporate and other liabilities (Refer note 1)							40.57
Total Segment Liabilities	**2,520.17**	**1,169.76**	**1,033.58**	**4,723.51**	**8.05**	**(224.09)**	**4,548.04**
Segment capital expenditure	23.47	33.98	65.37	122.82	2.41	-	125.23
Unallocable capital expenditure							5.24
Segment depreciation and amortisation expense	36.02	23.02	31.46	90.50	0.96	-	91.46
Unallocable depreciation and amortisation							6.38

C. Information about geographical areas

a) Revenue from external customers

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- Within India*	7,418.08	5,708.62
- Outside India	6,934.07	3,607.95
	14,352.15	**9,316.57**

* include deemed exports ₹ 14.25 crore (Previous year ₹ 77.52 crore)

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 43 Segment Reporting (Contd.)

b) Revenue from external customers outside India currency wise

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
USD (US Dollar)	6,601.26	3,291.05
EUR (EURO)	246.20	180.89
GBP (British Pound)	-	0.75
CAD (Canadian Dollar)	50.57	5.08
SGD (Singapore Dollar)	-	0.08
AUD (Australian Dollar)	-	3.16
NPR (Nepalese Rupee)	-	0.24
INR	36.04	126.70
Total	**6,934.07**	**3,607.95**

c) Segment assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
- Within India	7,644.47	6,116.40
- Outside India	573.18	491.12
	8,217.65	**6,607.52**

d) Segment assets outside India currency wise

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
USD (US Dollar)	573.18	491.12
Total	**573.18**	**491.12**

(e) 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 44 Related Party

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. List of Related Parties with whome company had transaction or balances during the year are as follows

a) Associate Company:

Ampoil APAR Lubricants Private Limited

Clean Max Rudra Private Limited (w.e.f. August 08, 2022)

b) 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)

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 44 Related Party (Contd.)

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 (upto November 03, 2022)

Mr. Rajesh Sehgal

Mr. Kaushal Sampat

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 Investment (Singapore) Pte. Ltd

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 (upto November 03, 2022)

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) Associate company:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Sale of finished goods/ Raw materials / traded goods	-	0.52

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2023	As at March 31, 2022
1.	Investment made	4.18	0.52
2.	Receivable from associate company for supply of raw material & finished goods	0.02	0.24

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 44 Related Party (Contd.)

(ii) Key managerial personnel :

Transactions for the year

(₹ crore)

Sr No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1.	Remuneration	23.11	12.33
2.	Dividends paid (payment basis)	27.83	17.56
3.	Sitting fees	0.16	0.14

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Commission payable	16.76	6.09

(iii) Relatives of Key Managerial Personnel:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1.	Dividends paid (payment basis)	0.21	0.13
2.	Salary paid	0.25	0.10

(iv) Entities controlled by key management personnel/individuals having significant influence:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Rent paid	1.79	1.32
2	Dividends paid (payment basis)	6.77	4.29
3	Sale of finished goods/ Raw materials / traded goods/services	0.93	0.05
4	Interest on loan	0.28	0.33
5	Purchase of finished goods/ Raw materials / traded goods/services	0.02	0.30
6	Corporate social responsibility expenses	3.28	3.38

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 44 Related Party (Contd.)

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Receivable for supply of finished goods / services / reimbursements	0.92	0.48
2	Payable for supply of finished goods / services / reimbursements	-	0.03
3	Security deposit given	0.76	0.76
4	Commitments	6.01	7.76
5	Other Receivable	0.09	-
6	Borrowing	-	13.04

C. Compensation of key management personnel

(₹ crore)

Sr No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Short-term employment benefits	22.73	12.01
2	Post Employment benefis	0.20	0.20
3	Other Long term employee benefits	0.18	0.12
		23.11	**12.33**

Note 45 Contingent Liabilities

A) Contingent liabilities not provided for:

(₹ crore)

Sr No.	Particulars	As at March 31, 2023	As at March 31, 2022
a.	**Claims against the Group not acknowledged as debts (Refer Note 1)**		
	i) Demand/ Show cause-cum-demand notices received and contested by the Group with the relevant appellate authorities:		
	Excise duty	8.26	7.08
	GST	-	15.39
	Customs duty	2.08	2.40
	Sales tax	12.06	12.99
	Income tax	20.28	10.74
	ii) Arbitration award regarding dispute of alleged contractual non-performance by the Group, against which the Group is in appeal before Bombay High Court.	13.84	15.00
	iii) Labour matters	0.05	0.05
	iv) Others	7.33	17.13
b)	**Corporate Guarantees (Refer Note 2)**		
	i) Letter of gurantee given by the Group	-	4.65

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 45 Contingent Liabilities (Contd.)

B) Capital commitments

(₹ crore)

Sr No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	139.78	41.86

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 (iv) mentioned in A - Contingent Liabilities, pending resolution of the arbitration/appellate 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.

Note 46 Expenditure on Research and Development

(A) R & D Center-OIL (Rabale - DSIR Recognised)

(₹ crore)

Sr No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Salary, wages and other benefits	2.27	2.37
	Consumables and Other expenses	0.13	0.14
	Sub-total	**2.40**	**2.51**
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	-	-
	Sub-total	**-**	**-**
	Total	**2.40**	**2.51**

(B) R & D Center-Conductor (Silvassa)

(₹ crore)

Sr No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Salary, wages and other benefits	-	-
	Consumables and other expenses	7.25	0.86
	Sub-total	**7.25**	**0.86**
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	0.36	0.54
	Sub-total	**0.36**	**0.54**
	Total	**7.61**	**1.40**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 46 Expenditure on Research and Development (Contd.)

(C) R & D Center-Cable (Khatalwad)

(₹ crore)

Sr No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Salary, wages and other benefits	0.26	0.28
	Consumables and other expenses	2.78	3.77
	Sub-total	**3.04**	**4.05**
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	-	-
	Sub-total	**-**	**-**
	Total	**3.04**	**4.05**
	Grand Total (A+B+C)	**13.05**	**7.97**

Note 47 Ind AS 115 Revenue from Contract with customer

i Revenue from contracts with customers

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue recognised at point in time	14,281.31	9,291.17
Revenue recognised over time	44.57	21.39
Total revenue from contracts with customers	**14,325.88**	**9,312.55**
Other operating revenue	26.27	4.02
Total revenue from operation	**14,352.15**	**9,316.57**

ii Disaggregated revenue

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 consolidated statement of profit & loss and is measured consistently with consolidated statement of profit & loss in the 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.

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Within India (including deemed exports)	7,418.08	5,708.62
Outside India	6,934.07	3,607.95
Total	**14,352.15**	**9,316.57**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 47 Ind AS 115 Revenue from Contract with Customer (Contd.)

iii Sales by performance obligation

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Upon shipment	14,281.31	9,291.17
Upon providing of services	44.57	21.39
Total	**14,325.88**	**9,312.55**

iv Contract assets and liabilities

A) Contract Assets

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	8.77	0.73
Add: Addition during the year	31.16	8.77
	39.93	9.50
Less: Trasferred to receivable	2.67	0.73
Balance as at the end of the year	**37.26**	**8.77**

B) Contract liabilities

(₹ crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers		
Balance as at the beginning of the year	216.93	106.39
Add: Addition during the year	462.47	311.76
	679.40	418.14
Less: Revenue recognised during the year	503.20	201.21
Balance as at the end of the year	**176.20**	**216.93**

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.

Note 48 Ind AS 116 Leases

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Right to use Assets		
Additions during the year	8.41	15.76
Deletions during the year	-	(6.29)
Amortisation for the year	8.95	7.72

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 48 Ind AS 116 Leases (Contd.)

(₹ crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Carrying value at the end of the year	64.95	62.26
Maturity analysis of lease liabilities		
Less than 1 year	8.37	6.35
1 - 2 years	8.59	7.27
2 - 5 years	16.99	18.62
More than 5 years	38.12	35.04
Total lease liabilities at the year end	**72.07**	**67.28**
Recognised into statement of Financial Position		
Non Current	63.70	60.93
Current	8.37	6.35
Amount recognised into consolidated statement of profit & Loss		
Amortisation of Right to use assets	8.95	7.72
Unwinding of lease liabilities	2.80	2.44
Expenses relating to Short term leases & low value leases	11.67	1.99
Amount recognised into consolidated cash flows		
Total cash outflows of lease payments (including short term leases & low value leases	21.70	7.58

Note 49 Master Netting Arrangement

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, 2023 and March 31, 2022.

As at March 31, 2023

(₹ crore)

Particulars	Effects of offsetting on the balance sheet		
	Amounts of financial instruments recognised in the consolidated balance sheet	Related amounts that are not off set	Net amounts after set off
Financial assets			
Derivative instruments			
Forward contracts	34.53	(10.55)	45.08
Total	**34.53**	**(10.55)**	**45.08**
Financial liabilities			
Derivative instruments			
Forward contracts	21.42	(10.55)	31.97
Total	**21.42**	**(10.55)**	**31.97**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 49 Master Netting Arrangement (Contd.)

As at March 31, 2022

(₹ crore)

Particulars	Effects of offsetting on the balance sheet		
	Amounts of financial instruments recognised in the consolidated balance sheet	Related amounts that are not off set	Net amounts after set off
Financial assets			
Derivative instruments			
Forward contracts	203.87	86.90	116.97
Total	**203.87**	**86.90**	**116.97**
Financial liabilities			
Derivative instruments			
Forward contracts	89.00	86.90	2.10
Total	**89.00**	**86.90**	**2.10**

The 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 balance sheet. This is because the Group does not have currently legally enforceable right to offset recognized amounts, because the right to offset is enforceable only on default.

Note 50 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 has not traded or invested in Crypto currency or Virtual Currency during the period/year.

(v) The Group has not advanced or loaned or invested funds to any other person / persons or entity / entities, 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 Group (Ultimate Beneficiaries) or

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 50 Additional Disclosures (Contd.)

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Group has not received any funds from any person / persons or entity / entities, 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 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 wilful defaulter by any bank or financial institution or other lender.

ix) During the year Group has not entered into any scheme of arrangement.

As per our report of even date attached
CNK & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No 037391

For and on behalf of the Board of Directors

Kushal N Desai
Chairman & Managing Director
& Chief Executive Officer
DIN : 00008084

Nina Kapasi
Independent Director
DIN : 02856816

Ramesh Iyer
Chief Financial Officer

Sanjaya R. Kunder
Company Secretary

Place: Mumbai
Date: 08th May, 2023

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.

Tomorrow's solutions today

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