



APAR

Tomorrow's solutions today

SEC/1110/2023

By E-Filing

October 11, 2023

National Stock Exchange of India Limited "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051. Scrip Symbol : APARINDS Kind Attn.: Listing Department	BSE Limited Corporate Relationship Department, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. Scrip Code : 532259 Kind Attn. : Corporate Relationship Department
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Re: Disclosure under Regulation 30 and 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Newspaper advertisement - Notice of Postal Ballot dtd. September 28, 2023.

Dear Sir / Madam,

In continuation with our letter no. SEC/1010/2023 dated October 10, 2023 w.r.t submission of Postal Ballot Notice dated September 28, 2023 ("**the Notice**"), please find enclosed herewith the copies of newspaper advertisements published in editions of Business Standard (English language newspaper) and Vadodara Samachar (Vernacular language newspaper) on October 11, 2023, with respect to completion of dispatch of Notice to the Members of the Company.

The advertisements may also be accessed on the website of the Company at www.apar.com.

You are requested to take the same on record.

Thanking you,

Yours faithfully,

For APAR Industries Limited

(Sanjaya Kunder)
Company Secretary

Encl.: As above

APAR Industries Limited

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TELCOS' WALLED GARDEN MOMENT, AGAIN

As telecom companies and OTTs tussle over revenue-sharing for data usage, the jury is still out on who will prevail

SUBHAYAN CHAKRABORTY & NIVEDITA MOOKERJI
New Delhi, 10 October

Prateek, a 30-something executive working in a private firm, got down the elevator at a multi-storied apartment complex in the National Capital Region with his eyes and ears fixed on the small screen in his hand. He walked to the parking lot without losing a screen moment, got into his car, fixed the mobile phone in front of the steering wheel and drove away, glued to a web series that was perhaps a conversation starter within his peer group later in the day.

This was just before the first wave of Covid-19 hit life and livelihood, and work from home was yet to become the new normal. Net neutrality, which had turned into a raging battle some eight years ago in the country over Facebook's Free Basics, was hardly on anybody's mind anymore. But over-the-top channels (OTTs) like Netflix, Amazon Prime, Hotstar had been cutting into call time already. And then the pandemic made room for ample hours of binge-watching what was available on OTTs along with remote meetings on Zoom, Google Meet, Microsoft Teams and what have you.

As a result, the number of Prateeks multiplied rapidly, consuming OTT content 24x7, whether for work or entertainment.

Logically enough, the share of data — that enables access to OTTs — rose dramatically in

the overall consumption pie of telcos. A recent paper of the Telecom Regulatory Authority of India (Trai) offered some eye-popping numbers to explain the phenomenon over a decade: The share of revenue from data grew more than 10-fold to touch 85.1 per cent in the September-to-December 2022 quarter, from just 8.1 per cent in the June 2013 quarter per subscriber. Trai goes on to say that in the same period the monthly average revenue per user (Arpu) rose only about 41 per cent to ₹146.96 from ₹123.77. Also, within that Arpu, the share of revenue calls dropped to ₹14.79 from ₹72.53 almost a decade ago. In other words, the share of revenue calls was down to 10.1 per cent of the Arpu from 58.6 per cent. There was a similar decline in the revenue share from SMS.

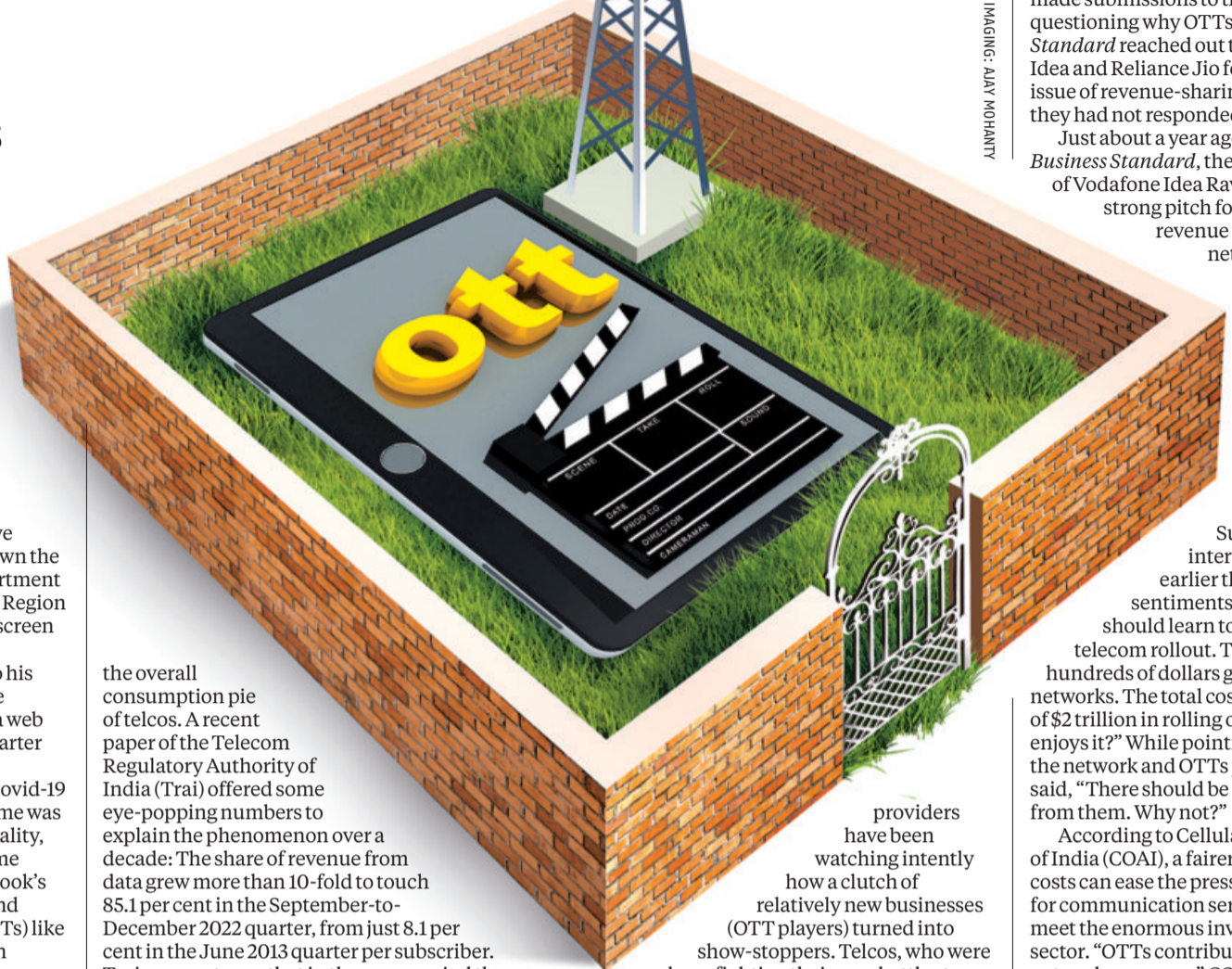
It's no surprise then that telecom service

providers have been watching intently how a clutch of relatively new businesses (OTT players) turned into show-stoppers. Telcos, who were busy fighting their own battles to beat the financial stress in the sector after years of low tariff, disruption in the market, high spectrum cost, revenue-sharing with the government and litigation, were now bracing for a new battle — with OTTs.

It's all about the moolah, you may say, but the narrative has found a spin — that of net neutrality, and how! Telcos have for some time argued that OTTs cannot laugh all the way to the



IMAGING: LARY MOHANTY



bank while denying the carrier (telecom service provider onto which the OTT apps are loaded) a share of the revenue.

More recently, OTTs and advocacy groups backing them have slammed the telcos with the allegation that they have violated the net neutrality norms. The net neutrality argument has come out during the ongoing consultation process with Trai as a regulation is in the works for OTTs.

Even as OTT viewership has come down significantly with employees returning to the workplace, telcos are in no mood to give up what they believe is their legitimate share of revenue. Telcos are together in this even if some of them are part of the OTT ecosystem, too. They have made submissions to the government and Trai questioning why OTTs must pay. *Business Standard* reached out to Bharti Airtel, Vodafone Idea and Reliance Jio for comments on the issue of revenue-sharing. At press time, they had not responded.

Just about a year ago, in an interview with *Business Standard*, then chief executive officer of Vodafone Idea Ravinder Takkar made a strong pitch for OTTs to share their revenue with the telecom

networks they were riding on. Calling revenue from the digital services an "opportunity" for telcos, Takkar had said, "I don't want to be in competition with the digital players when they are using my network." Bharti Enterprises Chairman Sunil Mittal, too, in an interview with this newspaper earlier this year expressed similar sentiments. "I think the OTT world should learn to share the burden of our telecom rollout. Telcos are spending hundreds of dollars globally on building networks. The total cost is going to be upwards of \$2 trillion in rolling out the 5G networks. Who enjoys it?" While pointing out that telcos put up the network and OTTs just ride on it, Mittal had said, "There should be some money coming from them. Why not?"

According to Cellular Operators' Association of India (COAI), a fairer allocation of network costs can ease the pressure on consumer prices for communication services as the only way to meet the enormous investment needs of the sector. "OTTs contribute nothing towards network expenses," COAI Director General S P Kochhar has told *Trai*.

Representing the other side of the spectrum, the Internet and Mobile Association of India (IAMAI) said in its submission to Trai that in case OTTs were to share their revenue, telecom service providers would effectively be charging twice for the same service as they already charge consumers for data. "Telecom companies complain that data usage is surging. But that is

The internet's 'gated garden'

On the internet, a "gated garden" or a "walled garden" refers to a closed platform or ecosystem where the carrier or service provider has control over applications, content and media, and restricts convenient access to non-approved applications or content. This is in contrast to an "open platform" where consumers have unrestricted access. John C Malone, chief executive officer of US tech and cable giant Tele-Communications, coined the term in the mid-1990s to describe measures being adopted by online platforms back then to restrict technology, information and user data from flowing out. Tech giants Google, Apple and Facebook have all been accused of creating gated gardens to pocket ad revenues and app registration fees.

merely the data consumed by users who have already purchased it from telecom companies," IAMAI, which represents around 500 Indian and multinational corporations including Google, Amazon, Meta and Apple, said.

More than anything else, it's the noise around net neutrality that's driving the debate now. OTTs have protested against the fair share revenue, saying it would demolish net neutrality in India. Net neutrality is the principle that internet service providers should enable access to all content and applications regardless of the source, and without favouring or blocking particular products or websites. A Trai regulation in 2016 mandated that operators cannot charge discriminatory tariffs on the basis of content.

Telcos, represented by COAI, have dismissed the idea of net neutrality violation. The proposed fair share charge does not affect access to an open and free internet, COAI said, explaining that the Indian telcos are bound by their licence conditions to ensure net neutrality. "The price for the traffic paid by end users will not change depending on whether the traffic generator is subject to fair share payments or not," it has said.

But is it an empty fight? Senior officials in the Department of Telecommunications have indicated that revenue-sharing between OTTs and telcos is not under consideration. IT and Communications Minister Ashwini Vaishnaw in a conversation with this newspaper also said the government does not want to impose a charge on OTTs.

But the jury is still out as Trai is yet to make its recommendation on this very contentious issue. At the peak of net neutrality times, walled garden was an expression much in vogue. Will OTTs remain on top of the game or will telcos' call be heard as "walled garden" has entered season 2?

Opinion, Insight Out

Opinion, Monday to Saturday
To book your copy, sms reachbs to 57575 or email order@bsmail.in

Business Standard
Insight Out

APAR **APAR Industries Limited**
Tomorrow's solutions today
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POSTAL BALLOT NOTICE TO MEMBERS

The members of APAR Industries Limited ("the Company") are hereby informed that pursuant to Section 110 read with Section 108 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021, 3/2022 dated May 05, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs, Government of India ("MCA Circulars"), Secretarial Standard - 2 on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and any other applicable law, rules, and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company seeks the approval of the members through Postal Ballot for the Special Business by way of Special Resolution, as set out in the Postal Ballot Notice dated September 28, 2023 along with the Explanatory Statement ("the Notice"), by way of electronic (email) means (i.e. remote e-voting) only.

The dispatch of Notice through email has been completed on **Tuesday, the October 10, 2023** to those members whose names appear in the Register of Members / List of Beneficial Owners as received from the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on **Friday, October 6, 2023** ("cut-off date") and who have registered their email address with the Company / RTA / Depositories. Physical copies of the Notice along with Postal Ballot forms and pre-paid business reply envelopes are not being sent to Members for this Postal Ballot in line with the exemption provided in the MCA Circulars. Accordingly, the shareholders are required to communicate their assent or dissent through the remote e-voting system only. The documents referred to in Notice are available for inspection and members seeking inspection can send an email to com.sec@apar.com.

The Notice along with the instructions for remote e-voting is also available on the Company's website at www.apar.com and the website of Central Depository Services (India) Limited ("CDSL") i.e. www.evotingindia.com and at the relevant sections of the websites of the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSEIL"), the Stock Exchanges, on which the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com respectively. Shareholders who have not received the said Notice may download the same from the above mentioned websites.

Members holding shares in dematerialized mode, who have not registered / updated their email addresses/ Bank Account Details with their Depository Participants are requested to register/ update the same with the Depository Participants with whom they maintain their demat accounts and Members holding shares in physical mode, who have not registered / updated their email addresses/ Bank Account details with the Company are requested to register / update the same with the Company by sending an e-mail at vadodara@linkintime.co.in or at com.sec@apar.com by quoting their Folio Number and attaching duly filled in and signed Form ISR-1 along with annexures thereof in order to facilitate the Company to serve the documents through the electronic mode.

The Company has appointed CDSL for facilitating remote e-voting to enable the Shareholders to cast their votes electronically. Voting Rights shall be reckoned on the paid-up value of shares registered in the name of the Member(s) as on the Cut-off date and any person who is not a member as on that date should treat the Notice for information purposes only.

The facility to exercise vote on Notice by remote e-voting, will be available for the following period :

Commencement of e-voting	: from 10:00 Hrs. on Friday, October 13, 2023
End of e-voting	: to 17:00 Hrs. of Saturday, November 11, 2023

During this period, members of the Company holding equity shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, October 6, 2023 shall cast their vote electronically. E-voting shall not be allowed after 17:00 Hrs on Saturday, November 11, 2023. The e-voting module shall be disabled by CDSL for voting thereafter.

The Board of Directors has appointed Mr. Hemang Mehta, Proprietor of M/s. H. M. Mehta & Associates, Practicing Company Secretary, Vadodara (Certificate of Practice no. 2554), as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The results of the Postal Ballot / E-voting shall be declared within two working days from the conclusion of remote e-voting and the same, along with the Scrutinizer's Report, will be placed on the website of the Company and will also be communicated to the Stock Exchanges where the shares of the Company are listed and CDSL.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

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

By order of the Board
For APAR Industries Limited
Sd/-
Sanjaya Kunder
Company Secretary

Place : Mumbai
Date : October 10, 2023

Get insights


from wherever you are

The ALL-NEW Business Standard App
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Our all-new app brings a new level of ease in accessing what matters to you the most, from wherever you are. Your favourite columns, stock market updates, editorials, analysis and more! It's the same, insightful business journalism you expect from us, with rich and intuitive features to enhance your reading experience.




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