

Rating Rationale

Apar Industries Limited	Rating Symbol*	Rating Score	Rating Action
ESG Rating	CareEdge-ESG 1	76.4	Assigned

* Please refer to www.careedgeesg.com for detailed understanding of CareEdge-ESG's rating symbols and definitions.

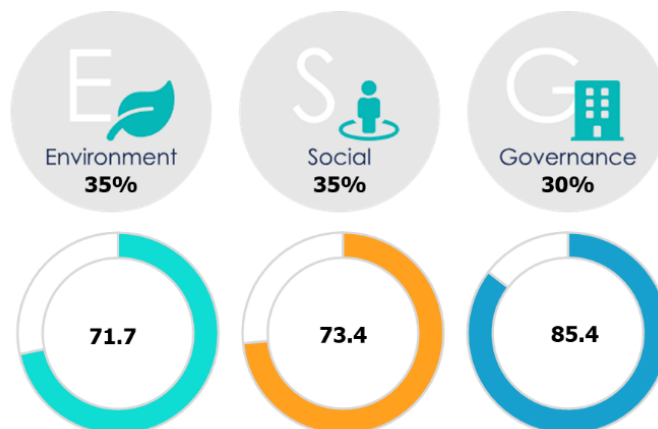
Leadership position in managing ESG Risk through **best-in-class** disclosures, policies, and performance

ESG Score



Data Transparency Level: **High**
 Data Reporting Boundary: **Standalone**
 Overall Transition Pathway Trajectory: **Adequate**
 Environment Transition Pathway Trajectory: **Adequate**
 Social Transition Pathway Trajectory: **Adequate**

Pillar Weights & Scores



Rating Scale



Please note: all scores mentioned in this document are on the scale of 0–100.

Rating Rationale

The rating assigned to Apar Industries Limited (Apar) reflects its position at the leadership stage of ESG stewardship, taking considering the company's strong and proactive initiatives towards sustainability performance encompassing its major business segments comprising conductors, cables, and transformer, and specialty oils. The company integrates sustainability across its operations with a strong focus on key ESG areas including efficient water and waste management, emissions reduction, energy efficiency, sustainable packaging,

employee health & safety, value chain, human capital, business ethics, board composition, and ESG governance and oversight.

Apar's environmental score is strengthened by its comprehensive approach across waste, water, emissions, and packaging management. The company demonstrates strong commitment to efficient waste management through segregation at source, circular economy practices, reusing and recycling across cables and conductors, including closed-loop reuse of aluminium and copper scrap. In water stewardship, Apar achieved zero liquid discharge at all manufacturing units, implemented rainwater harvesting and recharge systems, and enhanced recycling through effluent treatment plants (ETPs) and sewage treatment plants (STPs), supported by both demand- and supply-side management. This has been further strengthened by an increase in water recycling and reuse, and a reduction in overall water consumption intensity. On packaging, Apar advanced sustainable practices by replacing wooden reels with reusable steel or hybrid alternatives and ensuring all plastic packaging complies with extended producer responsibility, while promoting reuse and recycling. Although emissions remain an area with scope for improvement, Apar has set ambitious reduction targets and undertaken measures such as equipment upgrades, electrification, waste heat recovery, renewable energy adoption, and transition to cleaner fuels, reflecting its commitment to lowering its carbon footprint in the long term.

Apar's social score is reinforced by its strong focus on employee health and safety, responsible value chain management, and human capital development. The company has built a robust health and safety framework supported by a board-approved policy, modern EHS systems, proactive hazard identification processes, and extensive training initiatives, ensuring a safe and risk-aware workplace culture. Within its value chain, Apar extends its ethical and sustainability commitments to suppliers through a comprehensive supplier code of conduct, mandatory safety practices, and environmental and health and safety assessment and audits to promote responsible practices. Apar's approach to value chain management is further reinforced through its continuous engagement programmes, raising awareness among suppliers towards sustainable practices and its broader ESG journey, strengthening responsible practices across its value chain. On the human capital front, Apar emphasises diversity, equity, and inclusion through dedicated policies, grievance redressal mechanisms, inclusive hiring initiatives and partnerships to enhance employability for disadvantaged groups. These efforts are complemented by structured training and career development programs that foster employee growth and strengthen organisational capabilities, demonstrating Apar's commitment to inclusive, safe, and sustainable social practices across its ecosystem.

Apar's leadership governance score is driven by its strong commitment to ethical business practices, effective ESG oversight, and structured risk management. The company has established robust policies, including a board-approved Code of Conduct, whistleblower, and anti-bribery frameworks, which are extended to its supply

chain through a Supplier Code of Conduct. ESG strategy is overseen by a dedicated board-level committee and supported by a sustainability team, ensuring alignment with stakeholder expectations and integration into core business practices. Its governance practices are reinforced by board-level ESG oversight, a dedicated sustainability team, annual reviews of business responsibility and sustainability reporting (BRSR) compliance, and inclusion of members with expertise in environmental, climate, and social issues. Apar has also put in place a structured enterprise risk management framework, robust grievance redressal mechanisms, and comprehensive policies on remuneration and board diversity. While the company complies with key governance mandates under applicable regulations, there are opportunities to further improve by enhancing board diversity, increasing women's representation in senior management, conducting independent reviews of its ESG policies, and strengthening the independence of its risk management committee. Overall, Apar's governance framework reflects a transparent, responsible, and sustainability-oriented approach that enables it to address evolving risks and drive long-term value creation. Overall, Apar's ESG rating of 76.4 reflects the company's leadership position in managing ESG risk through best-in-class disclosures, policies, and performance.

However, the rating is constrained by certain factors, including the rise in Scope 1 and Scope 2 emission intensities, higher energy consumption, and increased waste generation. Governance and social aspects also present gaps, such as limited gender diversity with only one woman on the board, no female representation in senior management, and less than two-thirds independence within the risk management committee. Further constraints include insufficient coverage of employees under POSH and whistleblower protection training, lack of comprehensive BRSR-focused training programs for suppliers, and inadequate skill upgradation trainings for employees and workers. The company has allocated only 0.12% of its total R&D budget and 2.9% of its capital expenditure toward sustainable solutions, limiting the scale of investment in enhancing environmental and social performance of its products and processes. While the company is not mandated to conduct impact assessments for its CSR projects, undertaking such evaluations would further strengthen its performance.

Environment Score



The electrical equipment sector exerts a significant environmental footprint, driven by carbon emissions, considerable waste generation, and intensive water consumption, making it one of the most ecologically significant industrial activities. Consequently, this pillar carries a substantial weight of 35% for the sector. With an environmental score of 71.7, Apar ranks in the top quartile among its industry peers,

demonstrating strong performance across key environmental areas. These include carbon and other emissions, water usage and management, effluent and waste, and packaging material, which together contribute over 75% of the overall weightage given to this pillar.

Apar secured a leadership position with a score of 82.4 in efficient waste management. This reflects the company's commitment towards minimising hazardous and other waste generation, while ensuring their safe handling, processing, treatment, storage, transportation, and disposal. Apar has undertaken multiple initiatives to reduce waste generation, including implementing segregation at source, partnering with authorised recyclers, and adopting circular economy principles. Apar's conductor division recycles 100% of its aluminium waste. In its cable division, 100% plain copper scrap is directly recycled by Apar, while tinned copper scrap is sold to authorised recyclers for further processing. Its food and garden waste at plants are composted and reused within premises and shared with local communities. Apar manages hazardous waste in compliance with applicable regulations and the limits specified in the Consent to Operate (CTO) at each plant, ensuring safe storage, proper labelling, and disposal through authorised agencies to minimise environmental impact. The company has established effective zero waste to landfill mechanism, demonstrating a 79% decline in waste to landfill in FY25, through in-house and third-party recycling processes, covering waste streams such as metal scrap, plastics, packaging materials, and e-waste. The hazardous waste from manufacturing jelly-filled copper cables is treated by high-temperature incineration, resulting in the conversion into ash, flue gases, and heat. The waste generated from galvanized iron/ aluminium wire (used as armouring material) and copper tape (used as medium and high voltage cables screening materials) are directly reused by Apar as input material for cables. Stemming from the impactful initiatives, Apar exhibited improvement in the waste recovery rate by 29 basis points to 97.7% in FY25. However, emanating from high waste generation of cables and conductors manufacturing process, Apar's waste intensity stood at an industry median of 0.7 tonne/INR crore of turnover in FY25. The waste intensity also spiked by 37% in FY25 compared to FY24. This spike is mainly attributed to a more than proportionate increase in production (cables and conductors = 24%; specialty oil = 8%) compared to increase in turnover of 15%, and commissioning two new conductor plants at Silvassa. Though wastage increased in FY25, it is refuted by improving its extant high recycling rate of majority input materials, embracing circularity in its operations.

Apar held the leadership position among its peers with a score of 63.9 in water stewardship, exemplifying a comprehensive approach to water management focusing on consumption efficiency, wastewater treatment and recycling, and rainwater harvesting. All the company's plants operate in line with consent to operate (CTO) conditions and have achieved zero liquid discharge encircling demand-side and supply-side management. Apar has implemented several initiatives to reduce water consumption by assessing exposure risk sensitivity analysis of water availability and reducing consumption through process improvements, performing rainwater harvesting (RWH) with a 5-layer filtration system equipped with metering system, and enhancing recycling through ETP and STP plants. The company has established rainwater storage well of 950 KL capacity at its Khatalwada Cable plant, which is used for recharging aquifers by pumping water into multiple borewells and factory operations, reducing dependence on groundwater extraction. As a result of these efforts, Apar's water recycled and reused

percentage increased from 11% in FY24 to 14% in FY25, while its water positivity index improved by 10 basis points standing at 0.17 in FY25. Its water consumption intensity reduced by 16% in FY25 upending at 19.6 KL/INR crore of turnover (Industry median: 12.4 KL/INR crore) compared to FY24.

Apar achieved a leadership position in the theme of packaging material, reflecting its commitment to using environmentally friendly materials for packaging. To drive the use of sustainable packaging for its products, Apar has replaced part of its wooden drums and reels with steel or hybrid alternatives (steel frame with PP sheet), which can be reused 6–7x before being recycled as scrap. All plastic used in packaging and sold by Apar in the domestic market is recycled in compliance with EPR requirements. Quantity of recycled plastics (including packaging) through authorised vendors increased from 0.24 tonnes/ INR crore of turnover in FY24 to 0.3 tonnes/ INR crore of turnover (industry median: 0.025 tonnes/ INR crore of turnover) in FY25.

In the theme of Carbon Emissions and Energy Efficiency, Apar achieved a modest score of 57.9, culminating from nascent stage of initiatives, underscoring potential for improvement. To curb air emissions across its operations, the company has adopted several measures, including periodic analysis of major air pollutants, regulating excess air in continuous catalytic reforming (CCR) furnaces, installing air blowers on seven conforming lines, and implementing a centralised compressed air system. Apar's commitment to managing carbon emissions is reflected through enhanced decarbonisation efforts, operational efficiency, and improved disclosures. Apar has set a target of 50% reduction in its greenhouse gases (GHG) emissions intensity by 2030. The company has implemented significant initiatives to reduce its carbon footprint across its operations, including upgradation through energy efficient equipment, replacements and design modifications, substituting fossil-fuel based forklift with battery-operated forklifts, installing air preheater in CCR furnaces, using fitch fuel catalyst for furnace oil in CCR furnaces, recovering waste heat from annealing output products, insulating CCR melting and holding furnace bodies, and replacing DC motor with AC motor. Apar has undertaken multiple initiatives to reduce overall energy usage such as optimising equipment performance, conducting detailed energy audits at all manufacturing facilities and implementing findings, installing roof top solar panels, and shifting away from fossil-fuel based energy by focusing on electrification. The company is increasing renewable energy consumption through in-house generation and purchase of wind-solar hybrid power (3.30 MW wind-turbine and 2.80 MWp of solar energy). Its Scope 1 emissions stem from fuel sources including diesel, petrol, PNG, and CNG. Apar's Scope 1 emission intensity stood at 2.1 tCO₂e/ INR crore of turnover (Industry median: 1.2 tCO₂e/ INR crore of turnover) in FY25, increasing by 32% from FY24. The company has calculated its Scope 2 emissions using market-based and location-based approaches. Its Scope 2 emission intensity stood at 6.6 tCO₂e/ INR crore of turnover (Industry median: 7.1 tCO₂e/ INR crore of turnover) in FY25, intensifying by 8% from FY24. In FY25, Apar's energy intensity stood at 65.5 GJ/ INR crore of turnover (Industry median: 59.2 GJ/ INR crore of turnover), an 18% increment compared to FY24. Though this is primarily attributed to augmented production levels and

increased contribution of AL59 conductors in the product mix. However, it must be noted that though AL59 conductor generates more emissions per tonne of production, from lifecycle assessment it generates lower emissions compared to aluminium conductor steel reinforced (ACSR) conductors. Supplementing transition initiatives, Apar's renewable energy consumption as a percentage of total energy consumed increased from 4.4% in FY24 to 5.5% in FY25. This demonstrates Apar's emphasis on reducing product footprint over product's lifecycle and encircling environmental stewardship. In FY25, Apar's Scope 3 emission intensity decreased by 9% compared to FY24, standing at 251.2 tCO₂e/ INR crore of turnover (Industry median: 41.9 tCO₂e/ INR crore). A significant portion of its Scope 3 emissions originate from Category 1 (Purchased Goods & Services) specified in GHG protocol, accounting for over 80% of total Scope 3 emissions.

Social Score



The social pillar accounts for 35% of the sector's overall weight. Apar achieved social score of 73.4, showcasing its strong performance across parameters such as employee health & safety, value chain, and human capital, which together contribute over 75% of the overall weightage given to this pillar.

Apar scored 83.4 in the theme of employee health and safety, at par with the industry median of 83.8, showcasing a robust health and safety management system across its operations. The company has formulated a board-approved policy dedicated to workforce health and safety, emphasising its overarching objective of minimising the risk of work-related injuries and occupational illnesses across all locations under its management control. To strengthen its health and safety culture, Apar has implemented a modern EHS platform that provides automated workflows, real-time notifications to relevant stakeholders, seamless data flows across the organisation, standardized processes, enhanced transparency, and quicker response actions. Hazard Identification and Risk Assessment (HIRA) form an integral part of routine and non-routine activities, with annual assessments conducted at each manufacturing location to identify areas requiring additional precautions. Employee engagement and participation are actively encouraged by Apar in health and safety management, with programs designed to help employees recognise risks and hazards in their daily work environment. In FY25, 67% of employees and 100% of workers received training on health and safety practices. Apar maintained a total recordable injury rate of 0.003 in FY25, while its average lost time injury frequency rate improved from 0.79 in FY24 to 0.75 in FY25. Noticeably, the company recorded zero workforce fatalities in FY25.

Apar achieved a score of 69.5 in the theme of Value Chain, at par with the industry median of 70.4. The company has established a supplier code of conduct (CoC) which imbibes human rights protection, environmental sustainability, health and safety, and business integrity for its suppliers in its contractual agreements. Apar has established a grievance redressal mechanism for its value chain partners and assesses their human rights practices. As part of its commitment to responsible value chain management, Apar actively promotes health and

safety across its supplier base. Suppliers are required to acknowledge and comply with Apar's supplier CoC, which mandates adherence to occupational health and safety standards, fair working conditions, environment protection, and compliance with applicable laws and regulations. Apar conducts mandatory safety inductions, including toolbox training to ensure awareness of site-specific hazards and safety protocols, provides personal protective equipment to supplier personnel working on its premises with usage monitored by its safety team, and encourages suppliers to adopt industry best practices related to safety protocols, emergency preparedness, and employee well-being. In addition, the company evaluates vendors on environmental parameters and health and safety practices through vendor assessment and audits, including ensuring implementation of ISO 14001:2015 by supplier, for all new vendors. To further strengthen awareness, the company conducts regular webinars showcasing its own environmental journey, workplace safety, achievements, and initiatives, sensitising suppliers towards sustainability practices and environmental protection. In FY25, 28% of Apar's value chain partners were trained on BRSR principles. Apar's major suppliers comprise Vedanta, S-Oil, Ergon Refining Inc., HPCL, JSW Steel, and Sumitomo Metal Mining Co Limited, among others are large and established players that are already in advanced journey of sustainability, and resultantly, are not required to participate in Apar's value chain awareness programmes.

Apar scored 45.7 in the theme of human capital, slightly below the industry median of 47.0, highlighting scope for improvement. The company has established a standalone diversity and inclusion policy, which outlines guidelines to foster diversity, equity, and inclusion, for creating economic opportunities, reducing inequalities, and enabling inclusive growth. Apar has also implemented a structured strategy focused on training and career development for its workforce. The company has a mechanism in place to receive and redress grievances and the provision of paid paternal leave for its workforce. Apar is committed towards diversity and inclusion, showcased by prioritising merit-based employment for historically disadvantaged groups, including scheduled castes, tribes, and other backward classes across all its plant locations and improving women worker's participation in its factory shop floors. Apar has also partnered with Sri Nityanand Educational Trust's Govardhan Skill Development Centre in Wada to provide youth with technical training through short-term courses affiliated with the National Institute of Open Schooling, improving their employment opportunities. On the learning and career development front, Apar has undertaken multiple initiatives, such as structured training programs for new joiners in the light duty cables business, simulation workshops for senior leadership to strengthen strategic decision-making, Apar values workshops to reinforce organisational culture, and white and green belt training to build technical and process excellence. Though Apar witnessed an increase in employee turnover rate from 12% in FY24 to 14% in FY25 primarily arising at the junior and floor shop level, it has improved diversity across the organisational hierarchy ensuing female-to-male employee ratio improvement of 20% from FY24 presiding at 12 female per 100 male in FY25, reflecting progress in gender representation supported by initiatives such as the Saraswati program aimed at increasing women's hiring. However, the median pay ratio of female to male

employees decreased to 64 per ₹100 of male employees' median pay in FY25, compared to 99 in FY24, primarily due to increased women-centric hiring at junior and entry-level positions. The median pay ratio of female to male workers remained unchanged at 100 per ₹100 of male workers' median pay in both FY24 and FY25. Apar has also demonstrated commitment towards workforce development by providing skill upgradation training to 50.7% of its employees and 15.2% of its workers in FY25, and training 100% of its employees (excluding board of directors [BoDs] and key managerial personnel [KMPs]) on BRSR principles.

Governance Score


The Governance pillar carries a weight of 30% for the sector. With a governance score of 85.4, Apar holds the leadership position among its industry peers, reflecting its robust governance practices and the effective incorporation of ESG considerations into strategic decision-making at the highest level. Key governance aspects such as Business Ethics, Oversight on ESG, Board Composition, and Reporting, Filing and Disclosures, together contribute over 75% of the overall weightage given to this pillar.

Apar secured a leadership position among its peers with a score of 96.1 in the theme of Business Ethics, underscoring its strong commitment to ethical governance and responsible business conduct. This commitment is reinforced through a board-approved CoC, supported by robust whistleblower and anti-bribery and anti-corruption (ABAC) policies. Apar further extends these ethical standards to its supply chain through a comprehensive Supplier CoC, covering key aspects such as labor and human rights, health and safety, ethics and integrity, and environmental responsibility. In addition, the company has established a Grievance Redressal Mechanism for shareholders and provides regular training to employees on its CoC, whistleblower, and ABAC policies to ensure ongoing awareness and compliance, while also extending these training programs to its suppliers. Apar provided training to 100% of its employees on its CoC and ACAB policy. However, only 24% of its employees have received training on the whistleblower protection policy.

Apar ranks in top quartile among its peers with a score of 78.6 in ESG Governance and Oversight. The company ensures a structured and transparent approach towards sustainability, driven by a Board-level ESG Committee that oversees the ESG strategy, supported by a comprehensive set of Board-approved ESG policies aligned with majority BRSR principles. A dedicated management-level sustainability team ensures effective implementation of principles and sustainability initiatives across the company's operations. Though the company did not conduct a third-party review of its ESG policies, through extensive stakeholder engagement, Apar identifies its key ESG risks and updates the board regularly on activities and progress across sustainability parameters, and stakeholder engagement feedback. Strengthening its commitment to sustainable growth, the company allocated 0.12% of its total R&D budget and 2.9% of its capital expenditure to sustainable solutions aimed at enhancing its environmental and social performance. Apar conducts an annual review of its performance and compliance

with BRSR principles, ensuring these principles are effectively implemented and approved by the board. The company's board and senior management include members with expertise in environmental, climate, and social parameters. In addition, Apar has established an ESG materiality assessment framework and materiality matrix to prioritize critical issues, providing a structured approach towards driving continuous improvement in its ESG performance.

In the theme of Board Composition, Apar scored 73.9. To support effective implementation, Apar has also established a risk management governance structure that ensures strong oversight. Apar has also formulated a Remuneration and Board Diversity policy which governs the selection process for Board members, Key Managerial Personnel (KMPs), and senior management, and their remuneration. While best practices advocate for having more than one woman director to strengthen board gender diversity, Apar currently meets only the minimum requirement under the Companies Act, 2013, by appointing a single woman director on its board and has not exceed the threshold by appointing additional women directors. Further, its senior management has no woman representation. Furthermore, 50% of the board is related to executives or majority shareholders of the company and all board members have relevant work experience in the company's sector. Apar has trained 100% of its board members and KMPs on BRSR principles. The company adheres to key governance mandates under the Companies Act, 2013, and SEBI LODR, including requirements related to board independence, board size, and the establishment of Audit, Risk Management, Nomination & Remuneration, CSR, and Stakeholders' Relationship Committees. Apar also complies with regulations on its audit committee's chairperson independence and independent members, NRC's chairperson independence and independent members, CSR committee's independent members, and NRC's non-executive members. Over 50% of Apar's board comprises non-executive directors. Although the company's Risk Management Committee falls short of best practice of two-thirds of its members being independent, Apar has implemented a comprehensive Enterprise Risk Management (ERM) framework, where each risk is systematically analyzed through a process of identification, assessment, and integration. This structured approach ensures risk management remains thorough and aligned with strategic objectives, strengthening the company's ability to address evolving challenges effectively.

Key Rating Drivers

Strengths

Comprehensive water stewardship to reduce consumption and groundwater dependence across operations through substantial initiatives

Apar has implemented multiple measures to strengthen water management, such as maintaining zero liquid discharge across all its manufacturing facilities, harvesting rainwater, and incorporating advanced recycling systems. Its initiatives, such as rainwater storage and aquifer recharge, have lowered groundwater dependence,

while process improvements and higher recycling rates have enhanced overall consumption efficiency. These efforts collectively demonstrate Apar's proactive approach to reducing water intensity and building long-term resilience in water management.

Long-term environmental targets driving a structured approach to climate transition

Apar has set clear targets across key environmental areas, including a 50% reduction in GHG emissions intensity by FY30, a 15% reduction in waste generation intensity by FY28, a 2% reduction in water consumption by FY26, and achieving 25% renewable energy consumption by FY26. Establishing realistic targets with well-defined baselines is essential for creating measurable performance benchmarks. These focused environmental commitments strengthen Apar's ability to drive systematic improvements in sustainability performance and support steady progress toward more targeted and efficient sustainability initiatives.

Efficient waste management and circularity initiatives leading to higher recovery rates despite increase in waste generation

Apar has embedded circular economy principles across its operations, ensuring efficient handling, recycling, and disposal of hazardous and non-hazardous waste. Through segregation at source, partnerships with authorized recyclers, and in-house reuse of materials including aluminium, copper, and packaging waste, the company has achieved near-total waste recovery and established zero-waste-to-landfill mechanisms. The rise in waste intensity was driven by production growth outpacing revenue, though its impact was offset by Apar's high recycling rates and circular use of input materials, underscoring its commitment to sustainable waste management and significantly mitigating environmental impact.

Advancing workforce diversity, inclusion, and skill development to foster equitable growth and career progression

Apar demonstrates its commitment to inclusive growth through a dedicated diversity and inclusion policy, grievance redressal mechanisms, and parental leave benefits. The company promotes equitable employment by prioritizing historically disadvantaged groups and enhancing women's participation on shop floors. Partnerships like the one with Sri Nityanand Educational Trust further expand opportunities for youth through technical training. Complementing this, Apar invests in workforce development with structured training for new hires, leadership simulation workshops, values-based cultural programs, and technical excellence initiatives, building inclusivity and long-term employee growth.

Driving responsible value chain practices through ethical standards, supplier engagement, and sustainability initiatives

Apar fosters a responsible value chain by enforcing its supplier CoC, covering human rights, health and safety, environmental sustainability, and business integrity. It ensures compliance through audits, assessments, and ISO 14001:2015 implementation for new vendors, while actively promoting supplier health and safety via mandatory training, site-specific hazards and safety protocols, personal protective equipment provision, and monitoring. Regular webinars and engagement sessions further build awareness on workplace safety and sustainable environmental practices, with Apar extending BRSR-focused training to its value chain partners, reinforcing its commitment to ethical and sustainable supply chain management.

Robust governance framework fostering transparency, accountability, and long-term sustainability

Apar ensures comprehensive adherence to governance requirements under the Companies Act, 2013, and SEBI LODR, covering aspects such as board independence, board size, and the establishment of key committees including Audit, Risk Management, Nomination & Remuneration, CSR, and Stakeholders' Relationship Committees. The company further complies with mandates on audit committee chairperson independence and independent members, NRC chairperson independence and independent members, CSR committee independent members, and NRC non-executive members. Over half of Apar's board comprises non-executive directors, underscoring a balanced and accountable governance framework. This strong governance structure enhances transparency, strengthens stakeholder confidence, and supports long-term sustainability.

Effective ESG integration at the highest level, reinforcing ethical conduct, prudent decision-making, and responsible business practices

Apar embeds ethics and sustainability deeply into its governance framework through a board-approved Code of Conduct, whistleblower, and ABAC policies, extended across its value chain via a Supplier CoC. ESG oversight is driven by a Board-level ESG Committee and a dedicated sustainability team, ensuring alignment with BRSR principles and industry best practices. With structured stakeholder engagement, ESG materiality assessment framework and matrix, and a comprehensive Enterprise Risk Management framework, Apar strengthens transparency, integrates ESG risks into strategic decision-making, and enhances resilience to evolving challenges.

Weaknesses

Inadequate process optimization driving higher environmental intensities and impeding sustainability progress

An upward trend in Scope 1 and Scope 2 emission intensities, and increasing energy consumption and waste generation intensities at Apar, reflects areas of concern in its sustainability performance. These upward trends may amplify environmental impact, regulatory exposure, and operational costs. Accelerating decarbonization efforts, strengthening energy efficiency initiatives, and embedding enhanced circular waste management practices will enable Apar to advance its sustainability agenda, drive resource optimisation, and reinforce its position as a responsible industry leader.

Absence of comprehensive training programs for employees and suppliers on critical aspects

Apar's training coverage shows gaps, with limited employee awareness on POSH and whistleblower protection policies, insufficient skill development programs for employees and workers, and lack of comprehensive BRSR-focused training for suppliers. These shortfalls restrict capacity building and weaken ESG integration across the value chain. Limited awareness and inadequate training increase the risk of workplace grievances, non-compliance with ESG norms, supply chain vulnerabilities, and weaker employee productivity. Expanding structured training programs builds a future-ready workforce, ensures stronger compliance, reduces workplace risks, and strengthens supplier alignment with ESG expectations.

Gender diversity gap and committee independence constraining governance effectiveness

The company demonstrates gaps in gender representation and governance, with only one woman on the board, no women in senior management, and less than two-thirds independence in the risk management committee. This restricts diversity of perspectives in decision-making and reflects partial alignment with governance best practices. Strengthening board and leadership diversity, while improving independence in committees, enhances decision-making quality, stakeholder trust, and overall governance resilience.

Key ESG Parameters of Apar Industries Limited

Parameters	Unit	FY 2025	Industry Median
Environment			
Scope 1 intensity	tCO ₂ e/ INR crore of turnover	2.1	1.2
Scope 2 intensity	tCO ₂ e/ INR crore of turnover	6.6	7.1
Renewable energy consumption	% (of total energy consumption)	5.5%	6%
Energy intensity	GJ/ INR crore of turnover	65.5	59.2
Water consumption intensity	KL/ INR crore of turnover	19.6	12.4
Waste generation intensity	MT/ INR crore of turnover	0.7	0.7
Waste recovery rate	%	97.7%	98.0%
Zero waste to landfill	Waste to landfill/total waste	0.3%	-
Zero liquid discharge	% of all manufacturing sites	100%	-
Social			
Employee turnover	%	14%	19%
Female to male employees' ratio	Per 100 male employees	12	6
Female to male employees' median pay	Per Rs. 100 of male employees' median pay	64	89
Health & safety complaints	#	0	0
POSH complaints upheld over reported	X/Y	0/0	-
Average lost time injury frequency rate	#	0.75	0.12
Workforce fatality rate	Per employee	0	0
Total recordable injury rate	#	0.003	0.0004
Governance			
No. of female in board	#	1	-
% board members trained on BRSR	%	100%	100%
% KMPs trained on BRSR	%	100%	100%
Income gap ratio (CEO pay to median pay)	X:Y	158:1	78:1

Data source: company information, public sources, CareEdge-ESG research & analysis

KL = kiloliters | MT = metric tons | GJ = gigajoules

Rating Sensitivities

Positive Factors

- Minimising in Scope 1 and Scope 2 emissions intensities.
- Reduction in overall energy consumption and waste generation.
- Strengthening measures towards water efficiency, groundwater recharge, and waste reduction.
- Driving human capital development through substantial initiatives.
- Enhancing women's representation in board and senior management.

Negative Factors

- Increase in overall water consumption.
- Rise in Scope 3 emissions intensity.
- Decline in renewable energy consumption.
- Reduced focus on health and safety, workforce skills, and responsible value chain practices.

Analytical approach

Rating boundary: CareEdge-ESG has considered standalone data of Apar for assessment. The same is in line with their disclosure in BRSR.

Methodology/Criteria

For detailed understanding of the criteria and methodology used by CareEdge-ESG, please refer to the methodology document available on www.careedgeesg.com

About the company and industry

Apar was established in 1958 by Dharmsinh Desai and incorporated in 1989, with its headquarters in Mumbai, Maharashtra. The company has grown into a global leader in electrical conductors, Cables & Telecom, specialty oils, lubricants, and polymers, serving customers in over 140 countries.

Apar operates across three major business segments: conductors & cables, specialty oils & lubricants, and polymers. Its products cater to diverse sectors including power transmission, distribution, renewable energy, and industrial applications. The company is recognised as the world's largest producer of aluminium and alloy conductors and the third-largest manufacturer of transformer oils globally.

The company has a strong focus on innovation, research, and development, continuously investing in advanced technologies to enhance product quality and efficiency. Apar has a market capitalisation of ₹34,688 crore¹, underscoring its strong position in the Indian and global markets.

Emphasising sustainability and global best practices across its operations, Apar ensures high standards of quality, safety, and environmental compliance. Strategic initiatives and a strong global presence have enabled the company to establish a robust network of customers and partners worldwide, reinforcing its position as a trusted and reliable supplier.

Source of information

While assigning ESG Ratings, CareEdge-ESG has considered publicly available information such as integrated annual reports of the company, policies, sustainability reports, certifications, BRSR reports, quarterly presentations, and additional non-public information and comments provided by the company.

¹ As of 15 September 2025 (Source: BSE India)

Status of non-cooperation with previous ERP: Not applicable

Rating history for last three years:

Sr. No.	Name of Product	Current Rating		Rating history		
		Rating Sept. 26, 2025	Score	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
1	ESG Rating	CareEdge-ESG 1	76.4	-	-	-

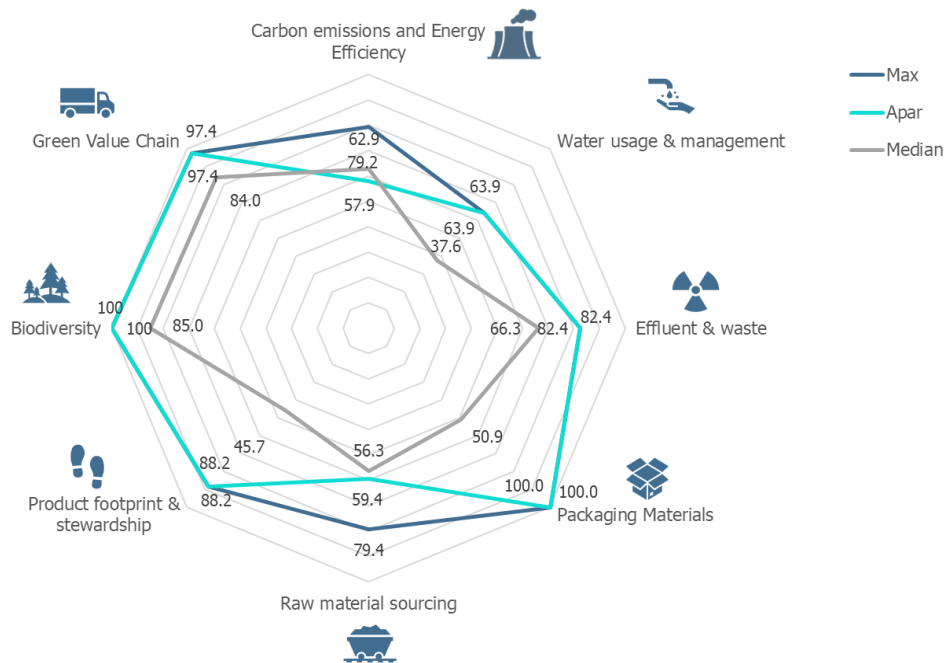
Annexure: Graphical summary of key rating drivers²

Hierarchy: While arriving at pillar level scores for Apar, CareEdge-ESG has assigned theme weights based on relative importance and sectoral hierarchy as depicted in the exhibit below.

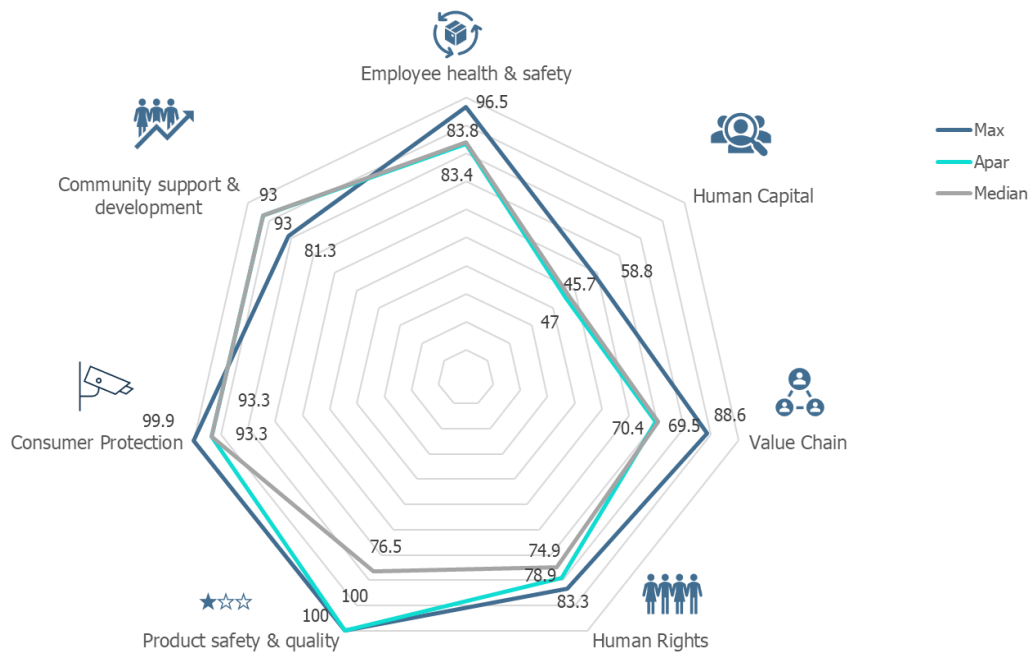
Materiality	Environment	Social	Governance
H I G H	Carbon emissions and Energy Efficiency	Employee Health & Safety	Business Ethics
	Water Usage & Management	Human capital	Oversight on ESG
M E D I U M	Effluent & Waste	Value Chain	Reporting, filing & disclosures
	Raw material sourcing	Human Rights	Board Functioning
	Packaging Materials		
L O W	Product Footprint & Stewardship	Consumer Protection	Board composition
	Biodiversity	Product Safety & Quality	Remuneration
	Green Value Chain	Community support & development	

² Comprehensive analytical insights, inferences and benchmarking is provided in CareEdge-ESG's detailed ESG Report

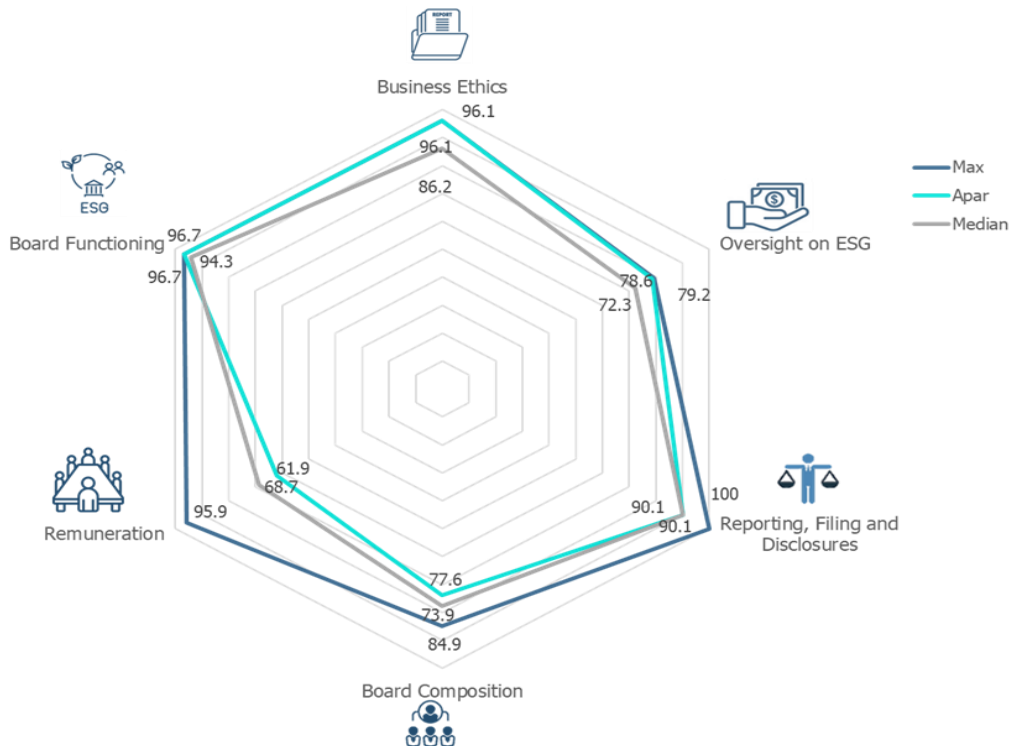
Environment Pillar: Apar's theme-wise performance and industry benchmarks



Social Pillar: Apar's theme-wise performance and industry benchmarks



Governance Pillar: Apar's theme-wise performance and industry benchmarks



Summary Pillars and Theme Scores

Theme	Apar	Industry Median
Carbon emissions and Energy Efficiency	57.9	62.9
Water usage & management	63.9	37.6
Effluent & waste	82.4	66.3
Packaging Materials	100.0	50.9
Raw material sourcing	59.4	56.3
Product footprint & stewardship	88.2	45.7
Biodiversity	100.0	85.0
Green Value Chain	97.4	84.0
Total Environment Score	71.7	57.2
Employee health & safety	83.4	83.8
Human Capital	45.7	47.0
Value Chain	69.5	70.4
Human Rights	78.9	74.9
Product safety & quality	100.0	76.5
Consumer Protection	93.3	93.3
Community support & development	93.0	81.3
Total Social Score	73.4	72.5
Business Ethics	96.1	86.2
Oversight on ESG	78.6	72.3
Reporting, Filing and Disclosures	90.1	90.1
Board Composition	73.9	77.6
Remuneration	61.9	68.7
Board Functioning	96.7	94.3
Total Governance Score	85.4	77.8
Total ESG Score	76.4	70.3

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About:

CareEdge is a knowledge based analytical group that aims to provide superior insights based on technology, data analytics and detailed research. CARE ESG Ratings Limited (CareEdge-ESG) is one of the India's pioneer ESG rating provider fostering sustainability with ESG insights. With an aim of being a catalyst of change for a sustainable future with the most credible ESG assessments, CareEdge-ESG provides a 360-degree appraisal for the ESG performance benchmarking cum transition enabling ESG risk mitigation and enhanced decision-making capabilities for all stakeholders.

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