

ESG Report

FY 2023-24

About the Report

ESG Report
FY 2023-24

Reporting principle

APAR has prepared its greenhouse gas (GHG) data on the principles of ISO 14064-1, World Resource Institute (WRI) GHG Protocol, Emissions factors from the Intergovernmental Panel on Climate Change's (IPCC) fourth & fifth Assessment Reports, The UK Department for Environment, Food and Rural Affairs (Defra), Central Electricity Authority, Govt. of India, and Dubai Electricity and Water Electricity (DEWA), Govt. of Dubai.

The financial and statutory details disclosed in this report are in line with the requirements of the Companies Act, 2013 (including the rules made thereunder); Indian Accounting Standards; the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and the Secretarial Standards issued by the Institute of Company Secretaries of India.

The Report is also aligned with the United Nations Sustainability Development Goals (UN SDGs).

To better serve our investors, customers, communities, people and other stakeholders and to help them make informed decisions, we have developed this ESG (Environmental, Social and Governance) report around six Capitals in a modular, uniform and consistent manner.

Reporting period

The information provided in the Report is for the period 1st April 2023 to 31st March 2024.

Operational control

Our organizational boundary covers all our manufacturing plants, offices, warehouses, and all such emissions sources under our operational control. It includes our manufacturing plants in India at (1) Gujarat: Khatalwada & Umbergam (2) Maharashtra: Rabale (3) Orissa: Jharsuguda & Sambalpur (4) Dadra and Nagar Haveli: Silvassa & Athola; and our manufacturing plant in UAE at (5) Sharjah: Hamriyah.

Operational boundary

Operational boundary consists of Scope-1, Scope-2 & Scope-3 GHG emissions.

Scope-1: Direct emissions come from sources that the APAR owns or controls. It includes emissions due to use of Diesel, Furnace Oil, LPG, PNG & Refrigerant etc. Diesel is mainly used in the forklift for material handling, for DG sets, and for company owned vehicles. Refrigeration gases are used for the air conditioning purpose.

Scope-2: APAR is using the location-based method for Scope-2 emissions computation. It includes greenhouse gas emissions due to purchase of grid electricity.

Scope-3: It includes indirect emissions from sources not owned or controlled by APAR and outside the operational boundary of APAR. We have calculated scope-3 emissions from six categories which are material to us, for the reporting period. Scope-3 emissions are not shown as part of our carbon footprint and are reported separately.

Independent assurance

DNV Business Assurance India Private Limited ('DNV') has carried out the verification of APAR's GHG emissions data for Scope-1, Scope-2 and Scope-3 (Category-1) emissions, as per their verification methodology VeriSustain, which provides a limited level of verification of selected GHG emissions data while applying a $\pm 5\%$ materiality threshold for errors and omissions.

The financial numbers are taken from our Annual Report, which is audited by the statutory auditor M/s. CNK & Associates LLP, Chartered Accountants. The annual report is available at the url: <https://apar.com/investor/>

FY 2023-24 highlights



Revenue from Operations	16,153	Rs. Cr
EBITDA	1,632	Rs. Cr
Profit After Tax (PAT)	825	Rs. Cr



Export Business	7,301	Rs. Cr
Domestic Business	8,852	Rs. Cr



GHG emissions	1,24,908	tCO2e
Water footprint	3,14,642	KL



People	1,941	Nos.
Diversity	9.30%	

Highlights

- Decrease in GHG emissions intensity by 5% for our Cable & Conductor businesses.
- Share of Renewable Energy (RE) in the overall energy mix increased from 4% in FY 2022-23 to 7.3% in FY 2023-24.
- Work at advance stage to increase the share of RE further through commissioning of wind-solar hybrid energy projects.
- Reduction in absolute water footprint from 328,325 KL in FY 2022-23 to 314,642 KL in FY 2023-24.
- 61,497 KL of Rainwater Harvesting done through aquifer recharge.
- Awarded a score of 'B' (management level) by CDP in 2023 for the disclosures.
- Received a silver medal from EcoVadis with 79 percentile score in Oct 2023.
- Proud to have committed to the SBTi, pledging to set science-based emissions reduction targets.
- Focus on reducing value chain emissions through increased engagement with suppliers.
- Climate risk assessment, scenario analysis (as per SSP1-RCP2.5, SSP5-RCP8.5 and Net Zero 2050), and quantification of identified risks.
- Working towards 50% GHG emissions intensity reduction by 2030.
- Introduction of ESG-linked KRAs for key executives for FY 2024-25.
- Sustainability awareness program conducted for 100% employees.
- Gender diversity improved from 8.3% in FY 2022-23 to 9.3% in FY 2023-24.
- Certified as GPTW (Great Place To Work)
- Formation of board-level committee (Corporate Social Responsibility and Sustainability (CSR&S) Committee) to enhance the focus on sustainability.

About APAR

Ascending
Passionately,
Achieving
Responsibly.

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.

APAR's mission statement

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.

About APAR

APAR was founded in 1958 in India. We are a manufacturing conglomerate and hold a leadership position in our principal business segments. Our main businesses are Transformer Oils & other Speciality Oils, Conductors & Cables. We serve customers across 140+ countries.

For over six decades, we have been leading the innovation curve in our industry segments and growing our presence across markets globally. We are trusted by major Transformer OEMs, Power Utilities, Global EPC majors, Automotive OEMs and Telecommunication companies globally to deliver cost-effective, quality products and services.

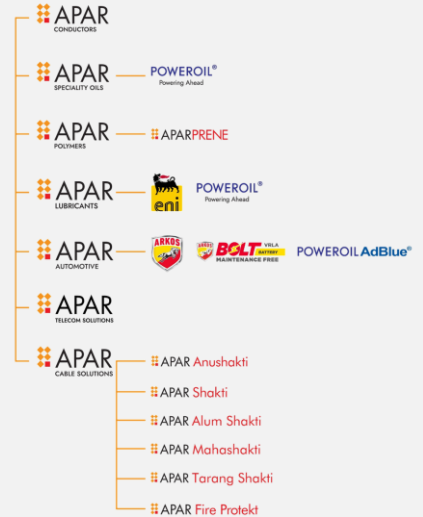
Our business is firmly anchored in India with our head office at Mumbai, fifteen offices across the country, and eleven state-of-the-art manufacturing facilities (including one in Hamriyah, Sharjah). We have a wide range of 350+ products in our portfolio and we serve 4000+ global clients.

We are :

- World's largest aluminium and alloy conductor manufacturer
- The 3rd largest global transformer oil manufacturer
- India's largest exporter and producer of renewable and speciality cables
- We have strategic tie-ups with big global firms such as ENI S.p.A Italy and CTC Global USA.

APAR's Cable, Oil & Conductor division have state of the art laboratories with more than 2000+ testing facilities as per various national & international standards and are certified by NABL (National Accredited Board for Laboratories) as per ISO 17025:2017.

For more details about APAR Industries, please visit www.apar.com

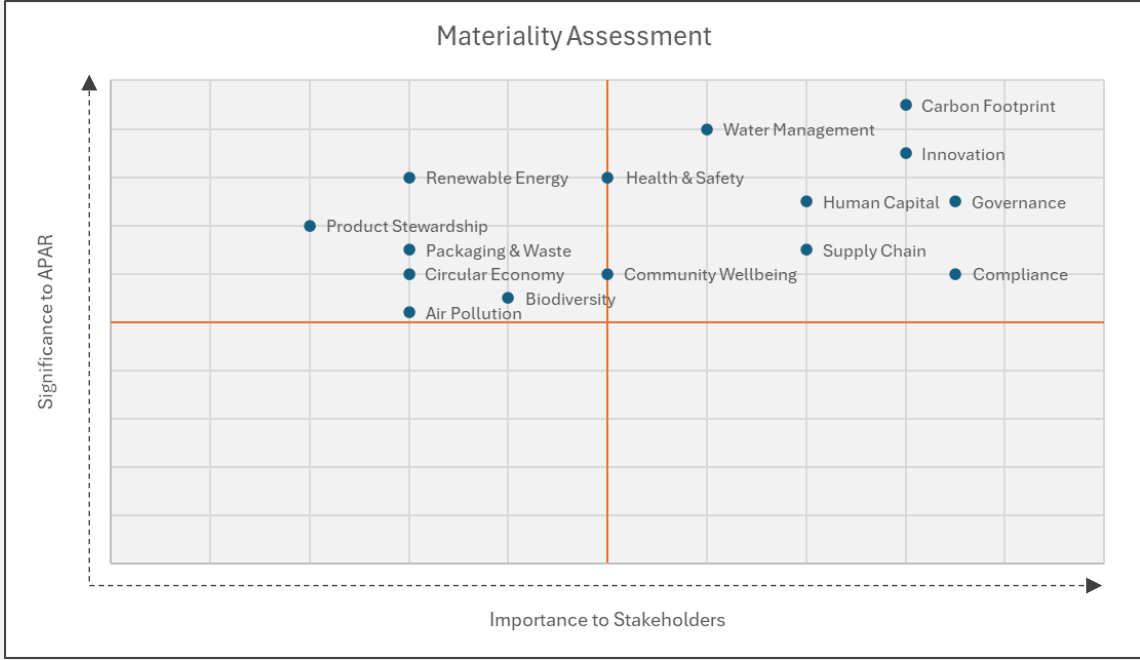


Materiality Assessment

The materiality assessment exercise was revised in FY 2023-24 as per the changing business requirements, and to enable us remain focused on key ESG parameters which are most important to the stakeholders as well as to us.

The materiality matrix is plotted on two dimensions - importance to stakeholders and significance to APAR's Business. The topics have been categorized relative to each other and the placement of a topic under the 'low' importance category does not imply low importance in an absolute sense. These materiality parameters are our ESG priorities – which define our areas of action towards driving strategic initiatives on the path of our sustainability efforts. These priorities helps us to address those issues that matter the most to our stakeholders.

The outcome of the materiality analysis are in alignment with the eight UN-SDGs (United Nations - Sustainability Development Goals) as depicted.



| Focus UN SDGs |



- 3 GOOD HEALTH AND WELL-BEING**
- 8 DECENT WORK AND ECONOMIC GROWTH**
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
- 11 SUSTAINABLE CITIES AND COMMUNITIES**
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION**
- 13 CLIMATE ACTION**
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS**
- 17 PARTNERSHIPS FOR THE GOALS**

Our Capitals

The ESG Report is prepared based on the concept of Capitals Creation framework.

We are driven by our purpose of manufacturing products that make the world Better, Greener and Smarter. This approach will provide a clearer roadmap of value creation to our stakeholders.

The following six Capitals are discussed:

- Financial Capital
- Manufacturing Capital
- Intellectual Capital
- Natural Capital
- Human Capital, and
- Social Capital

This focuses to ensure the collective well-being of APAR's stakeholder groups, primarily focusing on our communities, suppliers, vendors, and customers. It involves factors like trust, collaboration, and our impact on the well-being of these groups. This further helps us strengthen our ties and increase ease of doing business.

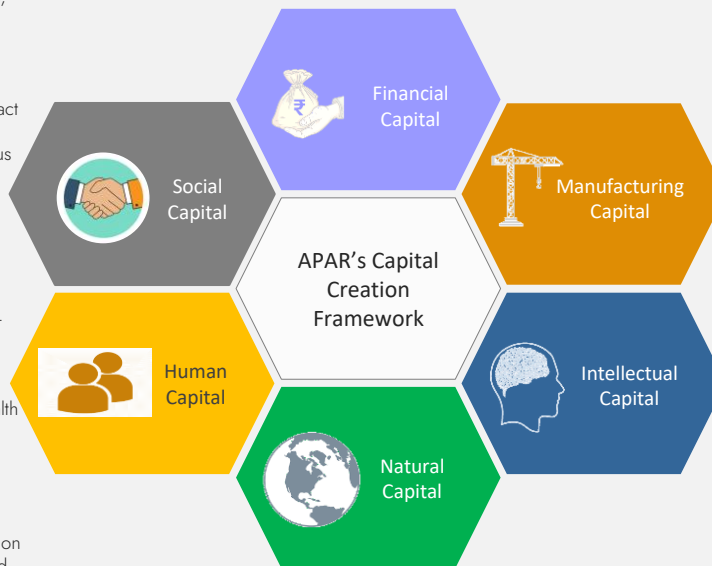
Human capital refers to the skills, knowledge, and well-being of APAR's people. It encompasses factors like employee development, diversity and inclusion, health and safety, and fair work practices. Recognizing and investing in human capital aligns with ethical and sustainable business practices. We aim to keep on improving performance and safety and well-being of our people.

This represents our financial resources which are utilized to create sustainable value while ensuring business continuity. Outcomes of the capital signify financial value creation for the Company. It represents the monetary investments made with the goal of achieving both financial returns and positive environmental, social, and governance outcomes.

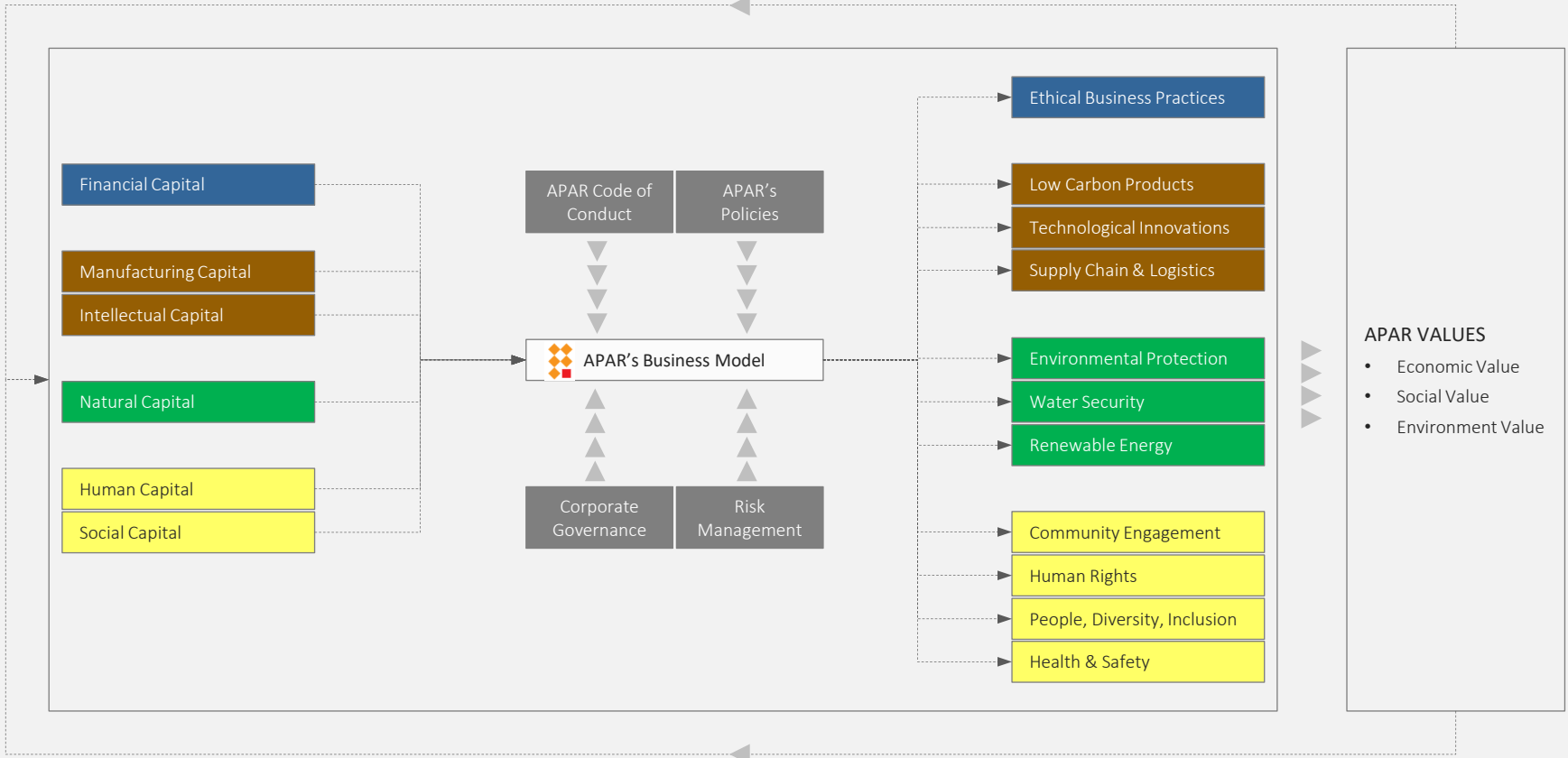
This showcase our manufacturing capabilities, our diversified product portfolio, operational excellence, technological leadership and other operational details. It allows us to manufacture competitive products as per the ever-changing market demands.

This includes our knowledge, innovation, patents, trademarks, and employee expertise. We demonstrate our concern about the environment through innovative product and process design which minimizes the impact on the environment through focus on improving our intangible capabilities including Research & Development and Collaborations.

This highlights the progress made by us towards our commitment for the environment. APAR nurtures a culture of conservation that emphasizes meticulous monitoring of use of resources and encourages innovations that aid in minimizing our environmental footprint.



Capitals & Business Model



Energy Outlook & APAR's Role

The deployment of green energy technologies by governments 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 201.43 GW installed as of Sep 2024). The escalating establishment of solar farms and wind turbines boosts the demand for wires and cables.

Renewable Energy Generation

Our expertise begins at the very source of energy generation. We manufacture specialized cables for renewable energy systems, including solar panels and wind turbines, as well as for nuclear power plants. Just as veins and arteries are essential for the body's survival, our cables are vital for the efficient transmission of energy from these sources. Without them, the entire system would cease to function effectively.

Safe Energy Transmission and Distribution

As energy moves from its generation point, our high standard conductors come into play. Designed to minimize energy loss, our MVCC conductors are also environmentally friendly, ensuring the safety of nature. We provide turnkey solutions, managing the entire process from conceptualization and design to the erection and reconditioning of transmission lines, even in the most challenging terrains. This ensures a reliable and continuous electricity supply across nations.



In the realm of transformers, our transformer oil acts like the blood of the system, facilitating efficient and safe operation. Our CTC and PICC conductors are integral to transformer manufacturing, ensuring optimal performance and longevity.

Progressive Urban Solutions

For urban environments and areas where overhead lines are impractical, our underground cables provide a reliable solution, maintaining the aesthetic and structural integrity of the surroundings while delivering uninterrupted power. Bringing energy safely to homes and businesses, our cables & wires ensure that the electricity generated far away reaches households and establishments securely and efficiently. This last-mile distribution is crucial in connecting the broader energy network to the end-users.

Everyday Essentials: Enhancing Daily Lives

We touch the lives of customers daily through our diverse product range. APAR Industries manufactures a range of Industrial and Automotive lubricants which are vital across construction, manufacturing and transportation industries. Our POWEROIL white oil and petroleum jelly, are essential in pharmaceutical and products, personal care items, leather goods, and food processing. These products are integral to everyday life, making us invisible contributors to the smooth functioning of society.

Beyond these applications, we play a pivotal role in safeguarding the nation by supplying critical components to the defense sector and ensuring the reliability and security of military infrastructure. Our Telecom solutions cater to the infrastructure and network densification for Urban, Rural, Defense and Enterprise Connectivity across industries and geographies.

At APAR, we pride ourselves on our ability to deliver comprehensive solutions across the global energy spectrum and critical industries. Our products and services are meticulously designed to meet the highest standards, ensuring efficiency, reliability, and safety. Through our journey, we have become indispensable to the daily lives of people, powering homes, industries, and the defense sector with utmost dedication.

APAR being a leading manufacturer of Cables & Conductors and Transformer Oil, and with a wide and diversified product portfolio, we anticipate significant growth in our business and market share.

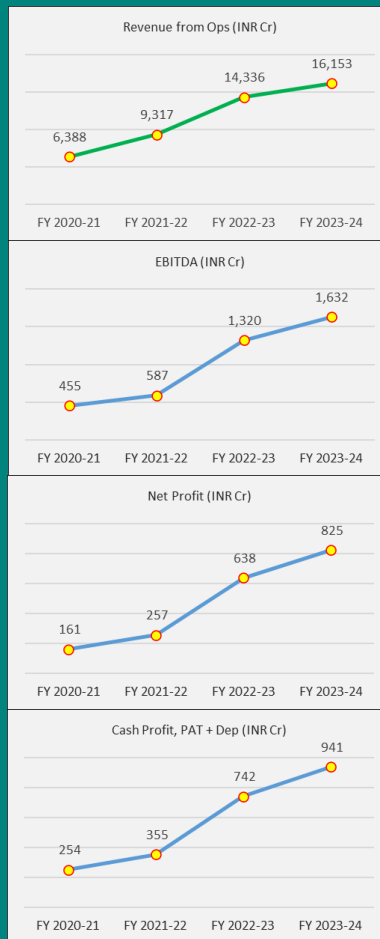
Financial Capital









Financial Capital

At APAR, our aim is to provide optimum returns to the providers of our financial capital. Our business processes are aligned to maximize surplus from both business operations and relevant monetization of assets and investments. The key metrics for FY 2023-24 are provided on the right-hand side.

Financial highlights:

- APAR Industries witnessed a remarkable surge in revenue, marking 13% growth compared to the previous fiscal year. This feat is attributed to the company's robust business strategies focused on market adaptability and a customer-centric approach.
- The company generated record revenues from each of its business segments. The Conductor's business grew by 15%, Specialty Oils by 4%, and Cables business grew by 18%, during FY 2023-24.
- Profits soared to new heights, reflecting 29% increase from the previous year. This achievement underscores APAR's efficiency in cost management, operational excellence, and strategic investment decisions.
- Despite economic uncertainties, APAR Industries expanded its market footprint both domestically and internationally (expand in exports from Rs. 6,994 crores to Rs. 7,296 crores) through strategic alliances, acquisitions, and market penetration strategies.
- The company reported creditable profitability during the year under review. EBITDA margin strengthened 90 bps to 10.1%. Return on equity was sustained above 20% level i.e. 27% in FY 2023-24 despite a large capital inflow during the year that will translate into earnings in the foreseeable future..
- The company successfully raised Rs. 1000 crores by issuing 18,99,696 equity shares having a face value of Rs. 10 per share at a premium of Rs. 5,254 per share to eligible qualified institutional buyers. The amount so raised has been deployed in the working capital requirement of the Company aggregating to Rs 982.58 crores, after adjusting share issue expenses of Rs 17.42 crores.
- Capital expenditure during the year was Rs 330.67 crores. The related challenges of this investment warranted working with a prudent gearing structure (balance of debt and net worth), right blended capital cost, working capital debt repayment tenure and protecting the company's liquidity.



 <p>Revenue Rs. 16,153 Cr (▲ 13% YoY)</p>	 <p>EBITDA Rs. 1,632 Cr (▲ 24% YoY)</p>
 <p>Earning Per Share Rs. 212.10 (▲ 27%)</p>	
 <p>PAT Rs. 825 Cr (▲ 29% YoY)</p>	 <p>Debt Equity Ratio 0.10</p>
 <p>Dividend payout 510%</p>	
 <p>PAT to Sales Ratio 5.11%</p>	 <p>Return on Capital Employed 26.38%</p>

We are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Our company achieved a market capitalization of Rs. 28,065 crore, based on closing share price quoted on Bombay Stock Exchange as at the end of the year. This is a 192.95% increase compared to last year.

Manufacturing Capital

Manufacturing Capital

Highlights

- World's largest manufacturer of Aluminium and Alloy Conductors - APAR had executed 150+ HTLS turnkey solutions projects in last 5 years with zero accidents
- World's 3rd largest and India's largest manufacturer of Transformer Oil.
- Among top 10 players in lubricants industry in India.
- World's largest exporter and producer of speciality and renewable Cables. Have the largest e-beam facility in India; and hold the maximum number of UL approvals in US from India.
- Eleven operating plants – one in Maharashtra, five in Dadra and Nagar Haveli, two each in Orissa and Gujarat and one in Sharjah.
- ISO 9001 and 14001 certifications in place at all the sites.
- In-house research & development facilities, and all plants are equipped with state-of-the-art NABL (National Accreditation Board of Laboratories) accredited laboratories.
- All the export plants are strategically located near seaports & international airports.

Capacity



Oil Plants	8,25,600	KL
AdBlue Capacity	33,600	MT
Cable Plants: Power Cable	5,01,132	Km
Cable Plants: Telecom Cable	1,80,648	Km
Conductor Plants	4,26,647	MT

Production



Oil Plants	5,20,432	KL (Up 11%)
Cable Plants	1,05,282	MT (Up 29%)
Conductor Plants	3,37,163	MT (Up 25%)

Infrastructure



No. of plant locations	11	Nos.
Offices	17	Nos.

Product & Reach



Portfolio range	350+	Nos.
Countries served	140+	Nos.
Global clients	4000+	Nos.



Conductor Business

Five of our manufacturing facilities are located at Dadra & Nagar Haveli, which are close to Mumbai ports, making it easier to handle export shipments.

Another two conductor plants are located in Orissa, next to aluminium smelters giving us the advantage of using liquid molten aluminium as direct raw material as against the industry practice of procuring aluminium ingots and then melting it before use. APAR's modern plants enable us to produce world-class quality in massive capacities.

We are the world's largest manufacturer of aluminium and alloy conductors and have experience of executing 155 turnkey solutions projects in India to date.

APAR's journey to becoming the world's largest manufacturer of conductors with loyal customers in 107 countries spans across six decades. As a leading global supplier, we offer a full range of both conventional and new-generation speciality conductors. We maintain total in-house control over the design, manufacturing and testing process. This enables us to guarantee innovation and quality while maintaining cost competitiveness.

Our commitment to leading the innovation curve is why we've pioneered turnkey solutions for reconductoring with HTLS, live line installation with OPGW and environmentally-friendly packaging solutions. Six decades of experience and expertise is hard to replicate.

All our manufacturing plants are certified for Integrated Management Systems of Quality, Environment, Health and Safety as per ISO:9001,14001 and 45001 standards.

APAR Conductor plant at Khanvel, Silvassa



Other highlights (Conductor Business)

- De-bottlenecked the capacity for manufacturing Alloys/ HEC / HTLS from ~ 3120 kms per month to 5722 kms per month.
- Acquired 2 new plants for enabling re-structuring of various additional activities and expansions.
- Completed 165+ turnkey solution projects, installing over 10,500 Route KMS since the start of the HTLS turnkey business.
- Spent capex of Rs. 137 Crores on adding capabilities, improving productivity, reducing cost, ESG, R&D and adding capacity to manufacture, test and install high-value added products.



Annealing furnace at APAR Conductor plant, Khanvel, Silvassa

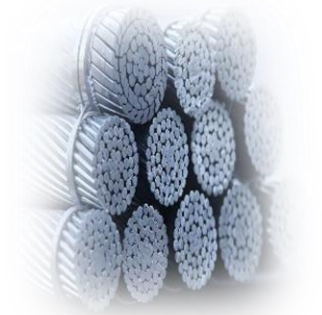


Rigid Cage Stranding (RST) at APAR Conductor plant, Khanvel, Silvassa

Product Portfolio

Aluminium products

- 1XXX, EC wire rods
- 6XXX series, 6201, 6101 series wire rods
- 5XXX, 8XXX series wire rods
- Conventional conductors
- High Temp Low Sag Conductor (HTLS)
- Covered Conductor (Green Solution)
- Solid Shape Conductors
- GSW earth Wire



OPGW

- Aluminium clad steel wire (ACS)
- Optical Ground Wire Cable (OPGW)

Copper

- Copper Rod
- Copper railway conductors
- Copper wires
- CTC, PICC, enameled wires
- Copper Bus bar

Cable Business

We are the manufacturer and supplier of the largest and diversified range of cables in India.

Our manufacturing facilities are located at Umbergaon & Khatalwada, Gujarat and has a vast infra over 300,000 sq. meter land. These are around 150 Km from Mumbai sea port which makes it easier for export shipments.

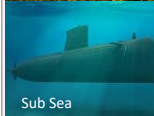
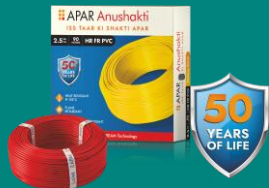
Both the cable plants are certified for ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and ISO 45001 (Occupational Health & Safety).

We have five e-Beams irradiation facilities for our Cable business – one number each of 1.2 MeV, 1.5 MeV and 3.0 MeV and two numbers of 2.5 MeV e-Beam facilities.

We have an in-house R&D facility and compounding plant that processes various types of compounds like EPDM, Silicone, CSP, PCP and EVA.

We have rich experience in manufacturing of all types of special cables like submarine cables, tactical cables, torpedo cables, umbilical cables, tether cables, tow cables and many other defense application cables.

APAR is the first Indian wire and cable company to venture into the harness segment for diverse applications such as electric vehicles (EV), solar energy, locomotives etc.



Other highlights (Cable Business)

- Commissioned 1.2 MeV new E-beam line and 1 new CCV line each for HT and rubber cables.
- Implementing Industry 4.0 practices of automation and data exchange in Manufacturing Technologies.
- Upgraded to a SMART factory, incorporating Cyber-Physical Systems, IoT, Robotics and Cloud Computing, thereby enhancing machinery line speed and efficiency.



Product Portfolio

Elastomeric cables

- up to 72 KV
- 1 core up to 1000 sq. mm and multi core up to 630 sq. mm copper, aluminium and copper clad aluminium

XLPE power cables

- up to 66 KV
- single core up to 1000 Al, 630 sq. mm Cu
- multi core up to 630 sq. mm aluminium and 630 sq. mm copper

Optical fibre cables

- up to 732 fiber cables, UniTube & loose tube armoured/ DUCT/ ADSS/ Aerial/ Ribbon

Electron beam irradiated cables

Fluoroplastic polymer cables



Oil Business

Our manufacturing facilities are located at

- Rabale, Navi Mumbai
- Silvassa, Dadra & Nagar Haveli and
- Hamriyah Free Zone, Sharjah (UAE). The Hamriyah, Sharjah (UAE) speciality oils plant serves Middle East & East Africa regions

All the 3 plants are near seaports making it easier for export shipments. These plants have huge storage capacities and are spread over an area of 100,000+ square meter.

As a leader in the oil industry for over 50 years, we are known for our product quality and timely service. The complete range of oils have been developed through our in-house research & development efforts and is recognized under the brand name 'Poweroil'.



Other highlights (Oil Business)

- All time high production at our Rabale plant.
- Proximity to customers in the Middle East & East Africa and seeking new avenues for bulk exports through the Al-Hamriyah, Sharjah plant.
- Manufacturing since 1958, 500+ different types of Speciality Oils.
- India's largest Private manufacturer and exporter of Speciality Oils.
- World's 3rd Largest Transformer Oil manufacturer.
- Pioneer in Transformer Oils in India, 60% market share in power transformers.
- Only Indian company to win entire T-Oil supply to all major HVDC projects in India.

Product Portfolio

AdBlue

Automotive and Industrial oil

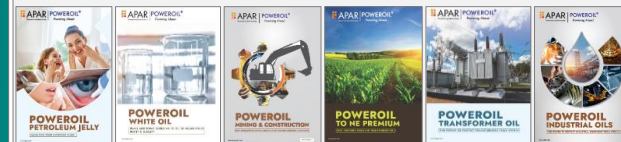
- Automotive oil
- Industrial oil

Transformer oil

Rubber process oil

White oil

- White oil - Pharma
- White oil - Tech
- Petroleum jelly



Collaboration with Industry Associations



Cable and Conductor Manufacturers Association of India (CACMAI)



EEPC India (Formerly Export Engineering Promotion Council)



Indian Electrical & Electronics Manufacturers' Association (IEEMA)



Chamber of Commerce and Industry
 IMC Chamber of Commerce and Industry



Electrical Research & Development Association (ERDA)



BIS CERTIFICATION

BIS and IEC Technical Committee



CIGRE (The International Council on Large Electric Systems)



Confederation of Indian Industry

Confederation of Indian Industry



Indian Transformer Manufacturers Association (ITMA)



ICDC (Indian Copper Development Centre)



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.

Intellectual Capital

Intellectual Capital

Highlights

- Quality assurance is integral to our manufacturing process. We employ advanced testing and inspection techniques at every stage, from raw material procurement to final product dispatch. Streamlined operations, productivity improvements, and cost optimization further enhance our focus on quality. Adhering to stringent global standards and certifications, including ISO 9001, ISO 14001, and OHSAS 18001, we affirm our commitment to best practices in manufacturing and quality management.
- APAR invests heavily in R&D, developing innovative solutions and leveraging emerging technologies.
- We have in-house research & development facilities, and all plants are equipped with state-of-the-art NABL (National Accreditation Board of Laboratories) accredited laboratories.

Conductor Business highlights

- Successfully tested the first 765kv & 800kv conductors in India.
- Technology tie-up with CTC-Global, USA, for ACCC conductors.
- Received the 'excellent performance award' for exceptional work on the 5000+ route Kms. OPGW installation project under live line conditions, including essential telecom integration work at the recent 'CEO meet-2024' organized by Power Grid.

Low carbon products and services are those that minimize greenhouse gas emissions throughout their life cycle, from design and development to use and disposal.

Customers' demand for low-carbon product is increasing with time – it is providing a competitive edge to APAR !

Low Carbon Conductor Products

ACCC Conductors

One of the products that APAR manufactures is ACCC (Aluminium Conductor Composite Core) Conductor. These have following advantages: -

- Material Efficiency:** ACCC conductors utilize a composite core instead of traditional steel or other heavier materials. This composite core is lightweight yet strong, allowing for the use of less aluminium in the conductor. This reduced material requirement translates to lower overall embodied carbon in the product.



- Reduced Energy Consumption:** The manufacturing process of ACCC conductors typically involves less energy-intensive processes compared to traditional conductors, such as those made with steel cores. This reduction in energy consumption during manufacturing contributes to a lower carbon footprint.
- Improved Efficiency in Transmission:** ACCC conductors have a higher ampacity (current-carrying capacity) and lower electrical resistance compared to conventional conductors. This allows for more efficient electricity transmission over longer distances. Improved transmission efficiency means reduced energy losses during electricity delivery, resulting in lower carbon emissions per unit of electricity transmitted.
- Extended Service Life:** ACCC conductors are designed to withstand higher operating temperatures and environmental stresses, leading to a longer service life compared to traditional conductors. This longevity reduces the need for frequent replacements, thereby decreasing the carbon emissions associated with manufacturing, transportation, and installation activities over the conductor's lifecycle.

- Lifecycle Assessment (LCA) Benefits:** Comprehensive lifecycle assessments have shown that ACCC conductors can have a significantly lower overall carbon footprint compared to conventional conductors. This assessment considers all stages from raw material extraction, manufacturing, transportation, installation, operation, and eventual disposal or recycling.

In summary, ACCC conductors are classified as low-carbon products because they offer significant advantages in material efficiency, reduced energy consumption during manufacturing, improved transmission efficiency, extended service life, and favorable results in lifecycle assessments. These factors collectively contribute to lower greenhouse gas emissions and environmental impact compared to traditional conductor designs, making ACCC a preferred choice for sustainable infrastructure projects.

High Temperature Low Sag Conductors (HTLS) conductors

Our high performance HTLS conductors offer the following advantages over conventional ACSR (Aluminium Conductor Steel Reinforced) or AAAC (All Aluminium Alloy Conductors):

- Reduced carbon footprint:** HTLS conductors can transmit double the power & hence require less aluminium for equivalent conductivity, reducing material extraction and energy consumption during production.
- Energy efficiency:** HTLS conductors are more energy-efficient for power transmission on account of lower resistance, moderating energy consumption and greenhouse gas emissions.
- Enhanced reliability:** HTLS conductors offer higher ampacity and resilience to environmental factors like ice and wind, resulting in lower power outages and a more reliable electricity supply for communities and industries.
- Safety:** The higher strength-to-weight ratio of HTLS conductors reduces sagging and risks of line breaks, enhancing safety. The reduced downtime for maintenance improves safety and productivity.

Cable Business highlights

- 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.
- APAR is the largest manufacturer in India for special application and renewable cables; have the largest e-beam facility in India; and hold the maximum number of UL approvals in US (14 numbers) from India, including the prestigious UL1072 for XLPE medium voltage cables



UL (Underwriters Laboratories) approval is a certification process that ensures that the products meet specific safety standards set by UL, an independent safety science company. For cable manufacturers exporting to the USA, UL approval indicates that their products have been tested and meet rigorous safety and performance criteria established by UL.

Sustainable Cable Products

Our comprehensive cable portfolio is paving the way for a sustainable future, connecting solar panels to the final grid connection with unmatched reliability and eco-friendliness. Designed to meet stringent global standards, and crafted with sustainability at the forefront, our cables are manufactured using greener methods that consume less energy and produce less waste, all while boasting a longer lifespan. These efforts are crucial in driving the green revolution, ensuring that the current energy transition is not only possible but also efficient and enduring.

MVCC (Medium Voltage Covered Conductors)

APAR is the first Indian manufacturer of MVCC, designed to prevent tripping from contact with vegetation. These insulated conductors enhance safety, protect wildlife, and increase power distribution reliability.

- Reduced operation and maintenance cost and reduced right of way
- No Interruptions by contact of tree branches or creepers
- Phase to phase conductor distance can be reduced which can reduce the tower related costs.
- Better reliability and no faults due to clashing of phase conductors during wind and stormy conditions
- Protect big birds and animals: Peacocks, Flamingos, elephants
- Effectively used in difficult terrain, densely populated areas, forest areas and bird sanctuaries
- Lower total cost of ownership over the life cycle compared to underground cables or ABC (Aerial Bunched Cables)
- Covered conductor is self-supporting and can have pole spans of 60 to 70 meters (as compared with shorter pole span of ABC cables)

NO MORE POWER OUTAGES DUE TO BAD WEATHER
(A boon for continuous & process industries)



Solar Cables

E-Beam Irradiated Cables: Early adopters of electron beam technology, APAR offers solar cables (2.5 to 500 sq. mm) with electron beam cross-linking, ideal for renewable energy projects due to their durability in extreme environments.

Advanced PV Wires: Designed for the solar industry to ensure zero transmission loss and withstand harsh conditions for over 25 years. These fire-retardant, halogen-free wires meet safety standards and European environmental regulations, featuring UV-resistant compounds.

Light Duty Cables

APAR Anushakti: Innovative house wires exceeding IS:694 standards with e-beam technology. These wires offer high fire safety and reliability, capable of withstanding up to 105°C and carrying 50% more current than conventional wires, ensuring a lifespan of over 50 years.

Windmill

APAR's specialized cables transmit electricity from the nacelle down the tower, engineered to endure torsional stress and environmental conditions. High-voltage and medium-voltage cables efficiently transmit power to the grid, utilizing lightweight, robust aluminium.

Nuclear

Major supplier of cables for the nuclear power industry in India, APAR offers cables insulated with various materials to meet the demands of scientific and nuclear applications. These cables withstand extreme conditions for the operational life of nuclear plants.

Railway

APAR's premier rail and transit cables offer superior performance, reliability, and safety, reducing costs through easy installation and maintenance. Trusted in projects like India's Vande Bharat Express and Australia's Sydney Metro.

Oil Business highlights

- APAR's fifty-five-year journey in this segment has transformed it into India's largest private blender and marketer of speciality oils. Our comprehensive portfolio includes India's largest range of transformer oils meeting all the major national and international standards, white oils meeting technical and Pharmaceutical global standards, process oils customized for various industrial materials and polymer processing and petroleum jelly.
- State-of-the-art laboratory and dedicated R&D team
- 500+ different types of speciality oils in the product portfolio.
- Developed a high-performance synthetic ester transformer oil.
- Only Indian company to win entire T-Oil supply to all major HVDC projects in India.



Sustainable Oil Products

Natural Ester-Based & Synthetic Ester-Based Transformer Fluids

APAR's natural ester-based fluids offer high biodegradability and exceptional fire safety, ideal for fire-sensitive applications. APAR's synthetic ester-based alternatives provide higher bio-degradability compared to mineral oils and provide extended service life and high temperature resistance, suitable for demanding environments, reducing losses through better heat transfer and simplifying disposal. These newly developed T-oils are ideal for environmentally sensitive installations of solar and wind on the water or near water bodies. They also provide superior performance in traction transformers used to power locomotives.

APAR's Advanced Automotive Lubricants

- In response to BS-6 emissions norms and for increased fuel efficiency, APAR developed Eni Tractor Maxx FE 15W-40 engine oil. This lubricant, as evidenced by successful trials conducted with tractors OEMs yields fuel savings of 2.5% and an extended drain interval of 500-600 hours, compared to the previous 300 hours.
- APAR has further developed a specialized line of tractor transmission fluids under the brand name Power Sona Ultra, tailored for special application tractors in both domestic and export markets. These low viscosity fluids (10Cst, 20Cst, and 32 Cst) work in harmony with the engine oils to optimize fuel efficiency. To comply with the stringent CAFE (Corporate Average Fuel Economy regulations) regulations, engine oils for petrol and diesel passenger cars, must now be engineered to strike the optimal balance between fuel efficiency and durability, ensuring extended drain intervals and superior performance.
- APAR has launched Eni I-Sint Levo Ultra, which meets the latest API SP and ILSAC GF-6 standards. Offering fuel efficiency without compromising durability and performance for passenger cars and Eni I Sigma Performance Syntech – API CK4 5W-30 for commercial vehicles.
- APAR has also launched Eni I-Sint Levo Ultra, a fully synthetic 100% PAO-based oil. It provides exceptional protection and extended drain intervals for premium vehicles such as Mercedes, BMW, Audi, and Porsche, and Eni I Sigma Turbostar Syntech – API C14 Plus 15W-40 for commercial vehicles.

- The newly developed Poweroil Cruise Sonic LS is designed to meet ACEA C2, C3, and C5 specifications and Mercedes-Benz 229.31 standards., This oil is ideal for cost-conscious consumers in export markets seeking tangible fuel economy benefits.
- AdBlue diesel exhaust fluid is a game-changer in the quest for cleaner transportation. Formulated to the highest purity standards, this innovative solution plays a pivotal role in the selective catalytic reduction (SCR) process, slashing nitrogen oxide (NOx) emissions by 85% and thus meeting the Bharat VI standards. APAR was the first company in India to be approved to the VDE Germany for Ad Blue. APAR also markets Eni I Sigma Performance Syntech – API CK4 15W-40 for commercial vehicles which is compatible with emissions control devices.



As can be seen from the series of new products developed for the Automotive sector, APAR remains focused on reducing fuel consumption, increasing drain intervals and reduced emissions with best-in-class products meeting all the relevant global standards.

APARPRENE, Advancing Eco-Conscious Plastic Solutions

Marketed as APARPRENE®, APAR Polymers offers a range of polymer compounds, including Thermoplastic Elastomers (TPEs), Thermoplastic Vulcanizates (TPVs), Modified Thermoplastic Polyurethane (Modified TPU), Thermoplastic Rubber (TPR), and Thermoplastic Polyester Base Elastomer (TPE-E), Cable Compounds (XLPE/ HFFR) & Engineering Compounds that are positioned as eco-friendly and recyclable alternatives to materials like PVC and thermoset rubber. The APARPRENE® polymer compounds can replace PVC and thermoset rubber, providing customers with 100% recyclable and sustainable product options.

APAR Polymers is currently working on the development of bio-based TPE compounds, which will help maintain the performance of their products while reducing the overall carbon footprint.



Research & Development

We have state of the art laboratory, in each businesses, with more than 2000+ testing scope as per various national & international standards. All our laboratories are accreditation by NABL (National Accredited Board for Laboratories) as per ISO 17025:2017.

Certifications



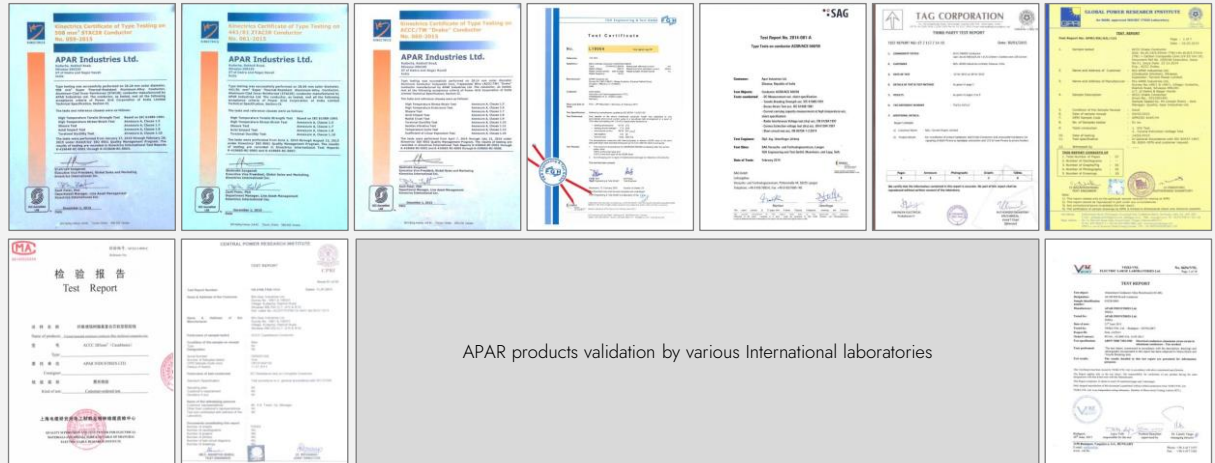
Cable business: NABL certificates

Oil business: NABL certificates

Conductor business: NABL certificates



State-of-the-art laboratory: Cable business



APAR products validation by various International laboratories

Natural Capital

Natural Capital

Key highlights

- Quality Management System (ISO 9001) and Environment Management System (ISO 14001) certifications in place at all the sites
- GHG emissions computation and verification by independent third-party assurance provider – for Scope-1, Scope-2 and Scope-3
- Water-stress assessment or mapping performed to identify exposure to water-related risks
- Implementation of RWH (Rainwater Harvesting) system
- On-site wastewater treatment facilities
- All the plants are ZLD (Zero Liquid Discharge)
- Increased use of Renewable Energy (RE) – through in-house generation and purchase of wind-solar hybrid power
- Implementation of measures to reduce carbon intensity through equipment upgrade/ replacement, design changes, improved energy efficiencies and better productivity
- Use of waste heat recovery system(s)
- Reduction of internal wastes through material reuse, recovery or repurpose
- Increased use of scrap
- Regular noise measuring campaign
- Periodical analysis on the volumes of major air pollutants or ambient air quality monitoring (testing levels of PM, NOx, SO2, VOC or heavy metals)
- Provision of MSDS (Material Safety Data Sheets)
- Registered with EPR (Extended Producer Responsibility)
- Assessment and quantification of Climate Risks
- Scenario analysis incorporating key risk variables to project future outcomes across three distinct scenarios - SSP1-RCP2.5, SSP5-RCP8.5 and Net Zero 2050
- Publication on Task Force on Climate-Related Financial Disclosures (TCFD) report
- Commitment to the Science Based Targets initiative (SBTi) to set ambitious emissions reduction targets to mitigate GHG emissions in conjunction with the latest climate science
- 50% reduction in GHG emissions intensity planned by 2030
- Increased engagement with value chain partners
- Implementation of Supplier Code of Conduct for value chain partners
- Regular awareness programs for suppliers
- Disclosure through global platforms such as CDP, EcoVadis
- Disclosure through BRSR (Business Responsibility and Sustainability Report)
- Transparent, verified and comparable information about the life-cycle environmental impact of products through Environmental Product Declarations (EPD) for major products



Scope-1 Emissions	25,998	tCO2e	
Scope-2 Emissions	98,910	tCO2e	
Total Scope-1 & Scope-2	1,24,908	tCO2e	
Carbon Intensity *	0.275	tCO2e/ MT	down by 4.8%
Water Footprint	3,14,642	KL	
Water Footprint Intensity	19.48	KL/ Rs. Cr	down by 15%
Rainwater Harvesting	61,497	KL	
Energy Consumption	2,49,858	MWh	
Electricity Consumption	1,49,600	MWh	
Renewable Energy	10,980	MWh	up by 147%
% Renewable Energy	7.33	%	up by 98%

* Conductor & Cable business is considered for the purpose of intensity computation because 97% of our Scope-1 and Scope-2 emissions is on account of these two businesses.



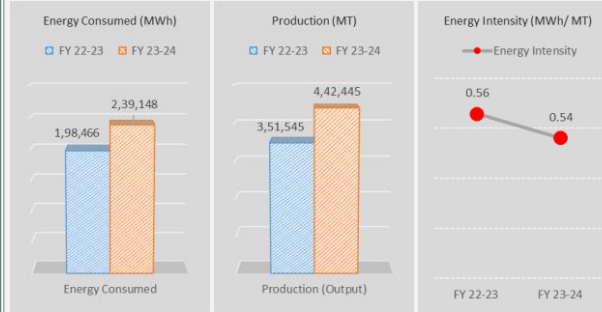
Environmental Management

APAR nurtures a culture of conservation that emphasizes meticulous monitoring of use of resources and encourages innovations that aid in reducing the dependence on natural resources. We have implemented adequate steps for protecting the environment. These include:

- Working to reduce Energy Intensity through various productivity measures, six sigma trainings, efficiency improvement initiatives etc.
- Focusing on electrification – shifting away from fossil-fuel based energy
- Increasing the share of RE (Renewable Energy) through roof-top and procurement of wind-solar hybrid power
- Focus to reduce water consumption, increasing re-cycling of water through ETP/ STP, and augmenting the RWH (Rainwater Harvesting) efforts
- We expect to achieve water neutrality, for our largest facility at Khatalwada, by December 2024. Additionally, APAR has decided to integrate water neutrality in the plant design considerations for its upcoming facilities
- Reduction of wastes – plastic waste management through EPR, and minimizing waste, re-cycling of waste, and safe disposal through proper channels

Energy Consumption

APAR has carried out comprehensive energy audits at all its major plants through renowned third-party agencies and implemented all the recommendations. This initiative was meant for improved energy efficiency, minimizing environmental impact by reducing energy consumption and emissions, optimizing equipment performance, enhancing workplace safety, enabling data-driven decision-making, and bolstering the plant's reputation as a responsible and sustainable entity, ultimately leading to long-term financial savings and operational resilience.



Energy consumed @ APAR: 249,558 MWh

Energy consumed at Cables & Conductor Businesses: 239,148 MWh

Conductor & Cable business is considered for the purpose of intensity computation because 97% of our Scope-1 and Scope-2 emissions is on account of these two businesses (explained later in the report). The other business, Oil business, contribute only 3% to the Scope-1 & Scope-2 emission.

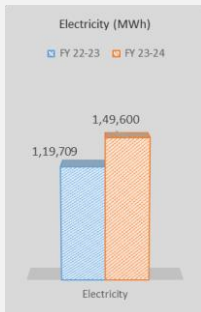
4% reduction in energy intensity was observed, from 0.56 MWH/ MT to 0.54 MWH/ MT of production, due to various measures undertaken at the plants, including energy audits and implementation of energy audit findings.



Electricity Consumption

The electricity is sourced primarily from the electricity grid. Additionally Renewable Electricity (RE) is generated through roof-top solar installations and through purchase of wind-solar hybrid energy.

The overall energy consumption increased by 20% in FY 2023-24 (from 208808 MWh to 249858 MWh), whereas the electricity consumption increased by 25% (from 119709 MWh to 149600 MWh) – **this demonstrates the fact that APAR is shifting away from traditional fossil-fuel based energy sources to electricity.**

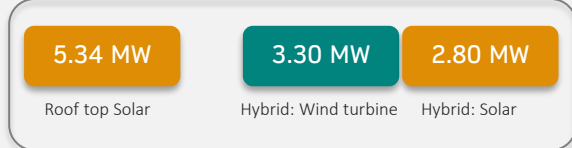


The increase in electricity consumption and overall energy consumption is due to 26% increase in production of Cables & Conductors in FY 2023-24



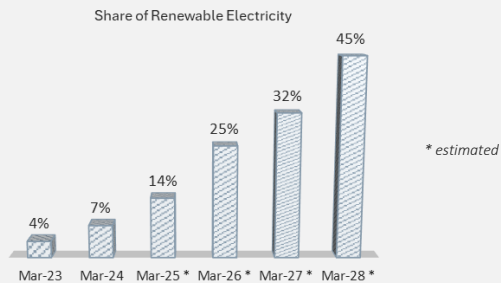
Renewable Energy

APAR has 5.34 MWh of roof-top solar installations and had commissioned a wind-solar hybrid (3.30 MW wind power and 2.80 MW solar power) in partnership with a leading supplier in June 2023, as on 31st Mar 2024.



Near term RE plan: We plan to add 1.22 MWh of roof-top solar installations for our Conductor business by the end of year 2024. Additionally, two similar wind-solar hybrid projects are being commissioned which will ensure significant increase in share of renewable energy consumption by Mar 2026.

Share of RE in electricity increased from 3.7% in FY 2022-23 to 7.3% in FY 2023-24. With additional capacities lined up, we expect the share to increase significantly as depicted in the chart below:



APAR's energy transition plan & targets

1

Renewable Energy Adoption

25% short term RE% target (by Mar 2026)

This includes investing in on-site solar installations, as well as procuring renewable energy through wind-solar hybrid power.

2

Energy Efficiency Measures

Alongside our RE efforts, we have undertaken detailed energy audits at our plants. The recommendations have been implemented, and options are further explored to enhance energy efficiency. Several measures have been implemented including optimizing HVAC systems, pumps and motors, compressors, and adopting smart building technologies to reduce our overall energy consumption.

3

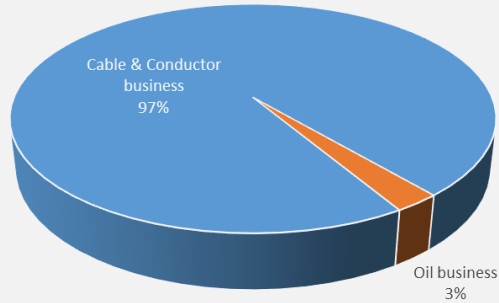
Net Zero Roadmap

50% GHG emissions intensity reduction by 2030

We are in the process of developing a detailed roadmap that outlines our strategy, milestones, and investments required to reach this ambitious goal.

GHG Emissions

Total GHG emissions during FY 2023-24 was 124,908 tCO₂e (Scope-1 and Scope-2). The business wise emissions is as follows:

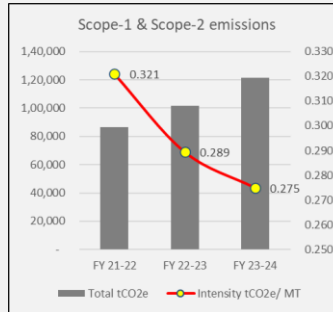


The GHG emissions intensity has come down from 0.321 tCO₂e/ MT in FY 2021-22 to 0.275 tCO₂e/ MT in FY 2023-24 (decrease of 14%).

GHG Emissions targets

APAR has achieved the revised target of 5% reduction in GHG emissions intensity for FY 2023-24.

The target for FY 2024-25 is set at 4% emissions intensity reduction with respect to FY 2023-24.



Conductor & Cable business is considered for the purpose of intensity computation because 97% of our Scope-1 and Scope-2 emissions is on account of these two businesses, as depicted on the left-hand side pie chart.

The reduction in GHG emissions intensity was due to various measures undertaken by APAR at its plant locations. Some of the measures are listed in the next section.

Scope-3 emissions

APAR measures Scope-3 emissions to gain a comprehensive understanding of its total greenhouse gas (GHG) footprint and to manage its environmental impact more effectively. Scope 3 emissions are those that occur in the value chain of APAR, both upstream and downstream, and are not included in Scope 1 (direct emissions) or Scope 2 (indirect emissions from purchased electricity) emissions.

We screen and monitor our Scope-3 emissions based on relevance & materiality. We have measured and reported following six categories of Scope-3 emissions for FY 2023-24: (a) Category-1, Purchased Goods and Services (b) Category-3, Fuel- and Energy-Related Activities (c) Category-4, Upstream Transportation and Distribution (d) Category-6 Business Travel (e) Category-7, Employee Commuting, and (f) Category: 9, Downstream Transportation and Distribution.

The Scope-3 emissions during the reporting period was 47,89,703 tCO₂e. Of this, the emissions on account of Category-1 was the highest at 44,48,196 tCO₂e (93% of total Scope-3 emission), and hence we have got it verified by independent third party, M/s DNV.

Several initiatives have been initiated by APAR to manage its value chain emissions. These include increased engagement with the value chain partners, procurement of less carbon-intensive raw materials, and increased use of scrap. More details are provided in the 'sustainable procurement' section of this report.

DIRECT & INDIRECT EMISSIONS



SCOPE 1
Emissions from sources (on-site)



SCOPE 2
Emissions from energy/utilities



SCOPE 3
Emissions of the supply chain or service

GHG emissions reduction measures

APAR has undertaken several measures for reducing the GHG emissions intensity. The major initiatives are as follows:

- Focusing on electrification – shifting away from fossil-fuel based energy.
- Shifting away from grid electricity to renewable electricity. Commissioned a wind-solar hybrid power project (3.30 MW wind power and 2.80 MW solar power) in partnership with a leading supplier in June 2023, as on 31st Mar 2024.
- Working to reduce Energy Intensity through various productivity measures, arresting leakages and efficiency improvement initiatives.

Some of the GHG emissions reduction initiatives implemented at APAR are as follows:

- ❖ Substitution of fossil-fuel based forklift with battery-operated forklifts
- ❖ Fitch fuel catalyst for Furnace Oil in CCR furnaces
- ❖ Excess air control in CCR furnaces
- ❖ Installation of air preheater in CCR furnace (melting)
- ❖ Insulation of CCR melting and holding furnace body
- ❖ Performance improvement and IGBT controller for upcast
- ❖ Installation of air blower in seven conforming lines (VFD implementation)
- ❖ Replacement of DC motor with AC motor
- ❖ Waste heat recovery from output products of annealing
- ❖ Centralized compressed air system
- ❖ Replacement of inefficient motors with IE#3 motors
- ❖ Reduction in compressed air leakages etc.

Battery Operated Forklift at APAR Athola Conductor Plant



Net Zero Roadmap

- APAR has computed a comprehensive baseline inventory of carbon footprint, including scope 1 (direct emissions), scope 2 (indirect from electricity grid), and scope 3 (indirect from value chain) emissions.
- We have set an aggressive target of 50% reduction in emissions intensity by 2030.**
- A detailed roadmap that outlines our strategy, milestones, and investments required to reach this ambitious goal is in place.
- This net zero roadmap is integrated into the overall business strategy and aligned with our corporate objectives and operational plans to ensure commitment across the organization.
- Major focus is on (a) increasing the share of renewable energy, and (b) reducing the value chain emissions.
- APAR is proud to have committed to the SBTi, pledging to set science-based emissions reduction targets.**

Company	Status	Date published/updated	Target summary
Apar Industries Limited India, Asia	COMMITTED	2023	Near term: Committed

- APAR's commitment to SBTi aligns with our vision of being a leader in sustainable business practices and doing our part to mitigate the impacts of climate change. By committing to the SBTi, we are holding ourselves accountable to ambitious, science-based emissions reduction targets. This will guide our strategic decision-making and investments, ensuring that we make tangible progress towards a more sustainable future.
- We plan to get our targets verified and validated by SBTi. This will provide credibility and help ensure alignment with global climate science.

Internal Carbon Pricing

APAR is committed to reducing its GHG emissions intensity as a part of journey towards net-zero. Setting an Internal Carbon Price (ICP) is a step in this direction. The salient points are as follows:

- ICP computation is done voluntarily at APAR to prepare for future scenario when
 - any carbon tax is implemented and/ or
 - any future regulation is introduced by Government and/ or
 - commercially feasible projects are not available and/ or
 - drive operational efficiencies and
 - reputation and leadership amongst our esteemed customers.
- Adopted shadow price method to set the ICP



- We have set an internal price of USD 15 (INR 1200) per tCO₂e.
- We will start using this in future when we run out of commercially viable carbon reduction projects (we are using MACC for project selection).

Water Management

Water footprint reduction has been a top priority for APAR. We have taken various initiatives at all our facilities, which include reduction in demand through process improvement, recycling through increased usage of Sewage and Effluent Treatment Plants (ETP and STP) and Rainwater Harvesting (RWH). Consequently, there has been a significant reduction in our water footprint intensity over the past two years.

Water Withdrawal	3,76,139	KL	down by 3%
Rainwater Harvesting	61,497	tCO2e	up by 7%
Water Footprint	3,14,642	tCO2e	down by 4%
Water Withdrawal Intensity	23.29	KL/ Rs. Cr	down by 13%
Water Footprint Intensity	19.48	KL/ Rs. Cr	down by 15%
ZLD status	Yes		

Water withdrawal = Surface water + Borewell water + Purchased water

Water footprint = Water withdrawal – RWH (Rainwater harvesting)

Due to various measures taken by APAR, not only the water footprint intensity, but also the total absolute water consumption has gone down (in spite of increased production).



Additionally, APAR has decided to integrate water neutrality in the plant design considerations for its upcoming facilities.



World Water Day celebration at APAR Athola Conductor Plant (22nd Mar 2024)

As India is a water stressed country and owing to the increased water requirement from industries in the locations where our plants are situated, it is essential that we reduce ground water extraction and increase recharging through rainwater harvesting.

Towards this, APAR has engaged with the best consultants to devise solutions to reduce net water consumption in all its facilities. This will ensure water security for our plants as well as the community in the vicinity.

Initiatives for Water Management

Demand Side Management

Treatment and management of wastewater is done through ETP and STP across the plants. 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.

All the plants of APAR operate in line with the CTO (Consent to Operate) conditions.

With these advanced water treatment and wastewater management systems, we ensure no industrial wastewater is discharged into the environment.

ETP and STP facilities at APAR Khatalwada Cable Plant (see photographs):

1. ETP collection and neutralization chamber
2. Settling tank
3. Aeration Tank side view
4. Reverse Osmosis (RO) process
5. STP plant with MBBR (Moving Bed Biofilm Reactor) technology



Supply Side Management

APAR has created rainwater harvesting potential through extensive investments in its Rainwater Harvesting (RWH) initiatives.

Rainwater Harvesting (RWH)

APAR has created rainwater harvesting potential through extensive investments in its Rainwater Harvesting (RWH) initiatives. 61,497 KL of RWH was done during the reporting period.

Our largest facility at Khatalwada is now water neutral.

The RWH facility at our Khatalwada Cable plant 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 the neighbouring communities.

Zero Liquid Discharge

We ensure that our plants do not discharge any liquid effluent into surface waters, in effect eliminating the environmental pollution. We are committed to make effective use of wastewater treatment, recycling, and reuse, thereby contributing to water conservation through reduced intake of fresh water.



Water Footprint targets

APAR had achieved the water footprint intensity reduction of 15% during the reporting period against the target of 12%. This was in addition to the reduction in absolute water consumption.

The target for FY 2024-25 is set at 5% water footprint intensity reduction with respect to FY 2023-24.



Rainwater Harvesting facilities at APAR Khatalwada Cable Plant (see photographs):

1. Rainwater collection from roof-top at APAR's Khatalwada plant
2. Silt trap (sediment basin) Chamber -- used to capture and filter out sediment and other pollutants from rainwater before it enters the ground to ensure water quality, and comply with environmental regulations
3. Filtration chamber filled with filtering media such as fibre, coarse sand and gravel layers to remove debris and dirt from water before it enters the recharge structure.
4. Rainwater storage tank – this 950 KL storage tank (well) is used to collect and store rainwater during the rainy season. This water is used for (a) aquifer recharge and (b) use in our factory for various purposes, thus reducing the consumption of groundwater to same extent.

Waste Management

Following initiatives are implemented and practiced at APAR:

Waste inventory: We compute waste inventory every year, and work towards minimizing the same. The waste generated during the reporting period is provided below:

Plastic Waste (A)	499.07	MT
E-Waste (B)	0.29	MT
Bio-medical waste (C)	0.02	MT
Construction waste (D)	152.83	MT
Battery waste (E)	1.13	MT
Radioactive waste (F)	-	MT
Other Hazardous waste (G)	1,827.07	MT
Other Non-hazardous waste (H)	5,332.77	MT
Total waste generated (A+B+C+D+E+F+G+H)	7,813.18	MT

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

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.

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.

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 part of 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.

Circularity

Steps taken for circularity:

- **Started using Re-Refined Base-Oil (RRBO):** used-base-oil undergoes an extensive re-refining process to remove contaminants to produce a good-as-new base oil.
- Using re-used IBC's (Intermediate Bulk Container) for our oils business
- **Enhanced re-cycling:** of Aluminium and Copper wastes
Total 4.1% of recycled or reused input material (by value) was used in production during FY 2023-24 (up from 2.8% in FY 2022-23).
- **Waste as input material in manufacturing process:** e.g. buying aluminium and copper scrap for input to manufacturing processes.
 We are also exploring opportunity to put up aluminium and copper scrap processing unit at one of our plants.
- **Extended product life:** APAR is the first Indian company to manufacture E-beam (HR FR EBXL) wires. These are provided with highly improved insulation, incl. cross linking by electron beam radiation, which causes our cables to have extended life span, thereby future-proofing houses with 'fix and forget' for 50 years period (up to approx. 2 times of normal cable).

Our main finished products are Cables, Conductors and Speciality Oil. The Cables & Conductors typically have a long life of 30+ years, and most of the material are recyclable and the end-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 a 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.

Biodiversity

All our plant locations are outside the buffer areas and eco-sensitive zones notified around biodiversity hotspots. This includes wildlife sanctuary, national park and world heritage sites declared under applicable regulations or international treaties ratified by India.

APAR, along with the Dharmsinh Desai Foundation has been actively contributing to Sri Chaitanya Seva Trust and Govardhan Eco Village (Palghar, Maharashtra). The following activities, among others, are being conducted:

- Horticulture
- Floriculture
- Organic farming
- Tree Plantation
- Rainwater Harvesting
- Propagation of desi breeds of cow
- Geographical indexing (GI) for Wada Kolan rice which is indigenous seed & local characteristic of Wada block of Palghar district

There has been a significant greening of the area and various bird species have started migrating there.

We are also exploring to engage with an agency for plantation of mangroves and/ or urban afforestation to establish dense, native urban forests.

Mangroves act as significant carbon sinks, storing vast amounts of carbon in their biomass and soil—more per unit area than many terrestrial forests. This carbon sequestration capability plays a pivotal role in mitigating the impacts of climate change by reducing the amount of carbon dioxide in the atmosphere. In addition, mangrove belts of sufficient width will act as storm barriers that strengthen the resilience of coastal zones from climate-related hazards such as storm surges and sea-level rise and control coastal erosion.

We have implemented Biodiversity policy at APAR, which outlines our plans and commitments in this regard. It includes our plan to work towards achieving minimum NNL (No Net Loss) of biodiversity across our plants.



Commitment to work towards **No Net Loss** of biodiversity at our operating plants



Actual photographs, Govardhan Eco Village, Palghar (Maharashtra)



Disclosures

We believe in transparency, and that's why we make voluntary disclosures of our climate, social and governance metrics at global and local platforms. It also helps up to remain focused in our journey to become leader in this space.

Disclosure at CDP:

APAR started voluntary disclosure of climate related emissions to CDP (Carbon Disclosure Projects) since last 2 years. **We were awarded a score of 'B' in year 2023** by CDP.



Disclosure at EcoVadis:

In addition, we make voluntary disclosure to EcoVadis every year. EcoVadis is a renowned evidence-based online platform, providing supplier sustainability ratings and allowing companies to assess the ESG performance of their global suppliers. **Received a silver medal from EcoVadis with 79 percentile score in Oct 2023.**

Disclosure through BRSR:

As mandated by Securities and Exchange Board of India (SEBI), we have been publishing our BRSR (Business Responsibility and Sustainability Report) every year. The report for FY 2023-24 is available publicly and can be accessed from www.apar.com.

Disclosure through ESG Report:

Environment, Social & Governance (ESG) disclosure is also voluntary. This ESG Report is our fourth in the series. We had published three ESG reports earlier, starting from FY 2020-21. All these reports are publicly available at our website www.apar.com.

Annexure VI to the Board's Report			
Business Responsibility and Sustainability Report			
Section A: General Disclosures			
I. Details of the listed entity			
1	Corporate Identity Number (CIN) of the Listed Entity	L91110G1989PLC012802	
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, Vadodra - 390007, Gujarat, India	
5	Corporate address	APAR House, Bldg. No. 4 & 5, Corporate Park, V N Purav Marg, Son - 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	FY 2023-24	
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited, BSE Limited	
11	Paidup Capital	Rs. 40,16,83,150/-	
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 Sarangi, President - Strategy & Projects Telephone: 022-67800400 Email ID: suyash.sarangi@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	
14	Name of assurance provider	Planned	
15	Type of assurance obtained	Planned	
II. Products/ Services			
16 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	AAAC/ AAAC/ ACSR Conductors	Manufacturing	47.6%
2	Transformer & Speciality Oils	Manufacturing	28.71%
3	Power/ Telecom Cable	Manufacturing	22.90%
4	Polymer	Manufacturing	0.73%
17 Products/ Services sold by the entity (accounting for 90% of the entity's Turnover):			
Sl	Product/ Services	NIC Code	% of total turnover contributed
1	AAAC/ AAAC/ ACSR Conductors	2732	47.6%
2	Transformer & Speciality Oils	1920	28.71%
3	Power/ Telecom Cable	2732	22.90%
4	Polymer	22208	0.73%

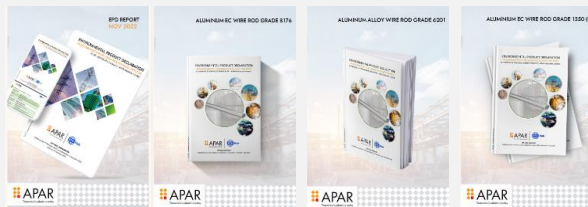
Disclosure through Environmental Product Declaration (EPD):

We have successfully developed and published the Environmental Product Declaration (EPD) on EPD HUB for our various products as follows:

- AL 59 Conductor (HUB-0183): <https://manage.epdhub.com/> and search for 'HUB-0183'
- Aluminum EC Wire Rod Grade 8176 (HUB-0568): <https://manage.epdhub.com/> and search for 'HUB-0568'
- Aluminum Alloy Wire Rod Grade 6201 (HUB-0569): <https://manage.epdhub.com/> and search for 'HUB-0569'
- Aluminium EC Wire Rod Grade 1350 (H12) (HUB-0570): <https://manage.epdhub.com/> and search for 'HUB-0570'

These communicate the carbon emissions through entire life cycle of our products (Cradle-to-Gate).

The report covers carbon footprint computation, verification, validation and certification over its lifetime by EPD Hub as per EN 15804+A2 & ISO 14025 / ISO 21930 standards. These are available at our website www.apar.com



AL 59 (HUB-0183)

Aluminum EC Wire Rod Grade 8176 (HUB-0568)

Aluminum Alloy Wire Rod Grade 6201 (HUB-0569)

Aluminium EC Wire Rod Grade 1350 (H12) (HUB-0570)

Disclosure through (Task Force on Climate related Financial Disclosure) TCFD Report

APAR had developed a Task Force on Climate-related Financial Disclosures (TCFD) report to address the growing demand for transparency in how we manage climate-related risks and opportunities, in a structured way, as per the TCFD framework, established by the Financial Stability Board. This is important climate-related financial information that is relevant to APAR's investors and stakeholders.

Our TCFD report encompasses the following:

- **Climate related Risk & opportunities:** its impact on APAR's business, strategy & financial planning
- Risk management process
- Integration of Climate Risk into ERM
- Scenario analysis
- Quantification of financial impact

It will help APAR to improve its overall risk management practices and better prepare for potential climate-related impacts.



Disclosure through our website

In addition, we communicate and disclose important events and information through our website. Please visit the SUSTAINABILITY section of our website, www.apar.com for more details. Major contents at APAR website include:

- All the policies related to environment, social and governance
- Reports incl. ESG reports since FY 2020-21
- Third party assurance certifications
- Product Carbon Footprint
- Certificates (NABL, ISO) for all the plants
- Major initiatives taken etc.

Disclosure through MSDS (Material Safety Data Sheet)

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. It contains following information:

- Product and Company Identification
- Hazards Identification
- Composition, Information on Ingredients
- First Aid Measures
- Fire Fighting Measures
- Accidental Release Measures
- Handling And Storage
- Exposure Controls, Personal Protection
- Physical And Chemical Properties
- Stability And Reactivity
- Toxicological Information
- Ecological Information
- Disposal Considerations
- Transport Information
- Regulatory Information
- Other Information

APAR Industries Limited

Safety Data Sheet
Regulation (EC) No. 1907/2006
(REACH), Annex II, as amended by
Commission Regulation (EU) 2020/878.

SECTION 1 IDENTIFICATION OF THE SUBSTANCE / MIXTURE AND OF THE COMPANY / UNDERTAKING

1.1 Product Identifier

Product name	Transformer oil POWEROIL TO 1020 60 U
Product description	Insulating oil
Product type	Liquid
HARPOL Annex: 1	Oils

1.2 Relevant identified uses of the substance or mixture and uses advised against

Identified uses
Formulation and (re)packing of substances and mixtures - Industrial
Use in functional fluids - Industrial
Use in functional fluids - Professional

1.3 Details of the supplier of the safety data sheet

Supplier/Manufacturer
APAR Industries Limited
18 T.T.C., M.I.D.C. Industrial Area , Thane Belapur Road , Rabale, Navi Mumbai – 400701, India.
+91 22 6110444 (Office hours 9:30am to 17:00pm)
www.apar.com
hsd@apar.com

e-mail address of person responsible for this SDS
+91 9832811132

SECTION 2 HAZARD IDENTIFICATION

2.1 Classification of the substance or mixture

Product definition Mixture
Classification according to Regulation (EC) No. 1272/2008 (CLP/GHS)
Apt. Tot. 1, H304
The product is classified as hazardous according to Regulation (EC) 1272/2008 as amended.
See Section 16 for the full text of the H statements declared above.

2.2 Label elements

Hazard pictograms

Danger
H 304 : May be fatal if swallowed and enters airways.

Signal word Danger

Hazard statements

Precautionary statements

Prevention	Not applicable
Response	P301 + P310 + P331 - IF SWALLOWED: Immediately call a POISON CENTER or physician. Do NOT induce vomiting.
Storage	Not applicable
Disposal	P501 - Dispose of contents/container in accordance with all local, regional, national and international regulations.

Annex XVII - Restrictions on the manufacture, placing on the market and use of certain dangerous substances, mixtures and articles

2.3 Other hazards
Substance meets the criteria for PBT or vPb according to Regulation (EC) No.1907/2006, Annex XIII
Other hazards which do not result in classification
This mixture does not contain any substances that are assessed to be a PBT or a vPb.
Prolonged or repeated contact may dry skin and cause irritation.

SECTION 3 COMPOSITION/ INFORMATION ON INGREDIENTS

3.2 Mixtures

Product/ingredient name	Identifiers	%	Classification Regulation (EC) No. 1272/2008 [CLP]	Type
Dianiline (spotroleum), Severely hydrotreated Light Naphthenic Oil.	EC: 265-556-6 CAS: 64742-53-6	>50	Apt. Tot. 1, H304	[H] [F]

Product Name : POWEROIL™ TO 1020 60 U
Version No. : 10 Issue Date: 1st January 2024

SDS (2020/878)
Page 1 of 8

Human Capital

Human Capital

Key highlights

- Certified as Great Place To Work from Feb 2024 to Feb 2025
- Launch of 'APAR Leadership Incubation Lab' with Welingkar Institute of Management (WeSchool) for its chosen few Leaders
- Introduction of National Pension Scheme (NPS) for employees
- ISO 45001 certificate in place
- SA-8000 manual in place for plants
- Improvement in gender diversity due to increased focus
- Daycare facilities in place
- Specialized training for women employees
- No POSH related complaints during the reporting period
- Grievance mechanism on discrimination and/or harassment issues
- Maternity & Paternity leaves
- Flexible organization of work (e.g. remote work, flexi-time)
- Compensation for extra working hours
- Communication with employees through internal monthly newsletter
- Employee survey
- Transparent recruitment process
- Internal Job Posting
- Annual assessment of individual performance
- Identification & development of HiPo
- Regular employee health check-up
- Health care coverage of employees in place
- Training of employees on various social policies

Employees Strength	1,941	Nos.
Women %	9.30	%
New Hires in FY 2023-24	498	Nos.
Percentage of Women in new hires	12	%
Attrition	12	%
Avg hours of training provided per employee	33.27	hrs/ emp
HiPo identified for development	148	Nos.
Executive health check-up program availed by	1,506	employees



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 nurtures a cohesive team culture that inspires employees to actively participate in all organizational development initiatives with no limitation of opportunities which makes APAR an 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.

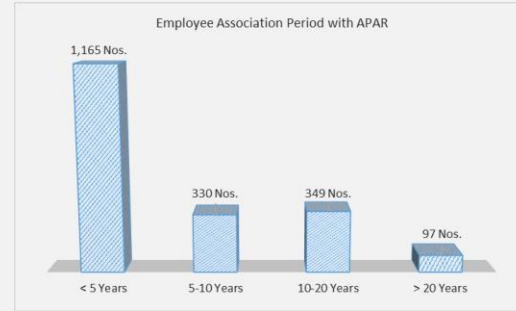
The Company's corporate & factory locations do not have any child labor, forced labor or any form of involuntary labour, paid or unpaid.

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.

Long term service award (Aabhar Pradarshan)

Recognizing and acknowledging our employees for their commitment and accomplishments is deeply ingrained in our company's ethos. At APAR, we highly value and appreciate the dedication of our long-serving employees. To show our gratitude, we have established a tradition of presenting long service awards to commemorate their achievements. These awards are bestowed upon employees who reach significant milestones in their tenures, such as 5, 10, 15, 20, and 25 years of service, as a heartfelt gesture of appreciation and recognition for their enduring contributions.



We have employees who have been with us for 10, 20, 30 and even beyond 40 years. For many employees, APAR is their first and their last job.

Benefits to employees

APAR offers certain benefits to its employees besides wages, including:

- Long term service award
- Benevolent fund for employees
- Education assistance
- Advance loan
- Home loan interest subsidy
- Canteen & subsidies food facility
- Employee wedding (premium car rental) policy
- Medclaim for employee & family members & GPA for employees
- Annual medical checkup & hospital assistance
- Maternity & paternity leaves
- Ambulance service @ home
- Free bus facility
- Flexi working hours
- Hybrid model of work from home & work from office

Addition to employee benefits during FY 2023-24

- Launch of 'APAR Leadership Incubation Lab' with Welingkar Institute of Management (WeSchool) for its chosen few Leaders
- Introduction of National Pension Scheme (NPS) for employees
- Counselling facility for employee wellness
- Incremental training programs
- Amendment in several employee related policies
- Introduction of new HRMS for employees



We are **Great Place To Work® Certified™**



This certification is given to organizations that demonstrate a high level of trust, camaraderie, and positive workplace culture based on employee feedback and assessment. It has enhanced APAR's reputation as an employer of choice and help attract and retain top talent.

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. The details of the training programs is provided below:

Topic	# of Training programs
APAR values: APAR Code of Conduct	# 16
Soft Skill	# 73
ESG: Social	# 58
ESG: Environment	# 64
Occupational Health & Safety (OH&S)	# 2,442
IT Awareness	# 43
Skill Upgradation	# 701
Quality Management System (QMS)	# 128
Supplier Code of Conduct (for Suppliers)	# 13
Team building & APAR OD strategy 2030 (for senior leadership)	# 1

Training programs conducted during FY 2023-24

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

Training KPI

- Code of Conduct training was provided to all new joinees
- ESG Social, ESG Environment and IT awareness training was provided to all employees at least once during the year
- Supplier Code of Conduct awareness program covered 310 suppliers of APAR
- Team building & APAR OD strategy training was given to 98 APAR leaders for two and half day

Total training hours during FY 2023-24: 87,760 Hours

Employees strength: 1941

Avg. hours of training provided per employee: 45.21 Hours/ Employee

Employees' Well-being

APAR had rolled out executive health checkup program through tie-up with a leading wellness center. It has capabilities to deliver this program across all locations of India, covering all metros and tier I/II cities.

Investigation list

- Routine tests: General clinical examination
- Blood tests (CBC, sugar testing, HbA1C)
- Liver profile tests, Lipid profile tests, Kidney profile tests
- Thyroid function tests
- PSA: Prostate Specific Antigen (prostate screening for men aged over 40)
- PAP smear (cervical screening for women) & gynecological consultation
- Radiology investigation, Special cardiac evaluation
- Vitamins D & Vitamin B12
- Consultations

The executive health check-up facility was availed by 1506 employees (1336 men and 170 women employees) during FY 2023-24

APAR Wellness Program : Counselling Facility

Taking care of our emotional balance and mental peace is an essential part of our overall health and well-being. In the post Covid world, mental wellness has gained utmost importance along with physical fitness. This is a cause which most of the progressive companies are championing today to instill resilience among the employees. APAR has introduced counselling sessions as part of employee wellness initiatives and had engaged a qualified, trained and highly experienced psychological counsellor.

183 such sessions were conducted during FY 2023-24 for 54 employees.

Employee Engagement Activities

- Reward & recognitions
- Long Service Award
- Farewell ceremony for our valued employees
- Celebration of festival, cultural & sports events
- APAR town hall
- APAR internal newsletter – ‘Engage’
- Birthday & marriage gifts
- Employee engagement survey
- International women’s day celebration
- Senior leadership conclave, etc.

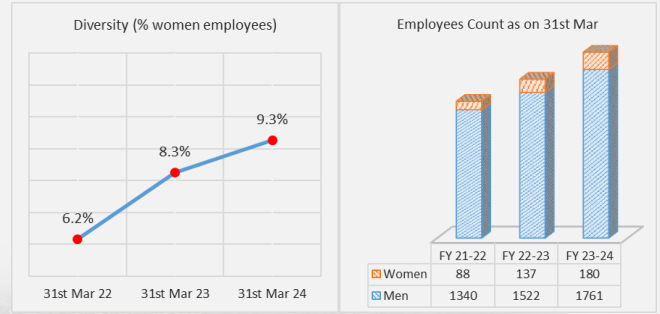
Diversity & Inclusion

APAR follows an integrated development approach which specifically targets the disadvantaged, vulnerable and marginalized stakeholders. It has been the Company's constant endeavor to focus on inclusive and collaborative growth. As per our organizational policy, we strictly do not differentiate between employees on the basis of their gender, colour, caste, creed, nationality, religion, race and disability.

Gender Diversity:

We're committed to improve diversity at APAR and are working towards the same. The increased focus on diversity resulted in increase in our women employee strength to 180 in the reporting period. Gender diversity improved from 6.2% to 9.3% in the reporting period.

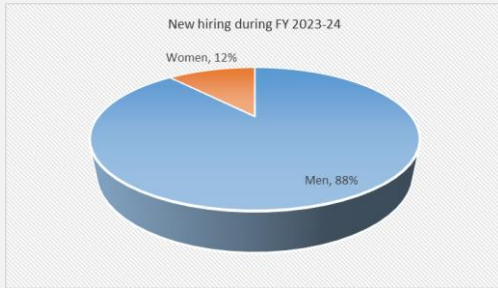
We are focusing to improve women worker's participation in our factory shop floors. The count of women workers has increased from 7 in FY 2022-23 to 38 in FY 2023-24.



Women's day celebration at a resort near Mumbai

New hiring during FY 2023-24

APAR is proud to announce that it had hired 58 talented women employees who bring a wealth of skills and fresh perspectives to our team, during the reporting period. This initiative not only enhances our workforce but also reflects our commitment to empowering women in traditionally male-dominated fields. By prioritizing gender diversity, we are confident that these new hires will drive innovation, improve problem-solving, and contribute to a collaborative environment where all voices are heard. Their expertise and unique insights will play a vital role in shaping the future of our operations, ultimately benefiting APAR and the communities we serve.



New hiring during FY 2023-23: 498 (Men= 440, Women=58)
12% of all the new hirings were women employees.

Initiatives for women employees

- Maternity benefits
- Daycare facilities
- Specialized training – ‘Sarasvati’ Trainee program
- Prevention of Sexual Harassment (POSH) policy
- Implementation of DEI (Diversity, Equity & Inclusion) policy
- Equal remuneration as per the act based on qualification & experience
- Periodical health check ups
- Safety & precautionary measures for all employees



Women's day celebration at APAR Cable Khatalwada Plant

Women's day celebration at a resort in Silvassa

Employment:

We always look forward to offering merit-based employment to the historically disadvantaged sections of society including scheduled castes/ tribes, other backward classes at all the plant locations.

Currently we are providing training to 47 apprentices at our plants. 85% (40 out of 47) apprentices belong to SC (Scheduled Caste), ST (Scheduled Tribes) or OBC (Other Backward Classes).

In addition, 80% of our total contract workforce at plants belong to SC, ST or OBC category; and 38% of our employees at plants belong to SC, ST or OBC category.

Inclusion of person with disabilities (PwDs):

APAR is committed to including persons with disabilities in our employment ecosystem and workforce. The count of differently-abled employees has increased from one to four and differently-abled workers from nil to four in the reporting period as compared with FY 2022-23.



Wheelchair ramp @ APAR Khatalwada Cable Plant Garden



Wheelchair ramp @ APAR Umbergaon Cable Plant office entrance

Creating special facilities for persons with disabilities at manufacturing plants is essential to ensure an inclusive and equitable workplace. These facilities not only comply with legal requirements but also promote diversity and enhance the overall productivity of the workforce.

All our facilities have ramps at entry locations and lobbies to facilitate movement through wheelchairs. In addition, provision for special toilets is made for specially-abled persons. 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.

This inclusivity fosters a positive organizational culture, encourages teamwork, and leads to innovative solutions driven by diverse perspectives. Ultimately, investing in such facilities demonstrates APAR's commitment to social responsibility and helps us to attract a wider talent pool, benefiting both employees and APAR as a whole.

Ramp for wheelchair @ APAR Khatalwada Cable Plant office entrance



Washroom for specially-abled persons @ APAR Khatalwada Cable Plant



Wheelchair for specially-abled persons @ APAR Umbergaon Cable Plant

Culture activities at APAR

Celebrating festivals is a great way to bring a family together. And when it comes to APAR Parivaar, we leave no stone unturned to spread happiness, good luck and prosperity around us. **We have a diversified cultural ecosystem within the APAR Parivaar, and we celebrate these festivals as ‘one big family’.**

Some of the celebrations at APAR were Republic Day celebration, Independence Day celebration, Holi celebration, Ganesh Puja celebration, Diwali celebration, Christmas celebration (including celebrating Secret Santa), Birthdays celebration (on the last day of each month) etc.

In addition, competitions such as drawing competition, poetry competition, painting competition, rangoli making competition etc. are held regularly for employees and their family members, including children.

Sports activities encourage teamwork, which is crucial in a corporate environment. Employees from different departments get the opportunity to work together outside of their usual work context, helping to build stronger interpersonal relationships and better collaboration in the workplace. Engaging in physical activities is also a fun break from the usual work routine, boosting morale of our employee. APAR recognizes this fact and takes sports very seriously. Some of the sports activities at APAR include Apar Premier League Cricket (APL) Matches, Annual Sports Day, Badminton tournament, Marathon running, Kabaddi Championship, Yoga Day etc. Glimpse of some of the events organized at APAR during the year is provided in subsequent pages.

Independence Day Celebration at APAR Rabale Oil Plant



Holi Celebration at APAR Baroda Office





Family Bonding

APAR PARIVAAR MAHOTSAV was celebrated as family Day in Jan 2024 in Mumbai.

It was a heartwarming occasion that brought together employees and their loved ones for a day of fun and connection.

The evening kicked off with heartwarming performances, where employees showcased their talents in singing and dancing, captivating everyone in attendance. Soon, the atmosphere became electric as more employees joined in, breaking into spontaneous dance circles and singing along to familiar tunes. The air was filled with a sense of togetherness, as people from different departments mingled, sharing stories and forging new friendships. With delicious food, festive decorations, and a lively playlist that kept everyone on their feet, the event celebrated not just the work they did, but the vibrant community they had built together.

Photographs from Family-Day program in Mumbai >>

Photographs from Annual Family Picnic, Silvassa (below)



Occupational Health & Safety

APAR is committed to providing a safe and healthy workplace. Making sure that our employees, associates, and contractors return home from work safely each day is more important than anything else. We are committed to ensuring zero harm to our employees, associates and contractors, and the communities in which we operate. This is integral to our business and is laid down in our health and safety policies, standards, and working procedures.

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:

- safety & 5S committee
- suggestion scheme
- Kaizen
- Safety engagement activities, and
- a team of qualified H&S professionals at each manufacturing location

Some safety related KPIs are provided below:

Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)	Employees	0.31
	Workers	1.27
Total recordable work-related injuries	Employees	1
	Workers	20
No. of fatalities	Employees	-
	Workers	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1
	Workers	4



Demonstration of Fire & Safety equipment @ APAR Khatalwada Cable Plant

Social Capital

Social Capital

Key highlights

- Global and diverse supplier base
- Implementation of SCoC (Supplier Code of Conduct)
- Sustainable procurement policy implemented
- Capacity building of suppliers on environmental and social issues – 13 awareness webinars conducted for supply chain partners
- 310 suppliers (14.7% by value of business done) covered through such awareness programs
- Regular supplier assessment through questionnaire and audits
- Integration of social or environmental clauses into supplier contracts
- Supplier grievance handling policy implemented
- Deeper engagement with MSME and smaller suppliers - Procurement from MSME/ small suppliers: 4.5% (by value)
- Resilient supply chain & supply security
- Promote ethical business practice
- ESG as a parameter for supplier assessment
- Use of re-cycled material as input material
- Sourced from within India: 58.3% (by value)





Sustainable Procurement

Over 95% of our emissions is on account of Scope-3 emissions (indirect emission, outside the boundary of APAR), and over 80% of Scope-3 emissions is on account of Category-1 (purchased goods and services). This demonstrates the importance of Sustainable Procurement in the journey of overall emissions management.

Following initiatives have been taken for sustainable procurement:

- ❖ **Implementation of Sustainable Procurement Policy:** APAR had implemented a Sustainable Procurement policy. It demonstrates a set of guiding principles and objective that integrate, amongst other points, environmental issues such as emissions of greenhouse gases, consumption of water and energy, management of waste and hazardous materials, labour & human rights issues, diversity & inclusion etc. in supply chain management.
- ❖ **Implementation of strategic sourcing:** It involves a systematic approach to defining a long-term sustainable strategy for procuring goods & services at the lowest possible cost while ensuring optimal quality and service levels. This involves collaborative long-term partnerships with suppliers, involving cross functional teams with a contracting approach that maximizes value for all stakeholders. This way our supply chain partners are willing to invest in equipment and processes to optimize energy consumption and reduce carbon footprints.
- ❖ **Implementation of Supplier Code of Conduct (SCoC):** This Code sets forth the basic requirements that we ask our Suppliers to respect and adhere to when conducting business with APAR. We have implemented the SCoC across the supply chain. **All new suppliers who get on-boarded need to accept and sign the SCoC at the time of on-boarding itself.** Additionally, our small and MSME suppliers participate in a self-assessment questionnaire on ESG. This had enabled APAR to assess the readiness of its suppliers on various ESG parameters, so that they can take remedial actions where they are falling short.
- ❖ **Vendor due diligence:** Proper due diligence is conducted at the time of vendor on-boarding. Amongst many other evaluation criteria, the vendors are also evaluated against the health, safety and environment sustainability parameters.

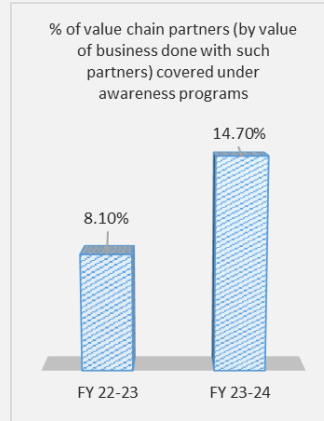
- ❖ **Implementation of Supplier Grievance Handling Policy:** APAR had implemented a formal Supplier Grievance Handling policy for faster closure of grievances of suppliers. Most of the complaints were related to delay in payments because of delay in work execution, and two complaints received related to unloading of the material due to high number of trucks arrival – all the complaints were closed in time. The link to Supplier Grievance handling Policy is as follows: https://apar.com/wp-content/uploads/2023/03/Supplier_Grievance_Handling_Policy.pdf Additionally, supply chain partners can also register their grievances formally by e-mailing at ethics.taskforce@apar.com.
- ❖ **Procurement of low-carbon embedded raw materials including green aluminium.**
- ❖ **Increased re-cycling in manufacturing process** (avoiding the emissions due to inward logistics to that extent).
- ❖ **Increased use of Aluminium and Copper scrap as raw material.**
- ❖ **Focus on local suppliers:** We procure goods from local suppliers including MSMEs (Micro, Small and Medium Enterprises) and materials are imported under advance license scheme to the extent possible. In addition, APAR procures goods and services like security, gardening, housekeeping and such other services from the suppliers located near our factories. Majority of our workforce is employed from the surroundings of the manufacturing unit across all the locations.

Procurement from MSME/ small suppliers: 4.5% (by value)
Sourced from within India: 58.3% (by value)

We also support vendors for improving their productivity and technical capability to reduce their operation costs. We are consistently putting efforts for vendor development locally for high quality premium grade products (ultra-high strength steel, export quality packaging material, specially designed tools and spares).

- ❖ **Increased engagement through regular supplier awareness programs:** We consistently interact with our suppliers through discussions and webinars to spread awareness and adopt the sustainable practices to reduce the adverse environmental aspect of our products over their life cycle. Several supplier sustainability awareness webinars were conducted during the reporting period.

Supplier Awareness Program at APAR Rabale Oil Plant



- No. of webinars conducted: 13
- Suppliers covered: 310 suppliers
- % of suppliers (by value of business done with such partners): 14.7%. Additionally, 59.1% of our procurement value is from large and progressive suppliers. They have very strong ESG program as is evident from their published ESG reports.
- In effect, 73.8% supply chain partners (by value) were covered.

Topics covered under the supplier awareness programs:

- ESG overview
- Cause of Climate Change
- Global Warming Potential
- Emissions scopes
- Sustainability initiatives @ APAR
- GHG emissions @ APAR and various emissions reduction initiatives taken
- Water Footprint @ APAR and various water footprint reduction initiatives including rainwater harvesting
- Human Rights initiatives @ APAR
- Supplier Code of Conduct
- National Guideline on Responsible Business Conduct (NGRBC) principles
- Questionnaire for suppliers to assess their ESG readiness
- Open forum to discuss how the emissions reduction initiative can result in lowering the costs

Sourcing of molten aluminium

Furnace Oil account for majority of fuel consumption due to melting of aluminium in furnaces at our Conductor plants.



We transport molten aluminium through public road for a long distance of 30 kilometers from our supplier to our Sambalpur Conductor plant. Details are provided under 'sustainable procurement' section.

The use of molten aluminium resulted in reduced scope-1 & 2 emissions, whereas the proximity to supplier resulted in reduced scope-3 inward logistics emissions.

- ❖ **Strategic location of our plants:** We had set up our Sambalpur Conductor plant closer to the raw material sources (one big aluminium supplier is situated just beside our plant, and another big aluminium supplier is situated at a distance of 30 kilometers from our plant), thus reducing significant amount of energy requirement. This proximity is giving us the advantage of using liquid molten aluminium as direct raw material as against the industry practice of procuring aluminium ingots and then melting it before use.



It was not just a mere logistic operations, but a meticulous orchestration of teamwork, expertise, and precaution. The transportation of hot molten metal on public roads is a rare event in India. The dedicated team from APAR and the supplier were deployed, with pilot cars moving ahead and behind the trailer to ensure safe and seamless transportation of molten aluminium.

- **Proximity to Port:** Our oil units are located in Rabale (Navi Mumbai) & Silvassa. Our cable units are located in Umbergam & Khatalwada (Taluka Umbergam). Five conductor plants are located in Silvassa. All these units are located very near to the Mumbai port. Hence, procurement/ transportation of raw material as well as export of finished goods becomes very easily thereby saving on both inward as well as outward freight.
- **Direct connectivity to the port through pipeline:** Storage tanks at our Hamriyah oil plant are connected directly to the port jetty through a 1.5-kilometer underground pipeline. This gives us advantage of getting our raw materials directly from the ship to our storage tanks. This arrangement cuts all the activities related to raw material shifting by road transport.

Community Engagement

APAR engages with the community through education, healthcare, nutrition, children welfare, rural development, training & employment and focus on environment & sustainability.

Plantation drive at Khatalwada Gram Panchayat



HEALTHCARE

- Dharmsinh Desai Methodist Memorial Hospital (DDMM)
- Mobile Medical Unit (MMU)

RURAL DEVELOPMENT

- Community development

EDUCATION

- Dharmsinh Desai University (DDU)
- Dr. ND Desai Faculty of Medical Science & Research
- Govardhan Skill Center (GSC)
- Sister Nivedita School on Wheels

EMPLOYMENT

- Training & Employment to local youth



Dharmsinh Desai University (DDU)

We support the Technical High School and Boys High School at Nadiad, as well as set-up the Dharmsinh Desai University in Nadiad, which provides education in technical and other areas (diploma and degree courses) to students at a nominal cost.

The highlights are:

- First autonomous technical college of Gujarat in 1990
- Integrated BE + MBA program was started in 1994
- First autonomous college to become deemed university and then university through this evolution
- Our first NBA accreditation was in 1998
- ISO:9001 standard certified



45 acres is the area on which it is situated. It has well-equipped classrooms, laboratories, sports facilities, hostels, research and conference centers

35+ number of courses accredited by various national bodies such as NAAC, NBA, AICTE, PCI, DCI & UGC.

57000+ books in the well-stocked library

50+ major & minor research projects in last five years

Dr. ND Desai Faculty of Medical Science & Research

Webpage: <https://medical.ddu.ac.in/index.php>



Dr. ND Desai Faculty of Medical Science & Research

- Established in 2018 at Nadiad, Gujarat
- Part of the Dharamsinh Desai University, was built with the vision of our late Chairman Dr. ND Desai
- Offers exceptional medical treatment free of cost to lower income communities
- 20 acres, 800 beds across 25 specialized wards
- 11 functional operation theatres (General Surgery, Orthopedics, ENT, Ophthalmology, Obstetrics and Gynaecology, Endoscopic Procedures, Septic cases and Emergency cases)
- Laboratory services (offering free pathology, microbiology, biochemistry and serology tests).
- Radio imaging facilities (radiography, sonography (4D) and echocardiography)
- Blood bank with a component facility (24 hours)
- Dedicated ICUs for Medicine, Surgery, Cardiac Care, Neonates and Paediatrics
- Separate labour complex for septic and complicated cases, etc.
- Offering services with a case fees of Rs. 5, Dentures at Rs. 50, subsidized oral cancer surgeries through the dental college.

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



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

Beneficiaries (Services rendered till date)

Outdoor Patients (OPD)	13,07,195
Indoor Patients (IPD)	88,305
Surgeries (OT)	34,985
Laboratory tests	More than 31 Lakh
X-Rays	More than 2 Lakh
Sonography	More than 1 Lakh
New-born treated in NICU	More than 8,000
Gynaecology Delivery	More than 8,000
Food	Three times ~ 700 meals daily



Dharmsinh Desai Memorial Methodist (DDMM) Heart Institute

Dharmsinh Desai Memorial Methodist Institute of Cardiology and Cardiovascular surgery, known as the DDMM Heart Institute, is a super specialty hospital in Nadiad, dedicated for Cardiovascular care. It combines state of the art facilities with compassionate care and makes this available to people of all walks of life - both from Gujarat and the surrounding regions.

Set-up in 1993, 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.

Services	Beneficiaries	Free of Cost
Cardiac consultations	9,069	3,966
Echocardiography	5,927	2,031
Cardiac catheterization	1,052	284
Cardiac surgeries	297	186
Blood for hemophilia	6,151	1,211
Economically disadvantaged patients	7,042	7,042

Employment Generation

- We have tied up with Sri Nityanand Educational Trust Sanchalit Govardhan Skill Development Centre, Wada (District: Palghar, Maharashtra). Govardhan Skill Development Centre is working with the objective of employment generation for tribal youth through their technical skill development. They run various short term technical courses which are affiliated to National Institute of Open Schooling.

Highlights:

- Govardhan Skill Centre (GSC) is the India's 3rd largest skill centre
- 70,000 square foot campus, situated over 4 acres
- 81 diverse and in-demand courses in fields such as welding, electrical work, plumbing, and the Diploma in Basic Rural Technology (DBRT). These courses equip students with the skills necessary to either start their own enterprises or secure employment in various industries.
- Collaborations with over 25 corporations ensure job placements and that the curriculum meets industry standards
- 650+ tribal students have been skilled and successfully placed in various industries
- 72 GSC students were trained and placed successfully from electrical technician, welding technology and plumbing courses contributing to community development and economic growth
- APAR Industries provided sponsorship for 305 students for technical and entrepreneurial courses
- Vocational training was provided to 50 tribal students. Out of this, 40 students were employed at APAR's Khatalwada manufacturing plant, providing them with stable income and opportunities for professional growth.
- 3000+ students trained on advanced technical skills such as CNC machines, laser cutting, PCB making, 3D printing etc.



Governance

Key highlights

- Climate Risk Identification and quantification done
- Publishing TCFD (Task Force on Climate-related Financial Disclosures) report
- Establishment of Board level committee: Corporate Social Responsibility and Sustainability (CSR&S) committee
- Enhanced Board diversity and Independent Board
- Chairman's commitment to sustainability: Underwent specialized course on 'Business and Climate Change: Towards Net Zero Emissions' from Cambridge Institute for Sustainability Leadership (CISL).
- Executive compensation alignment: Introduction of ESG performance-linked incentive for our leaders and other relevant employees at our plants & offices
- Anti-Corruption measures
- Strengthened data privacy and security
- Shareholder engagement
- Transparent reporting practices
- Grievance redressal system in place



Climate related risks

At APAR Industries, we recognize the vital importance of conserving our planet's natural resources and are dedicated to sustainable practices across all aspects of our operations. Our strategy is designed to support the global transition to a low-carbon future by focusing on energy efficiency, renewable energy adoption, and effective resource management. We are committed to minimizing our environmental footprint and achieving significant sustainability milestones.

Our climate change strategy emphasizes the transition from high-carbon activities to low-carbon alternatives, such as improving energy efficiency, reducing emissions, and expanding our use of renewable energy. We have achieved a 5% decrease in Scope-1 and Scope-2 emissions intensity and a 4% reduction in energy intensity. Our efforts have been recognized with awards such as the Leadership Awards and Green Gujarat Awards 2023, acknowledging our dedication to mitigating climate impacts and enhancing sustainability.

We have conducted a comprehensive assessment of climate-related physical risks and scenario analysis for our assets at APAR. These are then incorporated into the scenario analysis of 29 APAR assets. Each asset was evaluated based on factors such as temperature, water availability, and climate hazards.

In alignment with TCFD (Task Force on Climate-related Financial Disclosures) guidelines, we considered both low-emission and high-emission temperature scenarios: SSP1-RCP2.6 and NGFS Net-Zero by 2050 for low-emission scenarios, and SSP5-RCP8.5 for a high-emission scenario.

This assessment has provided us with valuable insights into high-risk assets within our operations and highlighted the specific types of risks we face. By identifying these high-risk areas, we can proactively implement strategies to mitigate risks, safeguarding our assets and ensuring business continuity in the face of climate-related challenges.

Prioritizing Climate-related Risk

At APAR, we integrate risk identification and management into our business strategy, focusing on both climate-related and other risks impacting our operations and clients. Using techniques like scenario analysis, we assess risks qualitatively and quantitatively to gauge their likelihood and impact, allowing us to create effective mitigation plans.

Our approach prioritizes advancing the quantification of climate related risks alongside financial and non-financial risks. The Board level Risk Management Committee reviews these risks and mitigation strategies, categorizing them as short-term (0-3 years), medium-term (3-5 years), and long-term (5-10 years).

Our risk mitigation strategies are executed at two levels:

- **Business Level:** We develop sustainability strategies to manage major risks such as climate change and water related issues, with ongoing progress monitoring.
- **Asset Level:** These strategies are translated into specific action plans for each asset, ensuring detailed risk management at the operational level.

Each risk undergoes a structured analysis process involving identification, assessment, and integration into our Enterprise Risk Management (ERM) framework. This methodical approach ensures that our risk management is comprehensive and aligned with strategic objectives, enhancing our ability to address evolving challenges effectively.

Risk Identification

We manage climate risk through a comprehensive, ongoing process that identifies and consolidates risks from peer reviews, sector reports, and stakeholder consultations. Aligned with the TCFD Framework, we categorize risks into Physical (acute and chronic) and Transitional (policy, technology, and market).

Our forward-looking approach assesses all relevant risk factors and explores opportunities from the low-carbon economy shift. We integrate climate-related risks across sectors, products, and geographies, linking them to sustainability categories and time horizons.

Risk Management Committee

Our Board of Directors has established a Risk Management Committee to oversee and strengthen our risk management framework. This Committee plays a crucial role in identifying, assessing, and mitigating risks that could impact our operations and strategic objectives. We have implemented a Risk Management Policy that guides this process and is regularly reviewed and updated. The Risk Management Committee, in coordination with the Audit Committee and the Board, consistently evaluates and refines our risk assessment and minimization procedures.

Key Responsibilities:

- **Risk Identification and Mitigation:** We identify potential risks and develop strategies to address them.
- **Policy Review:** We review and recommend updates to our Risk Management Policy.
- **Oversight and Reporting:** We monitor risk management procedures and report our findings to the Board.

Risk Management Committee Members:

- The list of members of the Risk Committee is provide under 'Board Committees' later in this section.



Business Continuity

We have a BCP (Business Continuity Plan) 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.

Internal Control

APAR has established adequate Internal Control Systems (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.

Systems Applications and Products (SAP), a world-class business process integration software solution, which was implemented by the Company at all business units, has been operating successfully.

The Company has appointed M/s. Deloitte Touche Tohmatsu India LLP as its Internal Auditors. The system-cum-internal audit reports of the Internal Auditors are discussed at the Audit Committee meetings and appropriate corrective steps are taken. Further, all business segments prepare their annual budgets, which are reviewed along with performance at regular intervals.

Grievance Redressal Management

APAR is committed to providing a safe and conducive work environment to all of its stakeholders, and the mechanism to receive and redress grievances is in place.

Employee & Workers Grievances: We have implemented proper grievance management system for our people through

- **Implementation of various policies** such as (a) Policy for Prevention of Sexual Harassment at Workplace (POSH) (b) Whistle Blower Policy (c) Employee Relations Policy. All these policies are available publicly at our website www.apar.com.
- **Constitution of Committees** such as (a) Grievance Committee, which addresses the grievances raised by employees & workmen including grievances against canteen facilities, working conditions, harassments, facilities, overtime, leave etc. This consists of five members across functions at locations, and the Chairman is nominated by the local management. (b) In addition, 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.
- **Awareness training** on various grievance related policies are imparted regularly.

Community Grievances: We ensure that there is regular engagement on a pro-active basis with the local communities and their representatives at all our manufacturing locations. 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

Customer Grievances: 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. We conduct a MRM (Monthly Review Meeting) for each business every month, wherein, besides other important matters, the customer complaints are reviewed, resolution status shared, and corrective actions are discussed to eliminate such issues in future.

Supplier's Grievances: We have implemented a 'Supplier Grievance Handling Policy' to address and manage the supplier's grievances. It is available publicly and the mechanism to receive, record, screen, investigate, action and closure is described.

Investor's Grievances: 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, dematerialization (Demat) of shares and all other related matters concerning investors and to consider and resolve the grievances of Security-holders of the Company.

Other Stakeholders' Grievances: The stakeholders are free to write to us at ethics.taskforce@apar.com for any grievances. The Ethics Taskforce Committee is responsible for addressing all grievances, unethical issues, including human rights, violation of APAR Code of Conduct, integrity, financial wrongdoing, harassment, discrimination, victimization, malpractices etc.

Whistleblower helpline

We have implemented a robust whistle blower policy 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 details including the mobile number and email id of the APAR ombudsmen are provided in the APAR Whistle Blower policy.

All complaints lodged under the purview of this policy and the action taken thereon, is reported to the Board of Directors.

Board of Directors and composition



Directors on Board	7	Nos.
Board Independence	57%	%
Women Directors	29%	%

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.

APAR's Board of Directors currently comprise of seven Directors, as on 31st March 2024, who are eminent individuals with exceptional qualifications, professional expertise and extensive experience and they have made outstanding contributions to the industry.

- Mr. Kushal N Desai, Chairman & Managing Director (Executive) - **KND**
- Mrs. Nina Kapasi, Independent Director (Non-Executive) – **NK #**
- Mrs. Nirupa K. Bhatt, Independent Director (Non-Executive) – **NKB ***
- Mr. CN Desai, Managing Director (Executive) - **CND**
- Mr. Rajesh Sehgal, Independent Director (Non-Executive) - **RS**
- Mr. Kaushal J Sampat, Independent Director (Non-Executive) - **KJS**
- Mr. Rishabh K Desai, Non-Executive Non-Independent Director – **RKD**

upto 20 May 2024

* w.e.f 26 Oct 2023



Board Member	Executive Director	Non-Executive Director		Qualifications	Expertise
		Independent	Non-Independent		
KND	●			Bachelor of Science in Electrical Engineering from Moore School of Electrical Engineering, USA and Bachelor of Science in Economics from the Wharton Business School. Both are part of University of Pennsylvania, USA.	Business & Strategic Management and Engineering
CND	●			Bachelor of Science (Hons.) in Chemical Engineering from University of Pennsylvania, USA and a Bachelor of Science in Economics (Hons.) from the Wharton Business School, USA	Business & Strategic Management and Engineering
RS		●		Chartered Financial Analyst, Master of Business Administration in Business Management with specialization in Finance and Marketing, XLRI (India) and Bachelor of Science with specialization in Physics, Mumbai University	Finance, Investment and Business Management
NK		●		Chartered Accountant	Taxation, Audit and Managing Consultancy
NKB		●		Bachelor of Science in Chemistry and Physics from University of Bombay	Ethics, Cost Management, Strategizing, and Marketing
RKD			●	Bachelor of Science in Business Management & Entrepreneurship from Babson College, USA	Business Management, Finance and Strategic Management
KJS		●		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	General Management, Sales, Marketing and Operations, International Business Development, Risk Management, Data and Analytics.

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.

All Directors are selected to serve based on their independence, integrity, diversity and experience. Other selection criteria include sound judgment in areas relevant to our businesses and willingness to commit sufficient time to the Board.

Board committees

Board Committees	Board Committee Member					
	KND	CND	RS	NK	NKB	KJS
Audit Committee	M		M	C	M	M
Corporate Social Responsibility Committee	C	M		M	M	
Nomination and Compensation-cum-Remuneration Committee			C	M	M	M
Share Transfer & Shareholders Grievance-cum-Stakeholders Relationship Committee	M	M	C			
Risk Management Committee *	C	M	M	M	M	M

M Member of the Committee
C Chairperson of the Committee

* In addition, Risk management Committee has other members also from the Management

Subsequently, the Corporate Social Responsibility (CSR) Committee was renamed as Corporate Social Responsibility & Sustainability (CSR&S) Committee. The purpose of this committee is to review sustainability goals, ESG risks and opportunities, ESG targets, and performance against established sustainability metrics, as well as sustainability-related policies, programs, and initiatives.

The sustainability issue is a scheduled agenda item in every board meeting (standing agenda item), and the CSO (Chief Sustainability Officer) is a permanent invitee to this meeting.

Board Remuneration

- Remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- Independent Directors and Non-Executive Non-Independent Director are paid only sitting fees.
- There were 2045 permanent employees (including permanent workers) on the rolls of Company as on March 31, 2024.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2023-24 was 11.65% whereas the percentile increase in the managerial remuneration for the same Financial Year was 32% due to increase in commission which is on increased profit. The profit before tax for Financial Year 2023-24 increased by 36%.

Disclosure of Remuneration

Sl	Name of Director/ KMP and Designation	% increase/ decrease in Remuneration	Ratio of remuneration of each Director to median remuneration of employees
1	KND	33%	189.42 : 1
2	CND	32%	189.71 : 1
3	RS	102%	1.15 : 1
4	NK	84%	1.04 : 1
5	RKD	53%	0.48 : 1
6	KJS	140%	0.99 : 1
7	NKB	NA	0.24 : 1
8	Mr. Ramesh S Iyer, Chief Financial Officer	12.75%	
9	Mr. Sanjaya R Kunder, Company Secretary	9.87%	

Board meetings

- The Board of Directors meets at least four times in a year.
- Five Board Meetings were held during Financial Year 2023-24.
- All the Meetings were held through Video Conferencing as permitted by the law.
- There were 100% attendance of the Directors in all the Board Meetings, Annual General Meetings and Committee of Directors' Meetings.

Board Competence on Sustainability

- Orientation and awareness sessions for the Directors of the Company are regularly organized, covering issues related to health & safety, environment, strategy, industry trends, ethics & governance and legal & regulatory matters. These matters are also regularly discussed and deliberated upon in Board meetings.
- In addition, the Chairman of APAR has completed a specialized course on 'Business and Climate Change: Towards Net Zero Emissions' from Cambridge Institute for Sustainability Leadership (CISL).
- Following efforts are made to ensure that the Board remains up-to-date on sustainability related issues:
 - Regular engagement with external stakeholders and subject matter experts on environmental issues
 - Training of Directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
 - Management-level experience in a role focused on environmental issues
 - Regular participation in online webinars on sustainability
 - Active member of an environmental committee or organization



ESG performance-linked incentive for our employees

We have introduced an ESG performance-linked incentive for our leaders and other relevant employees at our plants & offices. We have carefully identified those employees (129 out of 1941) who are responsible for management & execution of various sustainability related issues.

These include C-suite, senior-, mid- and junior-level employees.

Policies at APAR

APAR had implemented following Governance policies:

- Anti Competitive Practices Policy
- Anti Corruption & Anti Bribery Policy
- Fraud Prevention & Detection Policy
- Remuneration and Diversity Policy
- Policy on Preservation of Documents
- Policy on Dividend Distribution
- Policy on Corporate Social Responsibility
- Policy on Related Party Transaction
- Whistle Blower Policy etc.

In addition, APAR had implemented following Information Technology policies:

- Cyber Security Policy
- Information Security Sustenance Policy
- Data Privacy Policy

All the above policies are publicly available at our website.



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