

**Apollo Tyres Ltd.**  
**49<sup>th</sup> Annual General Meeting**

**Day/ Date: Monday, July 11, 2022**

**Time: 3:00 PM**

**Present:**

Board of Directors

Mr.Onkar Kanwar	-	Chairman & Managing Director, Chairman- CSR Committee
Mr.Neeraj Kanwar	-	Vice-Chairman & Managing Director
Mr.Akshay Chudasama	-	Independent Director
Gen. Bikram Singh (Retd.)	-	Independent Director
Mr. Francesco Crispino	-	Independent Director
Mr. Francesco Gori	-	Non-Executive Director
Ms. Lakshmi Puri	-	Independent Director
Ms. Pallavi Shroff	-	Independent Director
Mr. Robert Steinmetz	-	Non-Executive Director
Mr. Satish Sharma	-	Whole-time Director
Mr.Sunam Sarkar	-	Non-Executive Director, Chairman - Stakeholders Relationship Committee
Mr. Vikram S. Mehta	-	Independent Director
Mr. Vinod Rai	-	Independent Director, Chairman -Audit Committee and Nomination & Remuneration Committee
Mr. Vishal Mahadevia	-	Non-Executive Director

**Others**

Mr. Benoit Rivallant	-	President (Europe)
Mr. Gaurav Kumar	-	Chief Financial Officer
Ms. Seema Thapar	-	Company Secretary

**Moderator:** Dear Members of Apollo Tyres Ltd, Good Afternoon and welcome to the 49th AGM of the Company held through VC. For the smooth conduct of the meeting, Members will be in the mute mode. For Members who had pre-registered to speak at the meeting, the audio and video will be opened when they have to speak. Please note that as per the requirements, the proceedings of the AGM will be recorded, and the transcript will be available on the Company's website. The statutory registers required to be there during the AGM for inspection are available on the NSDL website. Now, let me hand over to the Chairman and Managing Director of Apollo Tyres Ltd. Mr. Onkar Kanwar. Over to you sir.

**Onkar Kanwar:** Thank you. Good afternoon. Good morning. Dear Member hope you are all safe and well. As the requisite quorum is present, I declare the meeting as validly convened.

Let me now introduce the Board Members: Mr. Neeraj Kanwar – Vice Chairman and the Managing Director, Mr. Akshay Chudasama – Independent Director, General Bikram Singh (Retd.) – Independent Director, Mr. Francesco Crispino - Independent Director, Mr. Francesco Gori – Non-Executive Director, Ms. Lakshmi Puri - Independent Director, Ms. Pallavi Shroff - Independent Director, Mr. Robert Steinmetz – Non-Executive Director, Mr. Satish Sharma – Whole-time Director, Mr. Sunam Sarkar – Non-Executive Director and Chairman of the Stakeholders Relationship Committee, Mr. Vikram S. Mehta - Independent Director, Mr. Vinod Rai - Independent Director, Chairman of the Audit and Nomination and Remuneration Committee, Mr. Vishal Mahadevia – Non-Executive Director.

Gaurav Kumar – CFO, Seema Thapar - Company Secretary and representatives of the Statutory Auditors and Secretarial Auditor are also attending the meeting.

**Moderator:** Thank you. We request the Chairman to address the Members.

**Onkar Kanwar:** Good morning, ladies, and gentlemen. It gives me great pleasure to welcome you to 49th Annual General Meeting of Apollo Tyres Ltd. The Director's Report and Audited Accounts for the financial year ended March 31, 2022 are with you. With your permission, I shall take them as read.

I sincerely hope that you and your family Members are safe. As the number of COVID-19 cases are again going up, I urge each one of you to practice all safety protocols and continue to adhere to the government guidelines.

You will agree that the Indian economy is a resilient one. Given the way it has strongly bounced back in this fiscal. It has posted one of the best GDP growth numbers in the recent times, as it expanded by 8.7%, the highest in past 22 years. This improvement in the economy comes on the back of the pandemic which had impacted our growth significantly in the FY21, with GDP contracting by 6.6%.

With the economy on a fast growth path, it is expected that your Company will outpace this growth. You would have been happy to note that for FY22, Apollo Tyres grew at a robust pace

of 20% with both of regions showing above average growth, Indian operations grew by 23% and our European business grew by 18%.

I would like to specially call out a big milestone achieved by our European business. I have earlier mentioned about premiumization strategy for Europe business and we have been focusing on profitable product like agriculture tyres and high value, niche segment, passenger car tyres. The fiscal saw us crossing the €100 million mark as EBITDA during the year. This is the highest ever EBITDA for the operations over the last 13 years. Of course, I am not surprised by the growth numbers. We have been preparing the growth grounds for such growth for the past few years.

Also, as you are aware, we had inaugurated the Greenfield plant in Andhra Pradesh in FY21, a year where largely everyone was left immobilized due to the pandemic. We continued to work on a frantic pace, during FY22 as we kickstarted the year with the virtual launch of our new vision, purpose and values for the next five years. We announced the ambitious target of reaching \$5 Billion by the year 2025-2026. I am confident that with your support and the drive by our people, we will reach the target.

Importantly, we clearly articulated our growth pillars to reach the \$5 Billion aspiration and equally help us to navigate through uncertain, turbulent times ahead. Our growth pillars include Digitalisation, Technology and Innovation, People, Brand and Sustainability, and during the year, each person of your Company has been working to further strengthen these pillars. The focus on these pillars helped us to do product launches, expanded our dealer network, work on process efficiencies, and so much more during the year.

One interesting highlight of the year was the launch of much awaited Vredestein brand in India. We had launched the new identity of Vredestein brand in FY21 and this allowed us to position the brand which has a legacy of over 110 years as even more premium brand. In the fiscal we saw a stellar launch of the brand in India and introduced the best in class and awarded premium range of tyres for passenger car and two-wheelers. The brand has been well received in Europe and accorded top ratings in North America and I am sure people will accept it in India as well.

While we saw a lot of work in our growth pillars, I would like to highlight our sustainability pillar. Sustainability has become a buzzword in recent times, but at Apollo Tyres, it has been long embedded in our way of working. I have mentioned in the past that I reiterate that we believe in creating a responsible Company in pursuit of sustainable growth and profits. We have created a culture where we expect each employee to behave and act in a sociably responsible manner.

We have made a commitment to be carbon neutral by 2050 and are working by on multiple aspects and make this as a reality. We are increasing the usage of sustainable raw material and encouraging our value chain to accelerate on sustainable journey.

We focus on the challenges posed by end-of-life tyres, finding innovative ways to use such tyres. We have been setting up pitches across various locations in India using repurposed tyres. Further, all sustainable initiatives are aligned with the UN's Sustainable Development Goals.

I am proud to mention that your Company is amongst the very few companies in India and possibly the only Company in the automotive industry in India, looking at reducing Scope 3 emissions -emissions across our value chain, which represents 65 to 90% of all emissions at many companies. I understand the challenges for the planet and the need for each one of us to take responsibility act on serious issues like climate change, global warming, and hence the need and our focus on sustainability. I assure you that we will leave no stone unturned to do our part in making the planet green, a better place to live for each one of us.

Looking ahead I see the year as challenging and uncertain. But such challenges and uncertainty have not stopped us in the past; it will not do so now. Your Company will continue to invest in the areas of its growth pillars, write its own destiny. We will continue to work in-line with our vision and drive progress, together, as we take all our stakeholders in the journey of enabling excellence- our purpose and reason why we exist.

I would like to conclude by thanking each one of you for having been a partner in ongoing journey. The support that we continue to receive from our banks, financial institutions, and the various state governments we operate in; as also the national government in various countries, enable us to plan and make our future. Stay safe. Thank you.

**Moderator:** Thank you. We now request the Chairman to proceed with the agenda.

**Onkar Kanwar:** Thank you. Notice along with the Board's Report and Audited Financial statements have already been sent to the Members. I take them as read.

The Auditor's Report on Financial Statements and Secretarial Audit Report of the Company for the financial year ended March 31, 2022, do not contain any qualification, reservation, adverse remark, or disclaimer. Accordingly, the reports are not required to be read out as provided under the Companies Act, 2013.

Now I will explain the objectives and implications of each item of the notice.

Item No.1 relates to adoption of Audited Financial Statement, the report of the Board and Auditors thereon, by the Members of the Company. After your approval, the same will be taken on record.

Item No.2 relates to declaration of Dividend to the Members. The Board has recommended the dividend Rs. 3.25 per share on equity shares of the Company which has to be approved by the Members. After your approval, payment will be made within stipulated time.

Item No.3 relates to re-appointment of Mr. Sunam Sarkar who is retiring by rotation. After your approval, he will be re-appointed.

Item No.4 relates to re-appointment of Mr. Robert Steinmetz, who is retiring by rotation. After your approval, he will be re-appointed.

Item No.5 relates to appointment of M/s. S.R. Batliboi & Co as Statutory Auditors for a period of 5 years, starting from year FY23 to FY27. After your approval, they will be appointed as Statutory Auditors of the Company.

Item No. 6 relates to ratification of payment of remuneration to the Cost Auditor who has been appointed by the Board at Remuneration at Rs. 3.60 lakhs for the year FY23.

Being interested I request Mr. Vinod Rai to explain the objective and implementation of implication for Item No.7. Over to you sir.

**Vinod Rai:**

Thank You Chairman, Item No.7 Relates to continuation of Mr. Onkar Kanwar as a Non-Executive Director, designated as Chairman with effect from February 1, 2023. After your approval, he will continue as Non-Executive Director designated as the Chairman with effect from February 1, 2023. Over to you Chairman.

**Onkar Kanwar:**

Thank You. Item No.8 relates to revision in remuneration of Mr. Satish Sharma – Whole-time Director. After your approval, he will be entitled to the revised remuneration.

Item No.9 relates to authorization for Private Placement of Non-Convertible Debentures not exceeding Rs. 10,000 million. After your approval, the Company will be authorized to issue NCD for an amount not exceeding Rs. 10,000 million.

All item Nos.1 to 9 of the Notice have been voted by the Members through remote e-Voting from July 8 to July 10, 2022. Members present at the meeting who have not done remote e-Voting can now cast their vote using e-Voting platform of NSDL.

Mr. P.P. Zibi Jose, will act as a Scrutinizer for voting process.

I now request Neeraj Kanwar to take the Questions from the Speaker Members who have registered in advance.

**Moderator:**

Thank you. We will now begin the question and answer session. We will unmute the Member and request them to limit their questions upto three minutes. Everyone is requested to please stay connected while we bring the speaker Members online. The first speaker shareholder is Nanda Kumar D. Please go ahead.

**Nanda Kumar D:**

Respected CMD of Apollo Tyres, Shri. Onkar Kanwar ji, VCMD Shri. Neeraj Kanwar ji, the eminent Board Members, I am actually thrilled to see so many famous people in the Board, like Ms. Pallavi Shroff and Mr. Vinod Rai, Eminent Board Members and my dear fellow shareholders.

In fact, while I was listening to Shri. Onkar Kanwarji's narration of the fast growth and the future road ahead for the Company, I was becoming a little emotional, because I belong to Kochi, and for the past 40 years, I have been a shareholder of this Company. And I remember during these 40 years, except for one or two years, when I was totally held up, I have attended all the AGMs including the virtual AGMs during the last two years. And it was actually an emotional journey while listening to Onkar Kanwarji.

I remember way back in the 1970s, this was a very small Company with only one production unit in Perambra. I remember a much younger Onkar Kanwarji used to attend the meeting, AGM along with his father. And right now, I am surprised, during the course of these 40 years, in fact this became a PAN Indian Company they started one more facility in Kalamassery, very near to my home, and another facility in Limda. Then again it expanded to Chennai, then Telangana, Andhra, and it became PAN Indian. And in a very short span of two, three years it became a global Company. And being a Member of this Company, I am really proud Sir, seeing our Company stepping up as an infant and growing up. And I believe the best is yet to come.

During 2022, while going through the Annual Report I find that the Company has already raised \$3 billion consolidated sales turnover, which everybody should be really proud of. And I believe under the leadership of Onkar Kanwarji and Neeraj Kanwarji and the Eminent Board, the best is yet to come. And I will not be surprised at all if we achieved the \$5 billion target in a couple of or may be ahead of schedule, than we anticipate. And I express my gratitude to the Board of Directors and the leaders for maximizing my wealth also.

Coming to certain two, three minor points, I would like to raise here, one I think I have already raised in the last AGM. This place where I live, this part of Kochi was actually known as Apollo Junction. This place was known by the name of our Company, but afterwards Metro came, and the Metro Station is actually standing in our property, it is in our own property that the Metro Station is housed. Aluva Metro Station has been cobranded as Federal Bank Aluva Metro Station. Kaloore Metro Station is South India Metro Station and South India Kaloore Metro Station, why can't we get Kalamassery Metro Station named as the Apollo Tyres Kalamassery Metro Station. That is in fact I suggested that I understand some activity has been done in that direction, but it has not materialized.

So, my request to you is please pursue this, you should get there otherwise we will be, this is actually free brand image, knowing because people know it is Apollo Junction, why don't we formalize it and get it officially named as Apollo Kalamassery Junction.

Then coming to the, another thing today this is something significant. This is the 49th, Annual General Meeting of the Company. And this year we will be celebrating the Golden Jubilee, 50th year we are celebrating this year. And probably this 50 years flew in a jiffy and that we are looking forward for further growth. And I think this is the right time, the Company should announce bonus shares as a mark of celebration of our 50th Golden Jubilee, kindly do something to announce a bonus share this year. It should be a 1:1 bonus share, I am sure that this year's

performance will be really good, and the share prices are going to go up. Then please consider a 1:1 bonus this year itself that is my next request.

Another request, I think this is the appropriate forum to say that, Apollo is a giant with a lot of wealth, a lot of brand image, and it is an International Company, we can say a global Company by any standards. We have a poor younger brother, which is PTL. PTL in fact, we have lease hold agreement with PTL. And the lease rental has not been revised for the past so many years. It is fixed at Rs. 60 crores for the past at least five years if you ask me. If my memory is correct, during the past four or five years, this lease rental has not been increased at all. So, my request to you sir is that considering the inflation it is only appropriate that the lease rental is increased to at least Rs. 90 crores per annum.

So, these are my requests, I will express my gratitude to the Management Onkar Kanwar ji, Neeraj Kanwar ji and everybody. I am really happy; I am proud as a shareholder. These are my humble requests to you. And I once again thank you for running the Company so well and making it a global giant. Thank you.

**Moderator:**

Thank you. We invite the next speaker shareholder, Manoj Kumar Gupta. Please go ahead.

**Manoj Kumar Gupta:**

Good afternoon, Respected Chairman and Managing Director, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta, I have joined this meeting from Calcutta, my residence. Chairman, Namaskar I wish to God for your healthy and prosperous, safe, long life. And sir now from two years we are not facing a smile on your face. We want to see you in the smile face. A smile will give return to the employees and the investors. And you are the promoter of the Company you should always smile. And so, I believe that you will bring the smile on the faces of the investors and the employees of the Company, on the eve of 50th year of the Company, under your leadership.

Thanks for your dividend for Rs. 3.25. And thanks for your CSR, you are doing a lot of work for the community or society. Sir, now in last six months, I am a shareholder of more than five, six tyre companies. I have seen that tyre companies are facing a lot of problem. So, how you face this challenge? And how you will come out from this challenge? Because every price has gone up even that carbon black raw material rubber has gone up due to Malaysia problem with the government and the Indonesia, the tyre prices, rubber prices has gone up. So, how you face this challenge because rubber is the main raw material to produce the tyre, so how you face this challenge?

And sir what will be the impact direct or indirect from Russia and Ukraine war?

And in last six months inflation has gone up in every aspect. So, how you face this challenge of inflation? What's your expectation? How you will get return? Because you can't increase the tyre prices, because there is a lot of competition in the tyre price from MRF, JK, Ceat, Balakrishna and others. And how you face this?

And sir any plan to takeover any tyre Company from NCLT, because there is two or three Companies are in problem, and one is Birla Tyres of Eastern part, is under the NCLT. NCLT has abolished their Board and appoint the NCLT professional pupils. And they will float the bid. So, are you interested to go to acquire Birla Tyre, Birla Tyre is a good plant in Eastern part near to, in Odisha near to Bengal, Balasore. That was founded by Late BK Birla. So, will you bid to acquire because you will come in the Eastern if you will take over that Birla Tyres from NCLT.

I strongly support your all resolution, include resolution no.9, I believe it's an enabling resolution of private placement, if this placement will go success, then market cap and market price will increase.

And sir spread the wings of Apollo distribution network and Apollo Shoppe for services, because Ceat has opened, in the interior if you will go to Jammu and Kashmir, and you will find Ceat Shoppe, to give service to the Ceat Tyres. So, you should also increase your distribution network and service centers for the customers because Bharat is expanding, Bharat is expanding globally, district are growing bigger, states are growing bigger, so in that you also have to see.

And sir, add something to Metro Station, sponsor a big event so the people get to know the brand just like Ceat is sponsoring the timer in IPL, I wish Apollo does something like that in any sport activity or adopt some sports activity so that people will know.

And sir, last but not least, we expect that we will celebrate 50th year and reward the investors. I do not suggest you to issue the bonus share. You should issue the bonus debentures, bonus share will increase your liquidity, but it will be difficult for future to serve --. So, think about to issue the bonus debenture in the ratio of 1:1 at the price of 8% or 9% that you can consider to reward the investors and pay handsome dividend next year.

And I wish to God again for your healthy and prosperous, safe long life. And it would be my pleasure to meet you in Delhi. I frequently come to Delhi. And I want to meet you sir, after 23 years. Last, I had met you in 2001, so it would be my pleasure to meet you. I believe that you will give me a chance to meet you, Sir. Thank you.

**Moderator:** Thank you. We now invite the next speaker shareholder Akash John. Please go ahead.

**Akash John:** Good afternoon, Chairman Sir and Board Members. I am speaking from Palakkad, Kerala. First of all, I would like to thank you for providing me an opportunity to speak at this Company's AGM. Recently we have read in the newspaper that CCI has imposed a penalty of nearly Rs. 425.5 crores on the Company. I would like to know what are the steps taken by the Company against the CCI order. Thank you.

**Moderator:** Thank you. We now invite the next speaker shareholder Rahul Suthan. Please go ahead.

**Rahul Suthan:** Good afternoon, Sir. Thank you for the opportunity to interact with you as a speaker shareholder today. So, I am joining this meeting from Bangalore. Sir, I had gone through the financials, and I observed that the Company could not achieve a good financial performance last year. So, I



would like to know firstly what were the key reasons for reduction in profits, and what measures have been taken to ensure better profitability in the current year? And secondly, the Company's plant in AP is now fully operational. So, can you tell us what are the CAPEX plans for the Company in the current fiscal? Thank you and best of luck.

**Moderator:** Thank you. We now have the next speaker shareholder connected on audio. Mr. Sanjay, please go ahead, your line is unmuted.

**Sanjay:** Good afternoon to all, myself Sanjay from Delhi NCR. It's a pleasure to interact with you all. I understand that our Company has operations in Europe region. I would like to know what has been the impact of Russia-Ukraine war on the Company. After the COVID in past few years, the Company has taken various steps towards digitalization. Can you elaborate on the digitalization journey of the Company? Also, can you describe the initiatives being undertaken by the Company under technology and brands? I wish all the best to the Company, and I appreciate various efforts undertaken by the Company for its growth journey. Thank you very much.

**Moderator:** Thank you. We take the next question from Praveen Kumar. Please go ahead.

**Praveen Kumar:** A very good afternoon to Respected Chairman and my decorated esteemed Board of Directors, and my co-fellow shareholder who joined this meeting online. Myself, Praveen Kumar, joining this meeting from New Delhi.

Sir I have few observations which I would love to share with the entire house. A) Sir I am with the Company for a decade now, more than a decade now, sir. And over the period, sir, my observation is that we are very focused, very dedicated, with your team bring sustainable growth to the shareholder who put their hard-earned money into the Company, Sir. And I pray to the God, he will bless you, so that you will take our Company to the newer height in the future, Sir.

And as far as the CSR activities are concerned, Sir you always are ahead in your personal capacity. Everybody knows that you are from Royal Family, and you do charity from centuries now, Sir. And Sir, thank you very much for your detailed speech. You cover almost everything, Sir. And I have great faith in your ability to pursue our Company to the newer height, bringing digital into that space, Sir. And I put all my assent to the resolution, which is setup for the Notice, specially your appointment, Sir.

And, Sir for a retail investor, the barometer of Company is also decided by the corporate governance. And I love to thank our Company Secretary, Respected Seema Thapar, and her entire team for providing excellent corporate governance. It's not about the AGM or EGM, Sir, it's throughout the year, if you have anything, rumor in the market, we just email them, and they will promptly reply. That's the beauty of our Company, Sir.

And thank you very much, Sir, for providing this platform to express my view on this aspect, sir. And I wish all the team Members, all the workers who have vaccinated timely, which is

updated by the CS and for a great feature, Sir. Wish you all the health, happiness, and great future. Thank you, sir. Thank you very much.

**Moderator:** Thank you. We will take the next question from Naveen Kumar. Please go ahead.

**Naveen Kumar:** Good afternoon, Chairman, Vice Chairman, and the Board of Directors. I am your shareholder from Thrissur. Sir, it's good to see that the European operations of the Company have performed very well in the last year. I would like to appreciate this and want to know what is the outlook of European operations for the current year?

Also, sir the tyre industry players show pressure on their margins as they witnessed a sharp 30% increase in the overall raw material cost. So, can you explain like how you see the price of raw material going forward, and their pressure on the margins in current year? Also, like how much percentage of cost increase can be absorbed through a price increase? Thank you, sir.

**Moderator:** Thank you. We take the next audio question from Shalini. Your audio is unmuted. Please go ahead.

**Shalini:** Good afternoon, everyone. I am attending this meeting from Mumbai. Sir, at the outset, let me congratulate the Management as the Company has performed well during the tough times as well. So, last year what we have witnessed is a strong growth in the exports. So, I wanted to ask that is this sustainable? And what are our plans for the current year? And do we have any target like say for example as a percentage of sales?

And another observation of what I wanted to say is that the last year the Company has rolled out a vision for the next five years. So, can you talk about vision 2025, and where are we currently with respect to performance targets and the strategy going forward? Thank you for giving me an opportunity to speak at the AGM. And best of luck to everyone.

**Moderator:** Thank you. We have the last speaker shareholder. Suja Nair, connected with us. Please go ahead. Your audio is unmuted.

**Suja Nair:** Good afternoon, Chairman and Board Members. I am a shareholder from Chennai. Our Company have inaugurated the AP plant, during 2020 virtually. Sir can you please brief on the functioning of the plant and how is it contributing to the revenue of the Company? Nowadays the Companies are taking lots of initiatives on sustainability front, Sir my question is, can you please elaborate on various sustainability initiative, taken by our Company. Thank you and all the best to the Company.

**Moderator:** Thank you. As there are no further questions, we now request Mr. Neeraj Kanwar to answer the questions.

**Neeraj Kanwar:** Good afternoon, Good morning to all the Shareholders. And I really appreciate your open and transparent appreciation to all of us and also your questions.

So, firstly to Mr. Nanda Kumar, Mr. Kanwar is still young, you had mentioned that 40 years ago, he was young, but he is still looking very young. And to Manoj Kumar, he is still smiling. So, you can be rest assured that the entire Board is smiling for all of you. And I am pleased to say that the Company is performing very well.

I would like to break out the questions into three, four buckets. I have heard a lot about raw material, I have heard a lot about cost push, about Indian operations, about AP plant and about European operations. So, let me start by firstly, yes, your, Mr. Nanda Kumar, your suggestion about ATL, Apollo Tyres Kalamassery Station is a very good one. I will ask Satish to look at it, Apollo Junction, it was a very good branding opportunity. So, we should look at it. We will certainly observe the inflation and the PTL lease rental. And we are on it, all the time, and we will certainly look what can be done best.

As far as tyre companies facing a challenge, I think Mr. Manoj Kumar had asked this question. I will briefly speak on this and then I will also ask my colleagues, both Satish and Benoit to speak about it. Yes, you are right, inflation is there, oil prices are at all-time high, natural rubber is at all-time high. But your Company is looking inwards on how we can enrich our product mix, number one, and you will be seeing that in European operations, our product mix from the Ultra High-Performance tyres has gone up from 32% to 33% to almost 43% to 44%, which is adding to the profitability of European operations. Also in India, we are looking at how we can enrich our product mix and go to much more profitable products, higher sizes and try and see how we can unlock value in both India and in Europe.

Also, another journey that we have started is to look at our ROCE, in all our plants. Our ROCE is as you know is up 10, our target is to go above 12 in the next two to three years. And this we are doing by looking at how we can sweat our assets, how we can debottleneck our manufacturing facilities and get more productivity. One person also asked about digitalization. This is one aspect that digitalization is going to help us. So, we have tied up with universities in UK and in Hungary where we are learning Machine Learning, we are looking at Artificial Intelligence data, to try and see how we can increase the productivity of our equipments, and try and decrease our cost of manufacturing. This is going to play a very important role in also further increasing our EBITDA margins.

Someone asked about Birla Tyre, and the answer is no, we are not interested in Birla Tyre. And I will request Satish, when you are talking, please speak about the distribution network and Apollo shops and Apollo zones that we have recently come up with.

As far as sports is concerned, we are not into cricket, we do have Sachin as our Brand Ambassador. But Apollo is really focusing on football. As you know we have now over 7 years, our tie up with Manchester United which is one of the premium clubs in the UK. Very well watched and the highest fan holding of nearly I think 700 million fans all over the world. This has given us a lot of boost in football, plus we are with the Indian Football League in India, sponsoring Chennai. So, our real big focus is on football.

I will request, Gaurav to highlight little bit about the CCI issue that we are facing. As far as also CAPEX, Gaurav, you will address when you are discussing about CCI.

So, now I will ask Satish, just to give an overview, very quick overview on how you are looking at distribution network, how you are looking at the input cost. And also, one question was asked about export, your exports have gone up and how you are targeting exports. Over to you, Satish. Thank you.

**Satish Sharma:**

Thank You Neeraj. Specifically, to distribution I am very happy to report to all the shareholders that, Apollo now has the largest distribution in the country, both urban as well as rural. And this is a result of the full range that the Company went into five years back. So, now that we are into two-wheeler tyres, agriculture tyres, truck tyres, car tyres, we are leading the market in all radial categories. All this has helped us to secure a very strong distribution across the country.

The two-wheeler tyres also helped us to get into another format of distribution which is distributors and then sub-retailers which was a format that we were not having earlier. As far as OEM is concerned, again your Company is the leading share of business with all OEMs. Coming to exports, you are right, the Company has significantly improved its export, and our export drive again is multi-category and multi-market. So, our product and market fit has really paid good dividends to us. And the quality as well as the technology that our products are providing, we have secured customer acknowledgement around the world. And therefore, we feel that it's very much sustainable, the growth and exports. Since the figure is not out in terms of if you asked about the percentage to revenue, I would refrain from giving that comment, except for saying that the exports definitely is very sustainable.

There was a specific comment to AP plant, and I will take that one on as well. Our AP plant has been designed for very high productivity, because of the serious automation and the learnings that we have deployed from our Chennai plant as well as our Hungary plant into the AP facility all that collected wisdom has gone in and the plant is really designed for high productivity levels. And we are able to secure those high productivity levels.

The plant, our main focus is to focus on premiumization like Neeraj said, in Europe we are looking at premiumization, similarly in India, the mantra is profitable growth, that's the universal mantra across the Company. We are looking at how can we cater to the higher rim in sizes in the AP plant. And I think it's just a matter of time, maybe a couple of months when the plant, Phase-I, will achieve its full utilization. And at that point in time, I think the contribution to revenue from the AP plant to our Indian revenue turnover would be around 20%.

**Neeraj Kanwar:**

Benoit over to you, just highlight little bit about European operations and also Russia, Ukraine war and the impact it has in Europe.

**Benoit Rivallant:**

Yes, so thanks Neeraj, as the operation in Europe perform very well. I would say that looking forward we can expect that the performance should remain healthy. In the last few quarters, we

have demonstrated that we have established the business and we took action to derisk our operation as the business model. So, this is also to our role as well.

Speaking about Russia, I would say that in Europe we are not exposed to the Russian market. What we were looking at is the supply of raw materials, and we were able to keep a close eye on the markets and will continue to work on negating RM cost pressure in near to medium term through improvement in product & channel mix and selective & well-timed pricing actions across our key markets. So, there is nothing more to add on Russia. We know that anyway this is something that we need to monitor closely right time, everything has been stabilizing.

**Neeraj Kanwar:**

Just to add on top of what Benoit has mentioned, Europe is as you have seen is a total turnaround after we have done the specialization of our plant in Holland. Hungary is running at nearly full capacity and also, we are looking at a huge demands surge coming in Europe, because of the ban of tyres coming in from Russia into Europe, that should get some advantage into our European operations. But we are trying to see how we can debottleneck and increase our production, both in India and in Hungary for catering to the European market. Thank You. Gaurav will you come in about CCI and Capex future.

**Gaurav Kumar:**

Good afternoon, everyone. Regarding the CCI order, the Company does not agree with the findings of the Commission and has taken the necessary steps under the law to appeal against the order. We would like to assure all the stakeholders that the Company operates within the letter and spirit of law. And we would be taking the relevant steps.

On the CAPEX plans, given the environment, we are in, we are being extremely judicious about the CAPEX in this current year. As per current plans, we expect the CAPEX for India operations to be around Rs. 900 crores and the CAPEX in Europe to be about €40 million. However, we would like to reiterate that given the extremely volatile environment, these are estimates based on certain assumptions and hence issued as indicative numbers rather than precise guidance. We would continue to keep a close eye on the market's profitability and balance sheet ratios, and will not shy away from reporting number, in case any need arises.

**Neeraj Kanwar:**

Thank You Gaurav. Sunam would you just give a highlight on Sustainability initiative.

**Sunam Sarkar:**

Thank you for the question Shareholders. The opening speech devoted a significant amount of sustainability which shows the importance of this very key -- Company. It is one of our growth pillars, it is one of our business principles, and we are working on the full value chain from sustainable raw material procurement all the way through to emissions and end user or Phase-III emissions. We are committed to be net zero carbon Company by 2050. And we will be working on all aspects of the sustainability, in full compliance with international regulatory norms ISO 14001 etc. Thank you.

**Neeraj Kanwar:**

Thank You Sunam. Lastly, I would request the Chairman to answer the question on golden jubilee. I think he is the right person to answer this question.

**Onkar Kanwar:** I think this has been a very appreciative point which has been raised by one of our shareholders. I can only assure you with sincerity that we will study this thing and get back to you in due course of time. Thank you.

**Neeraj Kanwar:** Thank You Chairman. With this all questions have been answered. Hope all of you are safe, all the very best. Over to you, Chairman.

**Onkar Kanwar:** Thank you Neeraj. As we have carried all the items mentioned in the Notice of the AGM, I would like to thank all the participants who have attended the 49<sup>th</sup> AGM of the Company. Thank you.

**Moderator:** Thank you, Sir. The Members who have not cast their vote, can still cast their votes using e-Voting platform of NSDL, until 15 minutes from now.