APOLLO TYRES LTD
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apollotyres.com
GST No.: 06AAACA6990Q1Z2

ATL/SEC/21 June 16, 2022

The Secretary, BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.	The Secretary, National Stock Exchange of India Ltd, Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

Dear Sir,

Re: Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Sub: Submission of Annual Report for Financial Year 2021-22 (FY22)

Please find enclosed herewith the following documents being dispatched/ sent to the Shareholders in the permitted mode:

(1) Notice of the 49th Annual General Meeting (AGM) of the Company scheduled to be held on Monday, July 11, 2022.
(2) Annual Report FY22.

The above documents are also uploaded on the website of the Company viz. www.apollotyres.com.

This is submitted for your information and records.

Thanking You,

Yours faithfully,

For Apollo Tyres Ltd

Seema Thapar

(Seema Thapar)
Company Secretary & Compliance Officer

APOLLO TYRES LTD
Registered Office: 3rd Floor, Areekal Mansion,
Panampilly Nagar, Kochi- 682036 (Kerala)
(CIN-L25111KL1972PLC002449)
Tel: +91 484 4012046 Fax: +91 484 4012048
Email: investors@apollotyres.com
Web: apollotyres.com

NOTICE

NOTICE is hereby given that the 49th Annual General Meeting of the Members of **APOLLO TYRES LTD.** will be held on Monday, July 11, 2022 at 3:00 PM through Video Conferencing (VC) for which purpose the Registered Office of the Company situated at 3rd Floor, Areekal Mansion, Panampilly Nagar, Kochi-682036 shall be deemed to be the venue for the Meeting and the proceedings of AGM shall be deemed to be made thereat, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:
   a. the audited financial statement of the Company for the financial year ended March 31, 2022, the reports of the Board of Directors and Auditors thereon; and
   b. the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and report of Auditors thereon.
2. To declare dividend of ₹ 3.25 per equity share, for the financial year ended March 31, 2022.
3. To appoint a Director in place of Mr. Sunam Sarkar (DIN:00058859), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Robert Steinmetz (DIN: 00178792), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:-

   "**RESOLVED THAT** pursuant to provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 and Regulation 17(1A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Robert Steinmetz (DIN: 00178792), Director, aged 82 years, who retires by rotation and being eligible offers himself for re-appointment, as a Director of the Company, liable to retire by rotation."
5. To appoint M/s. S.R. Batliboi & Co. LLP, Chartered Accountants as Statutory Auditors of the Company and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) be appointed as Statutory Auditors of the Company for 5 years for auditing the accounts of the Company from the financial years FY23 to FY27 in place of retiring auditors M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Registration No. 001076N) to hold office from the conclusion of this 49th Annual General Meeting (AGM) until the conclusion of the 54th AGM at a fees of ₹11 million for

FY23 besides reimbursement of travelling and out of pocket expenses incurred.

RESOLVED FURTHER THAT the Statutory Auditors of the Company be paid an additional fee, not exceeding ₹ 2.2 million (being 20% of aforesaid fee of ₹ 11million), for the purpose of any certification/ documentation which shall be mandatorily required from Statutory Auditors of the Company for FY23.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to fix the fees payable to the Statutory Auditors, pursuant to the recommendation of the Audit Committee, from FY24 to FY27.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to delegate all or any of the powers to any officer(s)/ authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS

6. Ratification of payment of remuneration to Cost Auditor for the financial year 2022-23.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Cost Auditor, M/s. N.P. Gopalakrishnan & Co., Cost Accountants appointed by the Board of Directors of the Company for carrying out Cost Audit of the Company's plants at Perambra (Kerala), Limda (Gujarat), Chennai (Tamil Nadu) and Chinnapandur (Andhra Pradesh) and Company's leased operated plant at Kalamassery (Kerala) for the financial year 2022-23 be paid a remuneration of ₹ 3.60 lakhs per annum plus reimbursement of out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. Continuation of Mr. Onkar Kanwar (DIN:00058921) as a Non-Executive Director designated as Chairman.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Onkar Kanwar (DIN: 00058921), Chairman and Managing Director of the Company, whose term of office expires on January 31, 2023, shall continue to act as Non-Executive Director designated as Chairman of the Company (or such other designation as may be decided by the Board and/ or Nomination and Remuneration Committee from time to time) with effect from February 1, 2023 on terms and conditions mentioned in the explanatory statement to the Notice.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

8. **Remuneration of Mr. Satish Sharma (DIN:07527148), Whole-time Director.**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in continuation of resolution passed by Members of the Company on July 31, 2019 relating to appointment of Mr. Satish Sharma (DIN: 07527148) as Whole-time Director and pursuant to the provisions of Section 196, 197, 198 & 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and subject to such other approval(s), sanction(s) and permission(s) as may be applicable/ required and subject to such other conditions and modifications as may be prescribed or imposed by any of the authorities, if required/ applicable, in granting such approvals, permissions, sanctions and pursuant to the recommendation made by Nomination & Remuneration Committee and Board of Directors, approval of the Members be and is hereby accorded for payment of overall remuneration to Mr. Satish Sharma, Whole-time Director of the Company, in the event of absence or inadequacy of profits, upto a maximum amount of ₹ 10.75 Crores (Rupees ten crores seventy-five lakhs only) for a period from April 1, 2022 to March 31, 2023 (both days inclusive).

RESOLVED FURTHER THAT all other terms and conditions of his remuneration as the Whole-time Director of the Company, as approved by the resolution passed at the Annual General Meeting of the Company, held on July 31, 2019, shall remain unchanged.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in aforementioned period, Mr. Satish Sharma will be paid the aforesaid remuneration as an appropriate remuneration under Section 197 and Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company or Committee thereof, be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments, writings, in its absolute discretion, as may be considered necessary, expedient or desirable, including power to sub-delegate, in order to give effect to the foregoing resolution or otherwise as considered by the Board to be in the best interest of the Company as it may deem fit."

9. **Private Placement of Non-Convertible Debentures.**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with the rules made thereunder, as may be amended from time to time and any other applicable laws including the SEBI (Issue & Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company and subject to the receipt of necessary approvals as may be applicable and such other approvals, permissions and sanctions, as may be necessary, consent of the Company be and is hereby accorded to raise funds not exceeding ₹ 10,000 million through Private Placement of Unsecured/ Secured Non-Convertible Debentures during the period of one year from the date of passing of this resolution within overall borrowing limits of the Company, as approved by the Members from time to time, in one or more tranches, to such person or persons, who may or may not be the debenture holder(s) of the Company, as the Board (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/

incorporated bodies and/ or individuals and/or trustees and/or banks or otherwise, in domestic and/ or one or more international markets), Non-Resident Indians, Foreign Institutional Investors (FIIs), Foreign Portfolio Investors (FPIs), Venture Capital Funds, Foreign Venture Capital Investors, Mutual Funds, State Industrial Development Corporations, Insurance Companies, Development Financial Institutions, Bodies Corporate, Companies, private or public or other entities, authorities and such other persons in one or more combinations thereof through Private Placement in one or more tranches and including the exercise of a green-shoe option (within overall borrowing limits of the Company, as approved by the Members from time to time), if any, on such terms as may be determined under the guidelines as may be applicable, and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to Private Placement of Unsecured/ Secured Non-Convertible Debentures, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as approved by the Board, be and is hereby authorized to determine the terms of the Issue, including the class of investors to whom the Debentures are to be allotted, the number of Debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/ discount to the then prevailing market price, amount of issue, discount to issue price to a class of Debenture holders, listing, issuing any declaration/ undertaking etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force."

By Order of the Board
For Apollo Tyres Ltd

SEEMA THAPAR
Company Secretary
FCS No.: 6690

Place: Gurugram
Date : May 12, 2022

NOTES:

1. In view of the current extraordinary circumstances due to COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 (dated April 8, 2020), Circular No.17/2020 (dated April 13, 2020) Circular No. 20/2020 (dated May 5, 2020), Circular No. 02/2021 (dated January 13, 2021), Circular No. 19/2021 (dated December 8, 2021), Circular No. 21/2021 (dated December 14, 2021) and Circular No.2/2022 (dated May 5, 2022) (Collectively referred to as MCA Circulars), issued by the Ministry of Corporate Affairs (MCA) physical attendance of the Members to the Annual General Meeting (AGM) venue is not required and AGM be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC and Members of the Company joining through VC shall be reckoned for the purpose of quorum under Section 103 of the Act. Further, all resolutions in the meeting shall be passed through the facility of e-Voting/electronic system.
2. Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the MCA, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC and participate thereat and cast their votes through e-Voting.
3. In compliance with MCA Circular No. 20/2020 dated May 5, 2020, MCA Circular No. 2/2022

dated May 5, 2022 and SEBI Circular No. SEBI/HO/ CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report FY22) and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s) as on June 10, 2022 and to all other persons so entitled.

4. The Members can join the AGM through VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1,000 Members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. The dividend, as recommended by the Board of Directors, if declared at the meeting, will be paid within 30 days from the date of declaration to the Members holding equity shares as on the record date i.e. Friday, June 17, 2022 on 635,100,946 equity shares of the Company. In respect of shares held in dematerialised form, dividend will be paid on the basis of beneficial ownership as per details furnished by the respective depositories for this purpose.

7. Corporate Members are requested to send a duly certified copy of the Board resolution/authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.

8. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of the ordinary/special business set out above in the notice is annexed hereto.

9. All documents referred to in the notice can be obtained for inspection through secured mode by writing to the Company at its email ID: investors@apollotyres.com till the date of the meeting.

10. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL e-Voting system at https://www.evoting.nsdl.com.

11. The shares of the Company are under compulsory demat list of Securities & Exchange Board of India w.e.f. November 11, 1999. The trading in equity shares can now only be done in demat form. In case you do not hold shares in demat form, you may do so by opening an account with a depository participant and complete dematerialisation formalities.

12. Members holding shares in dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their depository participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the Members.

13. Members holding shares in physical form are requested to intimate changes with respect to their bank account (viz. name and address of the branch of the bank, MICR code of branch, type of

account and account number), mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company's Registrar and Share Transfer Agent at einward.ris@kfintech.com.

14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting on the date of the AGM will be provided by NSDL.

15. In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.apollotyres.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

16. AGM shall be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.

17. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

I. The remote e-Voting period begins on Friday, July 8, 2022 at 10:00 A.M. and ends on Sunday, July 10, 2022 at 5:00 P.M. The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Monday, July 4, 2022 may cast their vote electronically. The voting right of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, July 4, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility,** please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **“Beneficial Owner”** icon under “Login” which is available under **“IDeAS”** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **“Register Online for IDeAS”** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/ Members can also download NSDL Mobile App **“NSDL Speede”** facility by scanning the QR code mentioned below for seamless voting experience. 

Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/ Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/ Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective **ESP i.e. NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against Company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/ OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Shareholders other than Individual Shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Shareholders whose email IDs are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

    a) Click on **"Forgot User Details/ Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

    b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

    c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.

    d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to tenrosekochi@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five

unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager, NSDL at evoting@nsdl.co.in

Process for those Shareholders whose email IDs are not registered with the depositories for procuring user id and password and registration of e mail IDs for e-Voting for the resolutions set out in this notice and for obtaining Notice and Annual Report:

1. In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@apollotyres.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@apollotyres.com. If you are an Individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode.**

3. Alternatively Shareholders/ Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/ Shareholders, who will be present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the Meeting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC link" placed under **"Join meeting"** menu against Company name. You are requested to click on VC link placed under Join Meeting menu. The link for VC will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email ID, mobile number at (investors@apollotyres.com). The same will be replied by the Company suitably.

FOR HELP IN CONNECTION WITH VOTING BY ELECTRONIC MEANS OR FOR PARTICIPATING IN THE AGM THROUGH VC:

Members can directly contact Ms. Soni Singh, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400 013. Email ID: evoting@nsdl.co.in, Toll free no.: 1800 1020 990 and 1800 224 430. Members may also write to the Company Secretary at the email ID: investors@apollotyres.com

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT

1. As the AGM is being conducted through VC, Members are encouraged to express their views/ send their queries in advance mentioning their name, DP ID and Client ID/Folio No., e-mail ID, mobile number at investors@apollotyres.com to enable smooth conduct of proceedings at the AGM. Questions/ Queries received by the Company on or before Monday, July 4, 2022 on the aforementioned e-mail ID shall only be considered and responded during the AGM.
2. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at investors@apollotyres.com on or before Monday, July 4, 2022. Those Members who have registered themselves as a Speaker will only be allowed to express their views/ask questions during the AGM.
3. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

II. Mr. P.P. Zibi Jose, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

III. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 2 working days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same.

IV. The Results shall be declared by the Chairman or the person authorised by him in writing not later than 2 working days of conclusion of the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website (www.apollotyres.com) and on the website of NSDL (www.evoting.nsdl.com) immediately after the result is declared by the Chairman.

Any person, holding shares in physical form and non-individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes Member of the Company after sending of the notice and holding shares as on the cut-off date i.e. July 4, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company. However if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and Password for casting the vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Monday, July 4, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system.

In case of any grievance connected with the facility for voting by electronic means, Members can directly contact Ms. Soni Singh, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400 013, email ID: evoting@nsdl.co.in, Toll free no.: 1800 1020 990 and 1800 22 44 30 Members may also write to the Company Secretary at the email ID: investors@apollotyres.com.

18. Those Members who have so far not encashed their dividend warrants for the financial year from FY15-FY21, may claim or approach the Company's RTA for the payment thereof, as the same will be transferred to Investor Education and Protection Fund (IEPF) established pursuant to Section 125(1) of the Companies Act, 2013, if a Member does not claim the dividend amount for a consecutive period of seven years or more. The due date for transfer of unclaimed dividend for FY15 is September 11, 2022.

In accordance with Section 124 (6) of the Act read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), if a Member does not claim the dividend amount for a consecutive period of seven years or more, then the shares held by him/her shall be transferred to the DEMAT Account of IEPFA. The details of the Members whose shares are liable to be transferred are also posted on the website of the Company i.e. www.apollotyres.com. The unclaimed or unpaid dividend which have already been transferred or the shares which were transferred can be claimed back by the Members from IEPFA. Upon such transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application the details of which are available at www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the "Web Form IEPF- 5". Members can file only one consolidated claim in a financial year as per the IEPF Rules.

19. The Notice of AGM and the copies of audited financial statements, board's report, auditor's report etc. will also be displayed on the website (www.apollotyres.com) of the Company.
20. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company.
21. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for a long period. The statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified periodically.
22. Information under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings, in respect of the Directors seeking appointment at the AGM, forms integral part of the notice. The concerned Directors have furnished the requisite declarations for their appointment and their brief profile forms part of the explanatory statement.
23. Members can also provide their feedback on the Shareholder services of the Company using the 'Shareholders Satisfaction Survey' form available on the website of the Company (refer link:https://corporate.apollotyres.com/en-in/investors/corporate-governance/?filter=Others). This feedback will help the Company in improving Shareholder Service Standards.
24. The Company has appointed KFin Technologies Limited as the RTA w.e.f. April 1, 2021. All documents, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's RTA, KFin Technologies Limited, at the address mentioned below:

    KFin Technologies Limited
    Unit: Apollo Tyres Ltd
    Selenium, Plot No. 31 & 32, Tower B,
    Serilingampally, Nanakramguda,
    Financial District, Hyderabad – 500 032
    Tel. No.: +91 40 6716 2222
    Fax No.: +91 40 23001153
    Toll Free No. 1800 309 4001
    E-mail Id: einward.ris@kfintech.com
    Website: www.kfintech.com

25. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.

By Order of the Board
For Apollo Tyres Ltd

SEEMA THAPAR
Company Secretary
FCS No.: 6690

Place: Gurugram
Date : May 12, 2022

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

As per the provisions of Section 152 (6) of the Companies Act, 2013, one-third of the two-thirds of the total Non-Independent Directors are liable to retire by rotation at every AGM and on the basis of the dates of appointment of retiring Directors, Mr. Robert Steinmetz being in the office for the longest term is liable to retire by rotation and being eligible, offers himself for re-appointment.

The Board of Directors at their meeting held on May 12, 2022, on the recommendation of the Nomination and Remuneration Committee, had recommended the re-appointment of Mr. Robert Steinmetz, who is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

Pursuant to Regulation 17(1A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, applicable w.e.f. April 1, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years unless a special resolution is passed by the Members to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment. Accordingly, a Special Resolution is required to be passed for the re-appointment/ continuation of Directorship of Mr. Robert Steinmetz, who is liable to retire by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

Mr. Robert Steinmetz, aged about 82 years, joined the Board of the Company on September 10, 1999. He has been the Chief of International Business Unit of Continental AG, Germany. Mr. Robert Steinmetz is known for his unwavering focus on value creation and sound long term business strategy, has over 40 years of extensive experience in the international tyre manufacturing industry. As an active Member, he not only contributes to discussion but also facilitates discussion by sharing his insightful feedback on various business strategies and consumer behaviour.

He holds a diploma in machinery building and has worked with Continental AG for most of his career.

He is not holding Directorship on the Board of other Companies and has not resigned from any listed entity during the past three years.

He is a Member of the Audit Committee and Risk Management Committee of the Company. He is not holding any other Committee positions on the Board of other Companies.

He is not holding any shares in the Company either directly or in form of beneficial interest for any other person.

He has attended five Board Meetings during FY22.

He is not related with any other Director and Key Managerial Personnel (KMP) of the Company.

The Company has received from Mr. Robert Steinmetz:

(i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013.

(ii) An undertaking that he is not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Robert Steinmetz.

He shall be entitled for the sitting fees for attending the Board/ Committee Meetings and the commission, as per the applicable provisions of Companies Act, 2013 including rules related thereto and SEBI (Listing

Obligations & Disclosure Requirements) Regulations, 2015, in accordance with the criteria for payment to Non-Executive Directors as approved by the Board. Mr. Robert Steinmetz is entitled to a remuneration of ₹ 4.28 million as commission, as approved by the Board, for FY22.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

None of the Directors or KMP of the Company or their relatives except Mr. Robert Steinmetz is concerned or interested (financial or otherwise) in the resolution.

The Board of Directors recommends resolution set out at item no. 4 for your consideration and approval.

Item No. 6

The Board at its meeting held on May 12, 2022, on the recommendation of the Audit Committee, had re-appointed M/s. N.P. Gopalakrishnan & Co., Cost Accountants, as the Cost Auditors for carrying out Cost Audit of the Company's plants located at Perambra (Kerala), Limda (Gujarat), Chennai (Tamil Nadu) and Chinnapandur (Andhra Pradesh) as well as Company's leased operated plant at Kalamassery (Kerala) for the financial year 2022-23 on a remuneration of ₹ 3.60 lakhs per annum plus reimbursement of out of pocket expenses and applicable taxes.

In accordance with provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors as recommended by the Audit Committee has been considered and approved by the Board of Directors and is required to be ratified by the Members.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is concerned or interested (financial and otherwise) in the resolution.

The Board of Directors recommends resolution set out at item no. 6 for your consideration and ratification by way of passing an ordinary resolution.

Item No. 7

The Members of the Company at their Annual General Meeting held on July 5, 2017 had approved the re-appointment of Mr. Onkar Kanwar as Managing Director of the Company for a period of 5 years effective from February 1, 2018. The present tenure of Mr. Onkar Kanwar as Chairman and Managing Director will expire on January 31, 2023.

In line with the succession planning of the Company and to separate the roles of Chairman and Managing Director, Mr. Onkar Kanwar has expressed his desire to step down from the position of Managing Director and will continue as a Non-Executive Director designated as "Chairman".

The Board of Directors at their meeting held on May 12, 2022, on the recommendation of the Nomination & Remuneration Committee, approved the continuation of Mr. Onkar Kanwar, Chairman and Managing Director as Non-Executive Director designated as "Chairman" after expiry of his present term of office i.e. with effect from February 1, 2023.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed entity shall appoint a person or continue the Directorship of any person as a Non-Executive Director who had attained the age of 75 years unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment. Accordingly, a

Special Resolution is required to be passed for the continuation of Directorship of Mr. Onkar Kanwar as Non-Executive Director.

Mr. Onkar Kanwar is the chief architect of the Company's vision and value driven business strategy. Under his able leadership, the Company became a professionally managed and a globally recognised tyre manufacturer. As a visionary entrepreneur, he plays a critical role in the articulation of Company's business philosophy.

Modernisation, excellence and quality are his guiding principles. Registered in 1972, Apollo Tyres under his guidance transformed itself from an Indian manufacturer of commercial vehicle tyres to a global entity with a full-fledged product portfolio, spanning 3 continents. He is highly regarded for his constant emphasis on bettering the lives of people, be it employees, customers, business partners, shareholders or any other stakeholder and responsiveness to change and continuous learning.

He is the Past President of the Federation of Indian Chambers of Commerce and Industry (FICCI), former Chairman of the Automotive Tyre Manufacturers' Association and was a Member of the Board of Governors for the Indian Institute of Management (Kozhikode). Currently, he is the Chairman of the BRICS Business Council, India.

He has played a vital role in promoting Apollo Tyres' HIV-AIDS awareness and prevention programme for the commercial vehicle driver community, implemented through Apollo Tyres Foundation's Health Care Centres located in large transshipment hubs across India.

A Science and Administration graduate from the University of California, Mr. Onkar Kanwar is a widely travelled individual. He devotes a large part of his time to reading and is passionate about learning modern management practices and their successful application in business.

He has been conferred with 'Ernst & Young Entrepreneur of the Year award – Manufacturing' for the year 2012. He has recently been awarded with Hungarian 'Order of Merit', and Government of Japan's 'Order of the Rising Sun, Gold and Silver Star.

The Board is of the view that being an expert in strategy, tyre business and management, his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Onkar Kanwar as a Non-Executive Chairman. Accordingly, it is proposed to re-appoint Mr. Onkar Kanwar as a Non- Executive Director designated as "Chairman" with effect from February 1, 2023.

Mr. Onkar Kanwar, aged 80 years was first appointed to the Board on March 7, 1982. He has drawn a remuneration of ₹ 140.14 million during FY22.

He is on the Board of the following other Companies: -

Sl. No.	**Name of the Company**	**Designation**
1	PTL Enterprises Ltd.	Chairman
2	Artemis Medicare Services Ltd.	Chairman
3	Classic Industries & Exports Ltd.	Chairman
4	Leto Realtors (P) Ltd.	Director

He has not resigned from any listed entity during the past three years.

He also holds Chairmanship/ Membership of Committees in the following Companies:-

Sl. No.	Name of the Company	Name of the Committee	Position
1	Apollo Tyres Ltd	CSR Committee	Chairman
		Business Responsibility & Sustainability Committee	Chairman
		Stakeholders Relationship Committee	Member
2	PTL Enterprises Ltd	Stakeholders Relationship Committee	Chairman
		CSR Committee	Chairman
		Risk Management Committee	Chairman
		Nomination & Remuneration Committee	Member

He has attended 5 meetings of the Board during FY22. Mr. Neeraj Kanwar, Vice Chairman & Managing Director is the son of Mr. Onkar Kanwar, Chairman & Managing Director. None of the other Directors are related to each other.

He is holding 100,000 equity shares in the Company. He is also holding 231,625,313 equity shares as a beneficial owner.

The Company has received from Mr. Onkar Kanwar:

(i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013.

(ii) An undertaking that he is not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

He shall be entitled for the sitting fees for attending the Board/ Committee Meetings and the commission, as per the applicable provisions of Companies Act, 2013 including rules related thereto and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, in accordance with the criteria for payment to Non-Executive Directors as approved by the Board. He shall be also entitled to maintain office at Company's expense and reimbursement of expenses incurred in performance of his duties as Non-Executive Chairman.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

None of the Directors or Key Managerial Personnel (KMPs) of the Company or their relatives, except Mr. Onkar Kanwar and Mr. Neeraj Kanwar, Vice Chairman & Managing Director, being his relative, is concerned or interested (financial & otherwise) in the resolution.

The Board of Directors recommends resolution set out at item no. 7 for your consideration and approval.

Item No. 8

The Members of the Company at the AGM held on July 31, 2019 had appointed Mr. Satish Sharma as a Whole-time Director of the Company for a period of 5 years with effect from April 1, 2019 on the terms and conditions of appointment mentioned in the explanatory statement. His annual remuneration was subject to an overall ceiling of 1% of the Profit before Tax (PBT).

With the current tough external environment due to the pandemic, scenario arising out of Russia – Ukraine war of rising raw material & other costs, global logistics constraints, the economic recovery may be significantly adversely impacted in FY23. Also, the automobile industry is continuing to face semiconductor crisis impacting production of vehicles. All this is expected to have an impact on the tyre industry, both for OEMs and replacement sales. Against this scenario, the Company may see a pressure on profits during FY23.

As per the provisions of Section 197 of the Companies Act, 2013 read with Section II of Part II of Schedule V, in case of absence or inadequacy of profits, the remuneration to be paid in excess of the limits specified in of Section II of Part II of Schedule V has to be approved by the Members by way of a Special Resolution. Accordingly, if the Company's profits are inadequate due to the aforesaid tough external environment, the approval of the Members by way of a Special Resolution will be required for payment of an overall remuneration exceeding the limits specified in Section 197 and Schedule V of Companies Act, 2013.

Therefore, in order to suitably remunerate Mr. Satish Sharma, Whole-time Director, keeping in view his entitlement and existing remuneration, as also the competitive market practices, if the Company's profits become inadequate, the approval of the Members is sought for payment of a maximum amount of ₹10.75 crores for a period from April 1, 2022 to March 31, 2023 (both days inclusive) and for Performance Linked Bonus/ Commission, the ceiling of 1% of the Profits before Tax (PBT) of the Company on overall annual remuneration (including Salary, Perquisites, Allowances & Other Benefits) payable to Mr. Satish Sharma as per Company's policy, as prescribed under AGM Notice dated May 9, 2019, shall not be applicable. The aforesaid remuneration has been recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

If the Company's profits become adequate during the aforesaid period, Mr. Satish Sharma shall be entitled for higher annual remuneration subject to an overall ceiling of 1% of the Profit before Tax (PBT) as per the terms & conditions of his remuneration approved by the resolution passed at the Annual General Meeting of the Company, held on July 31, 2019.

All other terms and conditions of the appointment approved by the Members at the AGM held on July 31, 2019 except the abovementioned shall remain unchanged.

Mr. Satish Sharma is also a Director of Apollo Tyres (Thailand) Limited and Apollo Tyres (Malaysia) Sdn. Bhd. He has not resigned from any listed Company during the past three years.

He is a Member of the Risk Management Committee of the Company. He is not holding any other Committee positions on the Board of other Companies.

He is not related to any other Director and Key Managerial Personnel (KMP) of the Company.

He is not holding any shares in the Company either directly or in form of beneficial interest for any other person.

He has attended five meetings of the Board during FY22. The Company has received from Mr. Satish Sharma, an undertaking that he is not debarred from holding the office of Director pursuant to order of SEBI or any other authority and Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub Section (2) of Section 164 of the Companies Act, 2013.

The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

Statement pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013

1. **General Information**

   (i) Nature of Industry

   The Company is engaged in the business of manufacture and sale of tyres.

(ii) Date or Expected date of Commencement of Commercial Production

The Company was incorporated on September 28, 1972.

(iii) In case of new Companies, expected date of Commencement of activities as per project approved by financial institutions appearing in prospectus

Not Applicable

(iv) Financial Performance based on given indicators

The financial performance of the Company in the last 3 years is as follows:-

(₹ million)

Particulars	**Year Ended**		
	March 31, 2022	**March 31, 2021**	**March 31, 2020**
Sales	143,068	113,545	108,327
Other Operating Income	3,426	3,789	2,356
Revenue from Operations	**146,494**	**117,334**	**110,683**
Operating Profit (EBITDA excluding Other Income)	**14,308**	**20,343**	**13,992**
Other Income	1,269	1,215	286
Less: Finance Costs	3,822	3,794	2,257
Less: Depreciation & Amortization Expenses	8,239	7,134	6,207
Profit before exceptional Items & Tax	**3,517**	**10,630**	**5,814**
Exceptional Items	(13)	(110)	-
Profit before Tax	**3,504**	**10,520**	**5,814**
Less: Provision for Tax	893	3,292	728
Profit after Tax	**2,611**	**7,228**	**5,086**

(v) Foreign Investment or Collaborations, if any

The Company follows its vision to become a global tyre brand of choice, it has multiple Subsidiaries for facilitating these operations in various countries. As on March 31, 2022, the Company has 34 overseas wholly owned Subsidiaries/ Step Subsidiaries and 1 overseas Joint Venture.

II. Information about the appointee

(i) Background Details

Mr. Satish Sharma aged 54 years is a Chemical Engineer from the National Institute of Technology, Raipur, Madhya Pradesh. He also holds a post-graduate diploma in Business Management from Institute of Management Technology, Ghaziabad.

(ii) Past Remuneration

Mr. Satish Sharma was paid an amount of ₹ 8.96 crores during FY22.

(iii) Recognition or Awards

He is the Chairman of Automotive Tyre Manufacturers' Association (ATMA). He is a member of the Institute of Engineers, Indian Rubber Institute and All India Management Association (AIMA).

(iv) Job Profile and his suitability

As President (APMEA) of Apollo Tyres, Mr. Satish Sharma guides strategy and oversees the entire operations of Asia Pacific, Middle East and Africa (APMEA) including India operations. As a Member of the Company's Board of Directors, he is a man who prefers taking challenges head-on. Known for his exceptional leadership qualities, he continues to mentor and coach business units within the organisation.

(v) Remuneration proposed

The overall remuneration proposed is up to a maximum amount of ₹ 10.75 Crores (Rupees ten crores seventy-five lakhs only) for a period from April 1, 2022 to March 31, 2023 (both days inclusive).

(vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The proposed remuneration is sought to be paid as appropriate remuneration due to absence or inadequacy of profits and comparative remuneration profile would not be a determining factor. However, taking into consideration the size of the Company, the profile of Mr. Satish Sharma, the responsibilities shouldered by him, the Nomination and Remuneration Committee at their meeting had considered the remuneration payable to Mr. Satish Sharma and found the same in line with his experience, skill and expertise in the tyre Industry.

(vii) Pecuniary relationship directly or indirectly with the Company or relation with the managerial personnel, if any

Besides the remuneration payable to him as the Whole-time Director, he does not have any pecuniary relationship with the Company and does not have any relationship with the managerial personnel of the Company.

III. Other Information

1. Reasons for loss or inadequate profits

With the current tough external environment due to the pandemic, scenario arising out of Russia – Ukraine war of rising raw material & other costs, global logistics constraints, the economic recovery may be significantly adversely impacted in FY23. Also, the automobile industry is continuing to face semiconductor crisis impacting production of vehicles. All this is expected to have an impact on the tyre industry, both for OEMs and replacement sales. Against this scenario, the Company may see a pressure on profits during FY23.

2. **Steps taken or proposed to be taken for improvement**

   Against the bleak economic outlook, the Company has adopted a cautious approach. The focus is on conserving cash. The Company is cutting down on all avoidable costs and focusing on the good costs – R&D, e-Training, Brand building, etc.

3. **Expected increase in productivity and profits in measurable terms etc.**

   The Company will continue its efforts to increase sales and profitability. The APMEA region is witnessing some traction in demand and it has put in place all necessary plans to tap this demand. The Company is continuing its progress through numerous product developments to compete and gain market share whilst keeping its customer needs at the forefront. There are new product launches planned in FY23 and the Company has been using the digital medium and innovative ways like virtual launches to reach the customers.

As prescribed by the Ministry of Corporate Affairs (MCA) Circular No. 20/2020 dated May 5, 2020, the copies of the resolutions passed at the meeting of the Nomination and Remuneration Committee and the Board of Directors shall be made available for inspection of the Members through electronic mode.

This Explanatory Statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

None of the Directors or KMP of the Company or their relatives, except Mr. Satish Sharma, himself, is concerned or interested (financial & otherwise) in the resolution.

The Board of Directors recommends the Resolution set out at item no. 8 for your consideration and approval.

Item No. 9

In order to potentially meet the additional funds requirement for growth/ capex and for general corporate purposes, the Members of the Company at the AGM held on July 23, 2021 had passed the resolution for raising of funds for an amount not exceeding ₹ 10,000 million through Issue of Secured Non-Convertible Debentures (“NCDs”) through Private Placement, in one or more tranches within overall borrowing limits of the Company. The above resolution is valid for a period of one year i.e. upto July 22, 2022. During the validity of aforesaid resolution as on the date, the Company has not raised any funds through issue of NCDs.

In order to meet the funds requirement for growth capex and for general corporate purposes, the Board approved raising of funds through issue of NCDs for an amount not exceeding ₹ 10,000 million, in one or more tranches during the period of one year from the date of passing of this resolution.

In order to enable the Company to offer or invite subscriptions for Non-Convertible Debentures on a Private Placement basis, in one or more tranches, as per provisions of Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, a Company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Members of the Company by a Special Resolution for each of the offers or invitations. However, in case of offer or invitation for “Non-Convertible Debentures”, it shall be sufficient if the Company passes a Special Resolution only once in a year for all the offers or invitations for such Debentures during the year.

Further, the Board of Directors of the Company or any duly constituted Committee of the Board or such other authority as may be approved by the Board, shall be authorized to determine the terms of the Issue, including the class of investors to whom the NCDs are to be allotted, the number of NCDs to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/ debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force.

The Board of Directors of the Company, at its Meeting held on May 12, 2022, had approved the above proposal and recommended the passing of proposed Special Resolution by Members of the Company.

The approval of the Members is being sought by way of a Special Resolution under Section 42 & 71 of the Companies Act, 2013, read with the Rules made there under, to enable the Company to offer or invite subscriptions for NCDs on a Private Placement basis, in one or more tranches, during the period of one year from the date of passing of the resolution, within the overall borrowing limits of the Company, as approved by the Members from time to time.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is concerned or interested (financial & otherwise) in the resolution.

The Board of Directors recommends resolution set out at item no. 9 for your consideration and approval.

DETAILS IN TERMS OF REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND & SECRETARIAL STANDARD-2 ON GENERAL MEETINGS.

Item No. 3

Mr. Sunam Sarkar, aged about 56 years holds a Bachelor of Commerce (Honours) degree from St. Xavier's College, Calcutta University, a Diploma in International Management from INSEAD, France, and a Masters in Management from Lancaster University, UK and has over 32 years of experience in the field of sales, marketing, business operations and corporate strategy.

He began his career as a management trainee at General Electric Limited. Subsequently, he joined Modi Xerox where he was one of the youngest executives to head a business unit as General Manager. His acumen in the area of alliances, business development and corporate communications has enabled our organisation to evolve into a market leader in tyre industry. Mr. Sunam Sarkar is currently a Non-Executive Non-Independent Director of the Company. He joined the Board of Directors of the Company in the year 2004.

Mr. Sunam Sarkar holds Directorship in the following Companies.

Sl. No.	Name of the Company	Designation
1	Apollo Tyres (NL) B.V. (Management Board)	Director
2	Apollo Tyres Holdings (Singapore) Pte. Ltd.	Director
3	ATL Singapore Pte. Ltd.	Director

He has not resigned from any listed entity during the past three years.

He is the Chairman of Stakeholders Relationship Committee and Risk Management Committee and Member of CSR Committee and Business Responsibility and Sustainability Committee of the Company.

He does not hold any Membership/ Chairmanship in Committees of other Companies.

He is not holding any shares in the Company either directly or in form of beneficial interest for any other person.

He has attended five Board Meetings during FY22.

He does not have inter-se relationship with any other Director and Key Managerial Personnel (KMPs) of the Company.

He shall be entitled for the sitting fees for attending the Board/ Committee Meetings and the commission, as per the applicable provisions of Companies Act, 2013 including rules related thereto and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, in accordance with the criteria for payment to Non-Executive Directors as approved by the Board. Mr. Sunam Sarkar is entitled to a remuneration of ₹ 4.28 million as commission, as approved by the Board, for FY22.

None of the Directors or KMPs of the Company or their relatives except Mr. Sunam Sarkar is concerned or interested (financial or otherwise) in the resolution.

The Board of Directors recommends resolution set out at item no. 3 for your consideration and approval.

Item No. 4

For details of Mr. Robert Steinmetz, please refer item no. 4 of the explanatory statement of this notice.

Item No. 5

In accordance with Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No. 001076N), Statutory Auditors of the Company shall retire at the conclusion of the 49th AGM of the Company.

The Board of Directors of the Company at their meeting held on February 2, 2022, on the recommendation of the Audit Committee, have recommended the appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Registration No.: 301003E/E300005) as the Statutory Auditors of the Company, by the Members at the 49th AGM of the Company for a term of five consecutive years from the conclusion of 49th AGM till the conclusion of 54th AGM of the Company, at an annual remuneration of ₹ 11 million for FY23 besides reimbursement of travelling and out of pocket expenses incurred. M/s. S.R. Batliboi & Co. LLP be paid an additional fee, not exceeding ₹ 2.2 million (being 20% of aforesaid fee of ₹ 11million), for the purpose of any certification/ documentation which shall be mandatorily required from Statutory Auditors of the Company for FY23. The remuneration for the subsequent year(s) of their term shall be determined based on the recommendation of the Audit Committee and as mutually agreed between the Board of Directors of the Company and the Statutory Auditors. There is no material change in the remuneration paid to M/s. Walker Chandiok & Co. LLP, the retiring Statutory Auditors, for the statutory audit conducted for FY22 and the remuneration proposed to be paid to M/s. S.R. Batliboi & Co. LLP for FY23.

After evaluating all proposals and considering various factors such as global presence, one team approach, firm experience, audit fees, relationship management etc., M/s. S.R. Batliboi & Co. LLP has been recommended to be appointed as the Statutory Auditors of the Company.

M/s. S.R. Batliboi & Co. LLP is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. M/s. S.R. Batliboi & Co. LLP was established in the year 1949 and is a Limited Liability Partnership Firm ("LLP") incorporated in India. It has its registered office at 22, Camac Street, Kolkata apart from 7 other branch offices in various cities in India. M/s. S.R. Batliboi & Co. LLP is part of S.R. Batliboi & Affiliates network of audit firms. It is primarily engaged in providing audit and assurance services to its clients.

Pursuant to Section 139 of the Companies Act, 2013 and the rules framed thereunder, the Company has received written consent from M/s. S.R. Batliboi & Co. LLP and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. S.R. Batliboi & Co. LLP, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of the 49th AGM. Accordingly, the Board of Directors recommends aforesaid appointment to the Members for their approval by way of an Ordinary Resolution as set out at Item No. 5 of the accompanying Notice of the 49th AGM.

Item No. 7 & 8

For the details of Mr. Onkar Kanwar and Mr. Satish Sharma, please refer to item no. 7 & 8 under the Explanatory Statement of this Notice.

By Order of the Board
For Apollo Tyres Ltd

SEEMA THAPAR
Company Secretary
FCS No.: 6690

Place: Gurugram
Date : May 12, 2022

APOLLO TYRES LTD

ANNUAL REPORT
2021-22

DRIVING PROGRESS, **TOGETHER**

In this report

Corporate Overview

From our Leadership

ESG Performance Report

Statutory Reports

Financial Statements

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

The word resilience stands out as the defining characteristic of our performance in the Financial Year 2021-22 (FY22).

We faced multiple headwinds in the form of supply shocks, high inflationary pressure and subdued demand environment. Despite challenges in the macro scenario, we remained committed to business continuity with enrichment of product mix and well-timed pricing actions.

We also focused on in-depth research and innovation, especially in the realm of ultra-low rolling resistance and low noise tyres with an eye on electrical vehicle segments. Another key area for us in FY22 was digitalisation, because we believe a smarter operational ecosystem will help us become more efficient, profitable and sustainable over the long term, with optimal utilisation of resources and a more rational cost structure.

We are

'DRIVING PROGRESS TOGETHER,'

which is also our strategic Vision 2026, with emphasis on Digitalisation, Technology and Innovation, People, Brand and Sustainability.

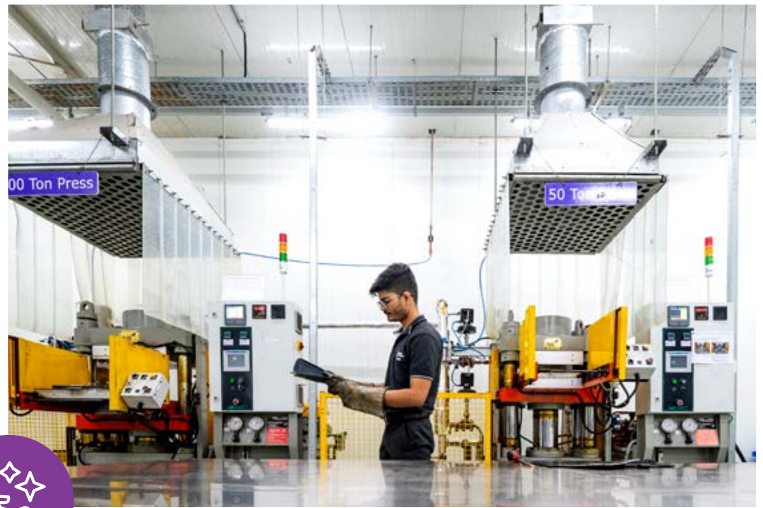
We go the distance not just for our progress, but for the progress of all stakeholders.

Corporate Factsheet

Introducing Apollo Tyres

Founded in 1972, we have evolved, over the decades, in response to changing times, adopting best-of-breed technologies and globally acclaimed industry practices. This has enhanced our industry reputation and recall. Today, we are one of the most trusted brands globally in tyre manufacturing and sales. We constantly strive to strengthen our market leadership, creating exceptional value for our esteemed customers, investors and all other stakeholders.

We rank among the world's top-tier tyre manufacturers, and have been recognised for our environmental and social initiatives. We have articulated a strong commitment towards ESG.



Purpose

Enabling Excellence

Values

Following Our Passion

We champion ideas that inspire us to think big, be brave and challenge the ordinary

Taking Responsibility

We are committed to building a responsible and sustainable business that benefits society

One Family

We create an exclusive culture that brings our people, partners, and community together

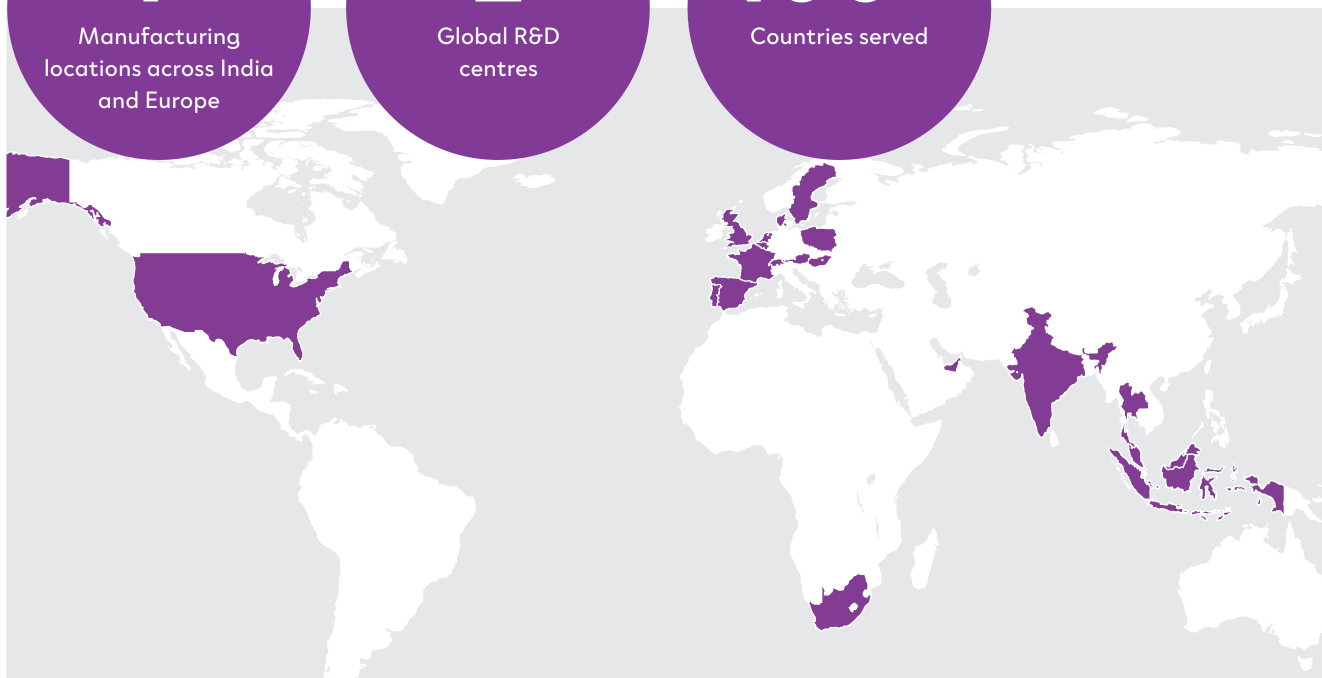
A global business

We manufacture and deliver tyres under Apollo and Vredestein brands to 100+ countries worldwide. Our state-of-the-art manufacturing plants, enhanced investment in R&D and expanding distribution network of branded, exclusive, and multi-product outlets have helped us become a truly global business.

7
Manufacturing locations across India and Europe

2
Global R&D centres

100+
Countries served



Our brands

We cater to specific consumer segments through our key brands, Apollo and Vredestein.

Segments

- Trucks and buses
- Light trucks
- Passenger vehicles
- Off-highway vehicles
- Two-wheelers

Apollo Tyres

The Apollo brand is the preferred choice of tyres for global and Indian original equipment automobile players. Our products are available across all categories, including commercial, passenger vehicles, two-wheelers, farm and industrial.

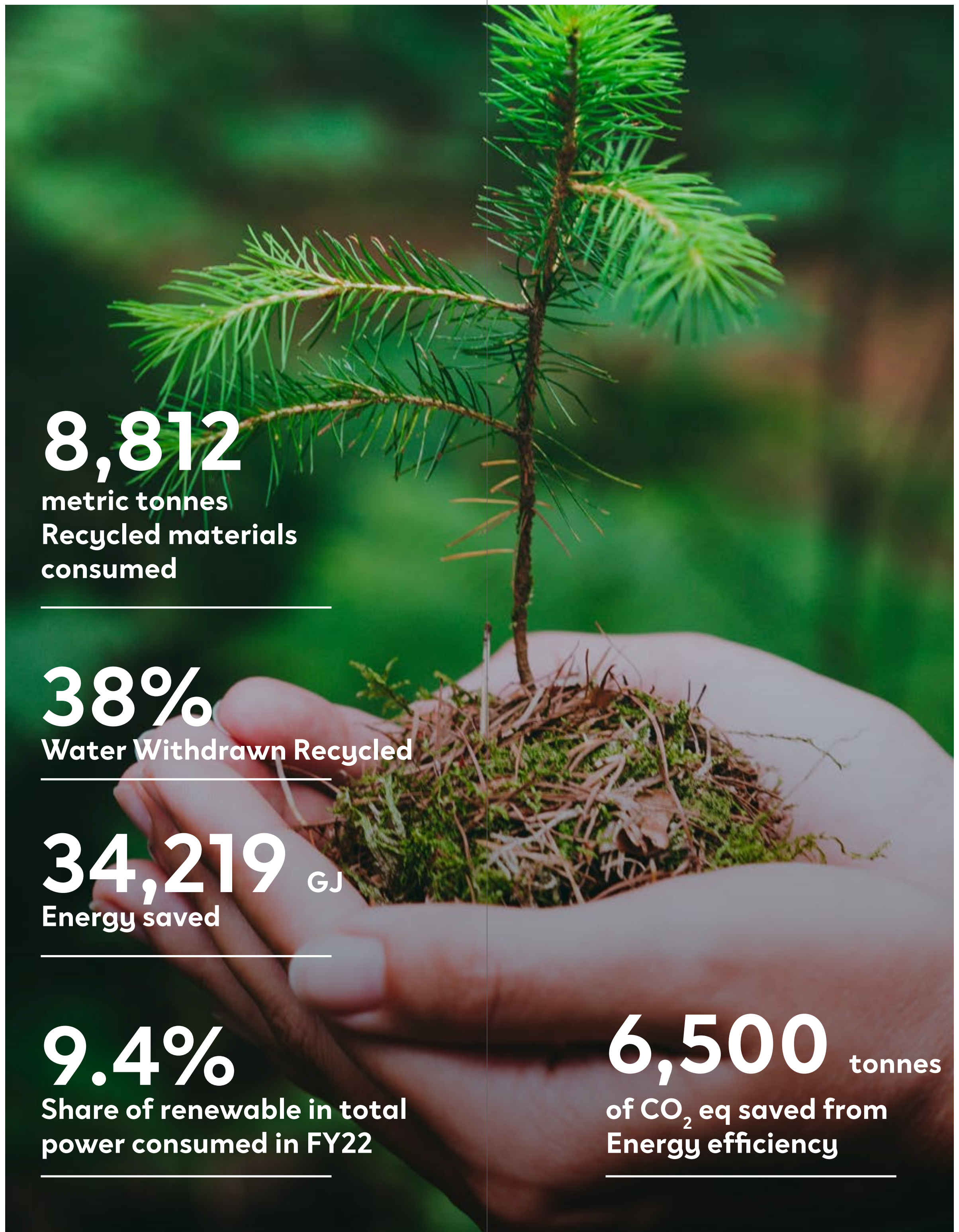
Vredestein Tyres

The century-old premier first-class brand has refined the art of tyre innovation and performance. Our products include car tyres, tyres for agricultural and industrial applications and bicycle tyres.

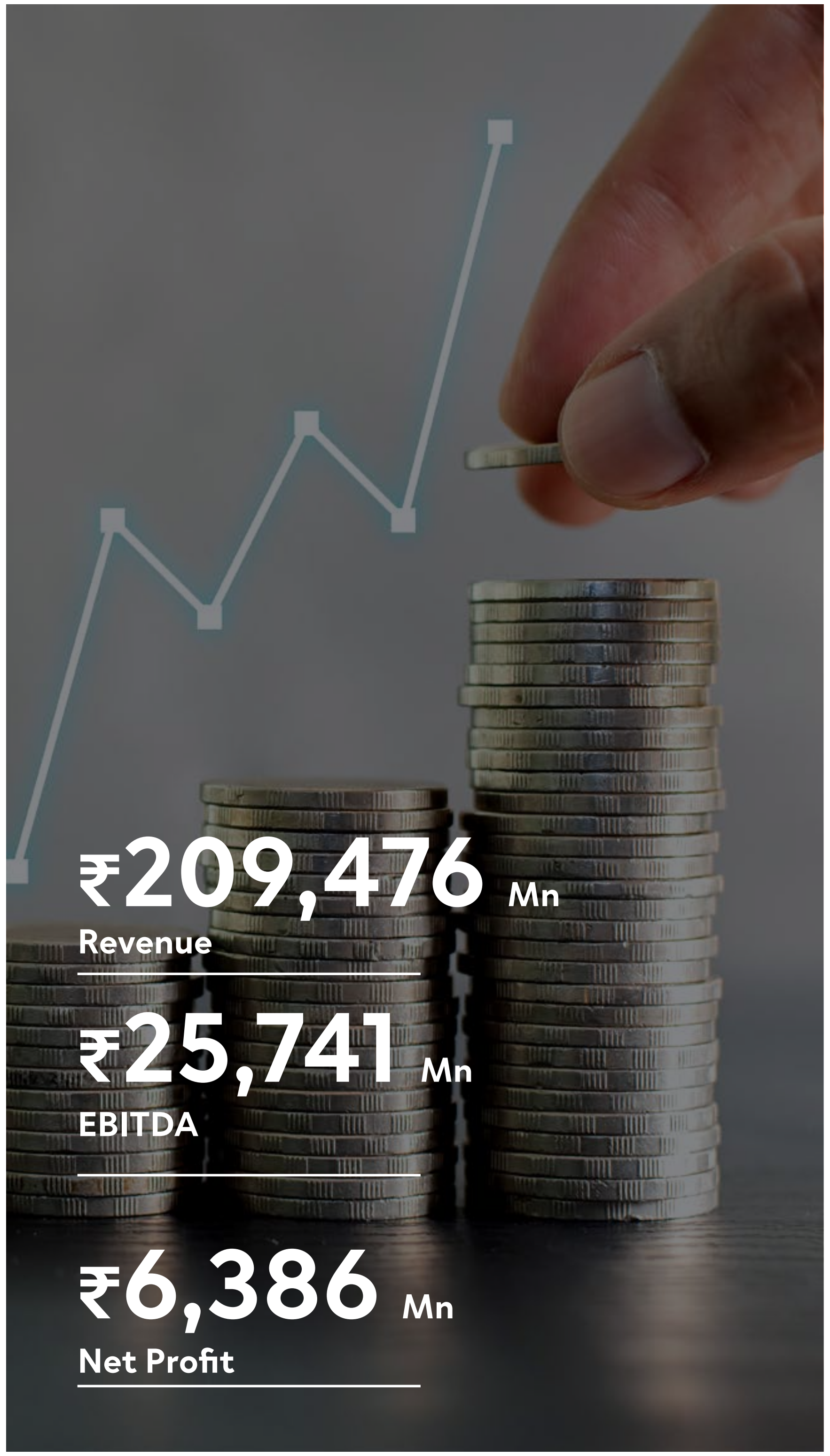
Enabling sustainable growth

People

Planet

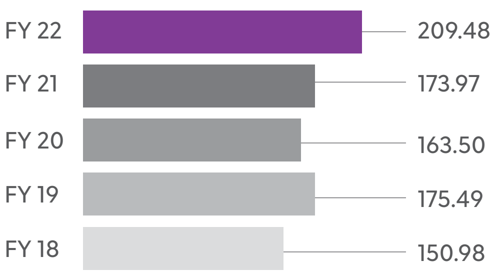


Profit

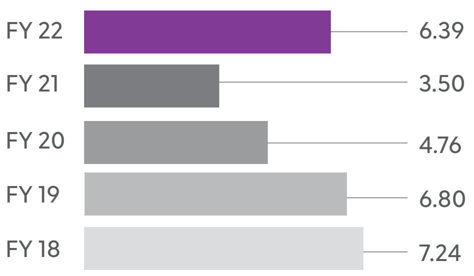


Key performance indicators

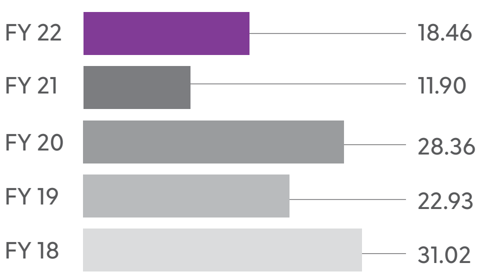
Revenue from operations (₹ Bn)



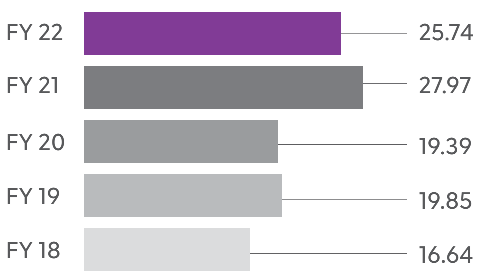
Net Profit (₹ Bn)



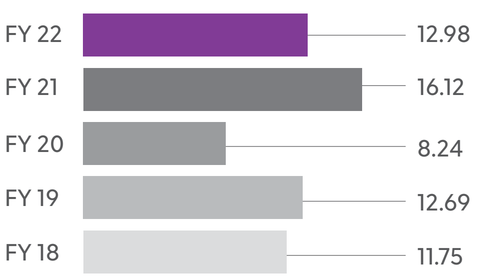
Capital expenditure outflow (₹ Bn)



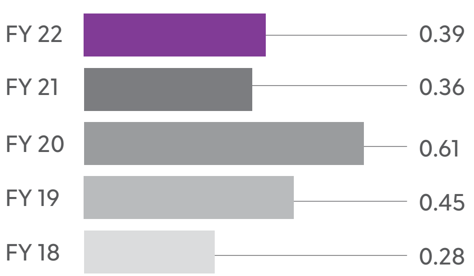
EBITDA* (₹ Bn)



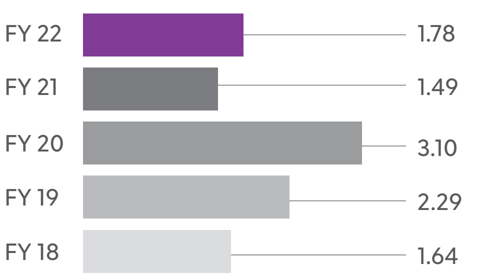
EBIT# (₹ Bn)



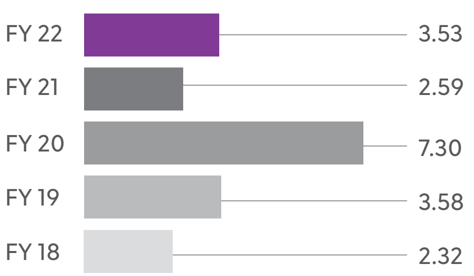
Net Debt/Equity



Net Debt/EBITDA*

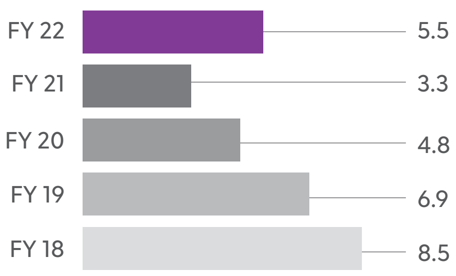


Net Debt/EBIT#

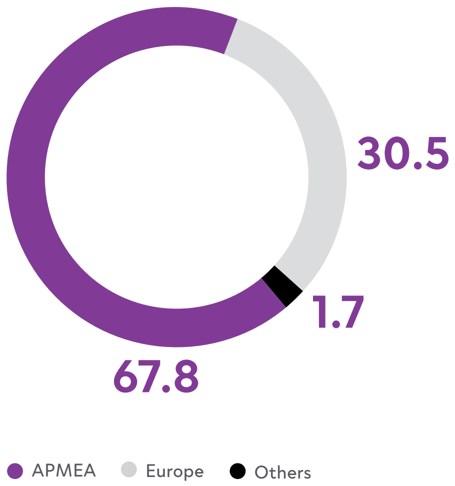


*(excluding other income)
#(including other income)

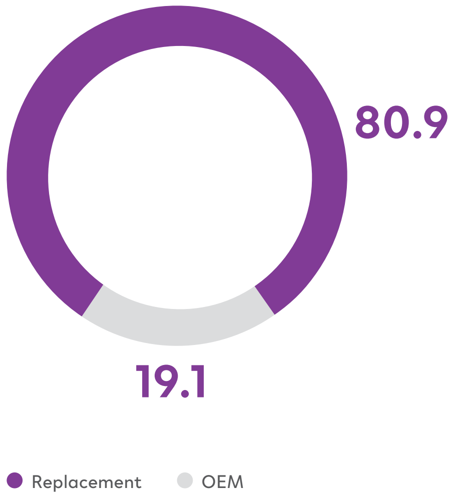
Return on Equity (%)



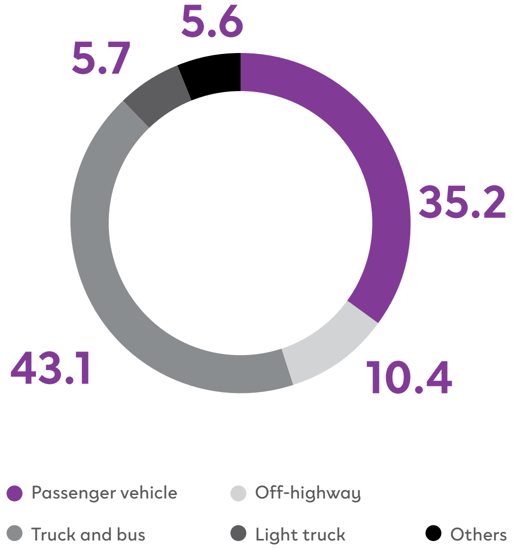
Revenue Segmentation by Geography (%)



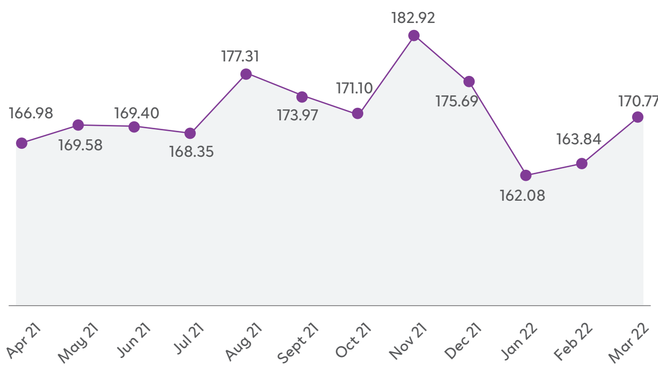
Revenue segmentation by customers (%)



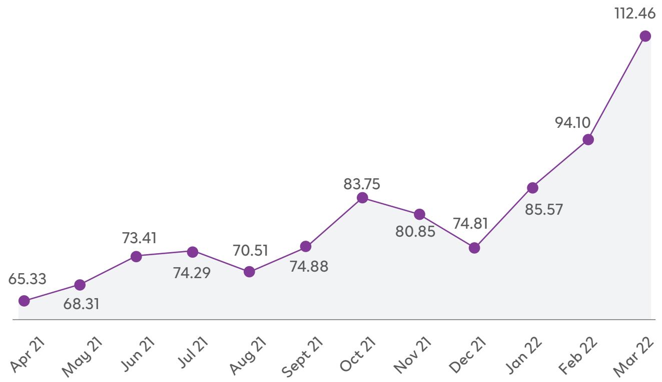
Revenue segmentation by products (%)



Natural Rubber Price Movement
(₹/Kg) RSS4 (Domestic)



Crude Oil Price Movement
(BRENT Crude) ($/Barrel)



Visionary stewardship in times of epic change

Experienced Board, Management and Governance teams at Apollo Tyres help to navigate change and achieve its short, medium and long-term goals through their valuable insight and guidance.

From our Leadership

Letter from CMD

Our focus on the Europe region with our 'premiumisation' strategy necessitated the specialisation process which entailed focus on profitable products like agricultural tyres and high value - niche segment passenger car tyres.

Dear Shareholders,

We closed the year with consolidated revenues of ₹20,948 crores, a strong growth of around 20%. The growth was led by our India operations which grew by a robust 25% for the fiscal.

As I look back of the year gone by, I am reminded of the wise words of Khalil Gibran who said "Progress lies not in enhancing what is, but in advancing toward what will be."

FY22 was about focusing on 'progress' for Apollo Tyres. After much deliberation and feedback from our diverse stakeholders including employees, community members, partners, etc, we started FY22 with the launch of our Vision 2026 – Driving Progress, Together. It is not only about Apollo Tyres but progress for all our stakeholders. We strongly believe that vision is nothing without local knowledge, so we continued to bring our multi-cultural and diverse stakeholders together to foster an inclusive culture. By doing so, we continued to power innovation that has the potential to transport both our business and society forward.

Further, we articulated our growth pillars, and you will read more about the progress that we made in these areas in the letter from Neeraj Kanwar, your Vice Chairman & Managing Director.

Our Indian Operations closed the year on a positive note, across our key categories – commercial and passenger vehicles. Importantly, we saw growth across OEMs and the replacement market segments. In Europe, we saw good traction in both these segments for the commercial vehicles category. However, it was strong demand from the replacement segment in the passenger vehicles category which lifted the overall performance of our European Operations.

We closed the year with consolidated revenues of ₹20,948 crores, a strong growth of around 20%. The growth was led by our India operations which grew by a robust 25% for the fiscal. We saw a healthy growth of 18% in our Europe business – a notable achievement in a developed market like Europe. I know that the focus on progress is neither swift nor easy, but it does pay dividends sooner or later. Our focus on the Europe region with our 'premiumisation' strategy necessitated the specialisation process which entailed focus on profitable products like agricultural tyres and high value - niche segment passenger car tyres. It is heartening to note that this strategy has brought in results as the region crossed an important milestone of EUR 100 million mark as EBIDTA during the year. This is the highest ever EBITDA for the European Operations over the last 13 years.

Looking ahead and as we get back to normal mode, I think we will see strong growth coming back to key economies across the globe. We will continue to make steady progress in all our growth pillars and, I remain confident that Apollo Tyres is on a firm growth trajectory. On our part, we will continue to build on our successes around cost control, improving process efficiency and leveraging technology. We will continue to invest in our people and make progress in further improving the brand salience of Apollo and Vredestein.

Importantly, I remain confident that we will continue to move on an upward path due to the trust continuously reposed by each one of you, our valuable shareholders. Further, I would also like to thank our bankers, various financial institutions and the various State and National Governments where we operate, network partners and business partners which have allowed us to make progress and surpass the goals we had set for ourselves.

Of course, the progress in any area cannot happen without our most valuable asset – our people. It is with pride that I talk about the strong culture in the company where our individual accomplishments are directed towards achieving the Company milestones and marching together to fulfil our Vision 2026. On behalf of the Board of Directors, I would like to acknowledge every single employee for actively contributing to our success.

Regards,

Onkar Kanwar

Onkar Kanwar
Chairman and Managing Director

Letter from VCMD

> Our focus has been to leverage the extensive data emanating from our production sites to identify and address opportunities to drive productivity increase, waste reduction and improvements in product and process quality.

Dear Shareholders,

Apollo Tyres has been built on the philosophy of enhancing its shareholders value by ensuring consistent profitable and sustained growth, since its inception. This has seen the Company taking decisions that might be against the grain of conventional wisdom but thanks to such bold decisions we have never deviated from our path of profitable growth.

As you leaf through the pages ahead, you will witness a small glimpse of similar efforts taken during the year in our endeavour to enhance shareholders value.

FY22 was a year marked with frantic activity at Apollo Tyres. We began the fiscal with the launch of our new Vision, Purpose and Values. We identified our growth pillars – Digitalisation, Technology and Innovation, People, Brand and Sustainability – and worked around the year to further strengthen these areas by building capacity and capabilities.

Digitalisation

The year saw us making considerable progress in building the strong foundation for accelerated digitalisation. Our focus has been to leverage the extensive data emanating from our production sites to identify and address opportunities to drive productivity increase, waste reduction and improvements in product and process quality. We made serious strides in this journey with the setting up of the data lake and Internet of Things (IoT) capability. During the year, we received the coveted TiSax certification for our European business, which confirms that our information security management system complies with Industry defined security levels.

We also set up a Digital Innovation hub in London, partnering with the reputed Glasgow University and working with it on several PhD programs to solve complex problems around productivity maximisation and elimination of waste.

Technology and Innovation

I have time and again mentioned about the importance of technology as a key differentiator in the tyre industry. We continue to make sizeable investments in our two global R&D Centres in India and the Netherlands. It is a testimony to the cutting edge research and innovation that our products find pole positions in testings across Europe and the United States. The fiscal was special as we won the National Intellectual Property Award for the year 2020 in the category of 'Top Indian Company/ Organisation for Designs & Commercialisation', organised by the Indian Intellectual Property Office and Confederation of Indian Industry. Our Chairman Onkar Kanwar received the prestigious award from the Hon'ble Minister for Commerce and Industry, Govt of India, Shri Piyush Goyal. It is a testimony to our focus on technology and innovation that we have filed 75 design registrations cumulatively for India and abroad, between the period 2017 – 2019, with the IP office in India for design portfolio.

Brand

We continued to invest in our two brands – Apollo and Vredestein, across our key markets including India, Europe and North America. We leveraged our associations with Manchester United, the cricketing legend – Sachin Tendulkar and others to build brand salience. During the fiscal, we brought in the much-awarded Vredestein brand to India. We did a grand launch of Vredestein's passenger and two-wheeler tyres in Mumbai, India and followed by a track day event with key stakeholders including auto journalists to help them experience the brand. As expected, the reviews were extremely positive, a testimony to the best-in-class, premium products that we have developed.

People

With a value of 'One Family', our people are at the core of everything we do. Through the pandemic we have protected people interests even as we have balanced cost saving and people welfare measures. Further, with a clear objective to promote internal talent, we continued building a robust talent pipeline with our Apollo Laureate program for building leadership. During the year, we launched multiple initiatives around micro learning and offering best-in-class function specific content.

Sustainability

While we have been ahead of the curve in this area, we have articulated sustainability as part of our vision and the growth pillars now. We continue to work on process efficiencies and related areas, and you will get a glimpse in our ESG section of the report. However, I would like to call out two initiatives in our journey to be carbon neutral. We invested in CSE Deccan Solar, a subsidiary of Cleantech Solar, to ensure a guaranteed supply of 40 million units of electricity per annum for our Chennai plant. This will increase the share of renewable energy to more than 30% for this facility. Importantly, we have started using EVs as a last-mile delivery option. This is important as we need to look at reducing our Scope 3 emissions – emissions across our value chain, which represent 65-90 per cent of all emissions at many companies. We are possibly the only company in the automotive industry in India to initiate projects under Scope 3 highlighting our commitment to this pillar.

In the pages that follow, I hope you get a sense of how we have worked to deliver robust growth by upping the brand, continuing our intense focus on R&D and launching best-in-class products, winning new customers and much more. We continue to live our vision of 'Driving Progress, Together' and I look forward to update you on a periodic basis.

With best regards,

Neeraj Kanwar
Vice Chairman and Managing Director

Board of Directors

Onkar Kanwar
Chairman and Managing Director

Neeraj Kanwar
Vice Chairman and Managing Director

Akshay Chudasama
Regional Managing Partner, Shardul Amarchand Mangaldas & Co

Francesco Crispino
Co-founder, Greater Pacific Capital

Francesco Gori
Former CEO, Pirelli Tyre

Gen. Bikram Singh (Retd.)
Former Chief of Indian Army

Lakshmi Puri
Former Ambassador and Assistant Secretary General United Nations

Pallavi S Shroff
Regional Managing Partner, Shardul Amarchand Mangaldas & Co

Robert Steinmetz
Former Chief of International Business, Continental AG

Satish Sharma
President (APMEA) and Whole-time Director

Sunam Sarkar
President & Chief Business Officer, Apollo Tyres Holdings (Singapore) Pte Ltd

Vikram S Mehta
Former Chairman, Shell Group of Companies

Vinod Rai
Ex-Comptroller and Auditor General of India

Vishal Mahadevia
Managing Director, Head of India Warburg Pincus

Management Team

Onkar Kanwar
Chairman and Managing Director

Neeraj Kanwar
Vice Chairman and Managing Director

Benoit Rivallant
European Operations

Daniele Lorenzetti
Research and Technology

Gaurav Kumar
Finance and Legal

Hizmy Hassen
Digitalisation and IT

K Prabhakar
Projects

P K Mohamed
(Advisor) Technology

Pedro Matos
Global Programme Management and European OE Business

Satish Sharma
Asia Pacific, Middle East and Africa Operations

Sunam Sarkar
Sustainability, Human Resource, Corporate Communications, Procurement and Supply Chain

Yoichi Sato
Quality, Health, Safety and Environment

Global Goals: SDGs

Apollo Tyres Sustainability roadmap in alignment with UN's Sustainable Development Goals (SDGs)

Rated one of **India's 50 most Sustainable Companies** based on SDG alignment by the 2021 **Capri Global Capital Hurun India Impact 50 List**

Linkages with Sustainable Development Goals

1 Over 15,000 beneficiaries provided livelihood opportunities for continued employability or entrepreneurial endeavours

3 Nearly 150,000 beneficiaries provided services for COVID relief. Over 7.2 million beneficiaries outreached for provision of healthcare services

5 Over 8,500 women trained on gender-based rights and equal opportunities

Over 75% of women trained on Income generation activities are employed

6 Over 6,000 beneficiaries provided access to potable drinking water

Over 4,900 beneficiaries provided access to safe sanitation

7 Accelerated our efforts to harness renewable energy.

Vision to utilise renewable energy-based power 25% by FY'26

8 Sustainable Procurement Policy established - Extended and taken immediate and effective measures to eradicate forced labour, and elimination of forms of child labour in our Supply Chain.

9 190+ active patents across geographies
08 industry – academia collaboration
1600+ active trademarks across geographies

12 The Company has constituted a sustainable raw material group to increase the use of sustainable material in the product mix

13 Carbon neutral by 2050

15 Biodiversity, our global theme. Working on Mangrove Conservation, a coastal ecosystem

17 Forward looking institutional partnerships like GPSNR

Adoption of ISO 26000, Global Standard for Sustainability

Tata Power to install charging stations at Apollo Tyres' Commercial and Passenger Vehicle Zones spread across the country.

ESG Performance Report

This report covers information pertaining to the period from April 1, 2021 to March 31, 2022. The scope of the report includes Apollo Tyres' European Operations including Enschede, The Netherlands and Gyöngyöshalász, Hungary; and APMEA operations including Chennai, Tamil Nadu; Limda, Gujarat; Perambra and Kalamassery (leased unit), Kerala; and Chinnapanduru, Andhra Pradesh.

ESG Performance Report

Value Creation Model

CAPITALS | INPUT | OUTPUT | SDG MAP

FINANCE

Input

- Capital Expenditure Outflow (consolidated): ₹18.46 bn For FY22
- Net Debt (consolidated): ₹45.86 bn as on March 31, 2022
- Capital Employed (consolidated): ₹117.52 bn as on March 31, 2022

Output

- Cash generated by operating activities (consolidated): ₹22.39 bn for FY22
- Consolidated operating profit (EBITDA excluding other income): ₹25.74 bn for FY22

HUMAN

Input

- Total workforce of 19,112 as on March 31, 2022
- **Safety culture** across operations as an enabler
- **Apollo Virtual Academy** for promoting Learning and Development

Output

- LTIFR at the end of FY22 was reported at 0.41
  35% improvement from FY21
- More than 2 lakh safety contacts were made on various HSE elements

SOCIAL AND RELATIONSHIP

Input

- ₹187.17 mn ₹ CSR spend in FY22
- **Sampark 2** A digital platform to conduct all business transactions
- **Apollo Partnership Pact [APP]** for Preferred Upstream Suppliers

Output

- Over 1.49 mn CSR beneficiaries
- 88% APP endorsements
- 95 dedicated CV zones

INTELLECTUAL

Input

- 420 skilled R&D workforce
- Research & Development allocated capex (consolidated) for FY22 is ₹500.92 mn

Output

- Intangible assets worth ₹439 mn (standalone) in FY22
- 41 patent applications filed in FY22

MANUFACTURED

Input

- 7 operating sites across the globe
- 2 dedicated R&D centres
- Property, plant and equipment (consolidated) of ₹158.07 bn as on March 31, 2022

Output

Production in FY22

Limda	173,160MT	Chinnapanduru	51,870MT
Chenai	226,822MT	Hungary	57,825MT
Perambra	88,906MT	Enschede	18,213MT
Kalamassery	34,465MT		

100+ countries served

NATURAL

Input

- 6,86,383 MT of raw material consumed in operations
- 7,162 TJ of energy consumed
- 2.37 mn m^3 water withdrawn

Output

- 8.88 lakh tonnes of CO_2 eq Total GHG Footprint
- Over 24,500 tonnes of solid waste generated

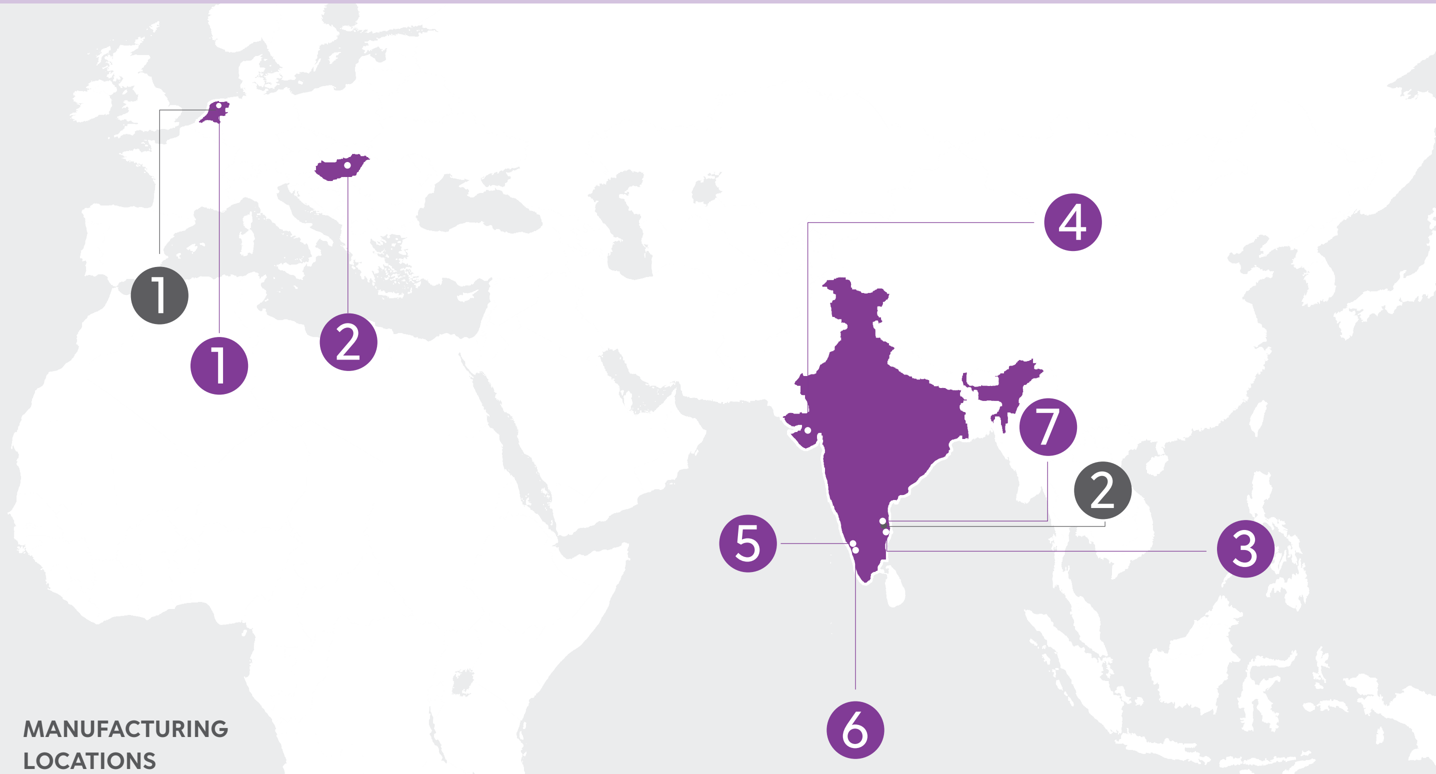
Creating Value for Stakeholders, across a Global Value Chain

STAKEHOLDER MAP

Six stakeholder groups play a pivotal role in our business

- Employees
- Community
- Shareholders & Investors
- Value Chain Partners
- Customers
- Environment

MANUFACTURING AND R&D REGIONS



MANUFACTURING LOCATIONS

1. Enschede, **The Netherlands**
2. Gyöngyöshalász, **Hungary**
3. Chennai, **Tamil Nadu**
4. Limda, **Gujarat**
5. Perambra, **Kerala**
6. Kalamassery, **Kerala**
7. Chinnapanduru, **Andhra Pradesh**

R&D LOCATIONS

1. Enschede, **The Netherlands**
2. Chennai, **Tamil Nadu**

*Map not to scale

Key Outcomes Accomplished in Different Capitals

CAPITALS	OUTCOMES

FINANCE

Net debt to EBITDA excluding other income (ratio) (consolidated) FY22
1.78

Net Debt to Equity (ratio) (consolidated) FY22
0.39

Earnings per share (₹) (consolidated) FY22
10.06

Return on Equity (consolidated) FY22
5.5%

Credit ratings:
CRISIL AA+/Stable for long term, **CRISIL A1+** for short term; **IND AA+/Stable** for long term, **IND A1+** Short term

HUMAN

- The Company invests in a variety of capability building programs and learning initiatives to achieve business goals and become future ready. Apollo Virtual Academy (AVA), Laureate Leadership Development, ADMIRE, Apollo LXP etc are few examples of training initiatives.
- Total 1,44,405 manhours for training were imparted across the company
- The Company focuses on lateral hiring and recruiting freshers. In FY22, it hired a total of **1,160 people**
- Total 21 Person with Disability (PWDs) are part of the workforce
- Diversity and Inclusion are key drivers under our People Pillar, focusing on increasing women participation and providing equal opportunity to its workforce. Nearly 50% of the workforce at America region are women. 50 female operators are working at shopfloor at Andhra Pradesh Plant
- ISO HSE management system was adopted in all its manufacturing locations. In FY'22 ATL successfully achieved HSE management certification (ISO 14001: 2015, ISO 45001:2018) for its new plant located in AP and successfully completed compliance audits other 6 plants.
- HSE improvement engagement in excess of 2,40,000 were identified through near miss, unsafe act/ condition and BBS reporting
- To strengthen risk management practices, capability building initiatives were organised. Total training man-days in excess of **22,000 were achieved**

SOCIAL AND RELATIONSHIP

Communities

- Outreach from the Healthcare Centres have increased **2 times compared to FY21 with a total of 1.3 million people outreached in FY22**
- Received two Gold Awards under Healthcare category for Healthcare Initiative for Trucking Community
- Total 5,302 rural women were linked with various Government welfare schemes and have availed benefits worth **₹ 3.70 crores**
- **The Kerala State Biodiversity Conservation award under 'Best Biodiversity Institute (Industrial Sector-Private)' category** in the field of Environmental Protection and Biodiversity Conservation

Customers

- 1,520 Apollo Quick Service Centres & 370 AQS Lite in FY22. An increase of 66% from FY21
- Dedicated Commercial Vehicle Zones in FY21 - 95
- **60 CV Zones** certified by third party for standardisation for better safety and hygienic environment
- Total 71 Apollo Radial Repair Centre operational

Value Chain

- Pilot initiative by deploying EVs for delivery of tyres from its regional distribution centre to multiple business partners
- **6 of the CV Zones** have been equipped with electric vehicle charging stations in collaboration with Tata Power.
- Exclusive rural engagement vehicle - Apollo Vikas Kendra

INTELLECTUAL

190+
active patents across geographies

200+
designs across geographies

Approximately
1600+
active trademarks across geographies

Awarded National IP Awards, India for being the 'Top Indian Company for Design & Commercialization.

MANUFACTURED

Depreciation and Amortization (consolidated) FY22
₹ 14.00 bn

Depreciation and Amortization (Standalone): FY22
₹ 8.2 bn

Impairment of assets FY22
NIL

Capital Expenditure Outflow (consolidated) FY22
₹ 18.46 bn

NATURAL

Total water recycled/reused
901,849 m^3

Total recycled material used
8,812 MT

Total energy saved in FY22
34,219 GJ

Total amount of GHG sequestered
30,000
tonnes of CO_2eq

Governance for An Enabling *Ecosystem*

Our focus is on strong ethics and commit to best-in-class Governance. Over the last years, we have invested in processes, guided by forward-looking policies to build an 'Institution of Tomorrow'.

Governance Indicators

Adopted ISO 26000:2010, an International Standard on Social Responsibility

Climate risk assessment undertaken as per the TCFD Framework

All Core Subjects of ISO 26000 independently assured by a third party

Sustainability Committee established to drive towards achieving sustainability objectives

A Sustainability Roadmap with 6 focus areas

Drivers for Sustainability

For Apollo Tyres Ltd, Sustainability is not just a 'good to have', but a 'must have' attribute to generate continual value for our stakeholders. The Company has taken a framework approach to deep root sustainability principles into its core operations and business goals.

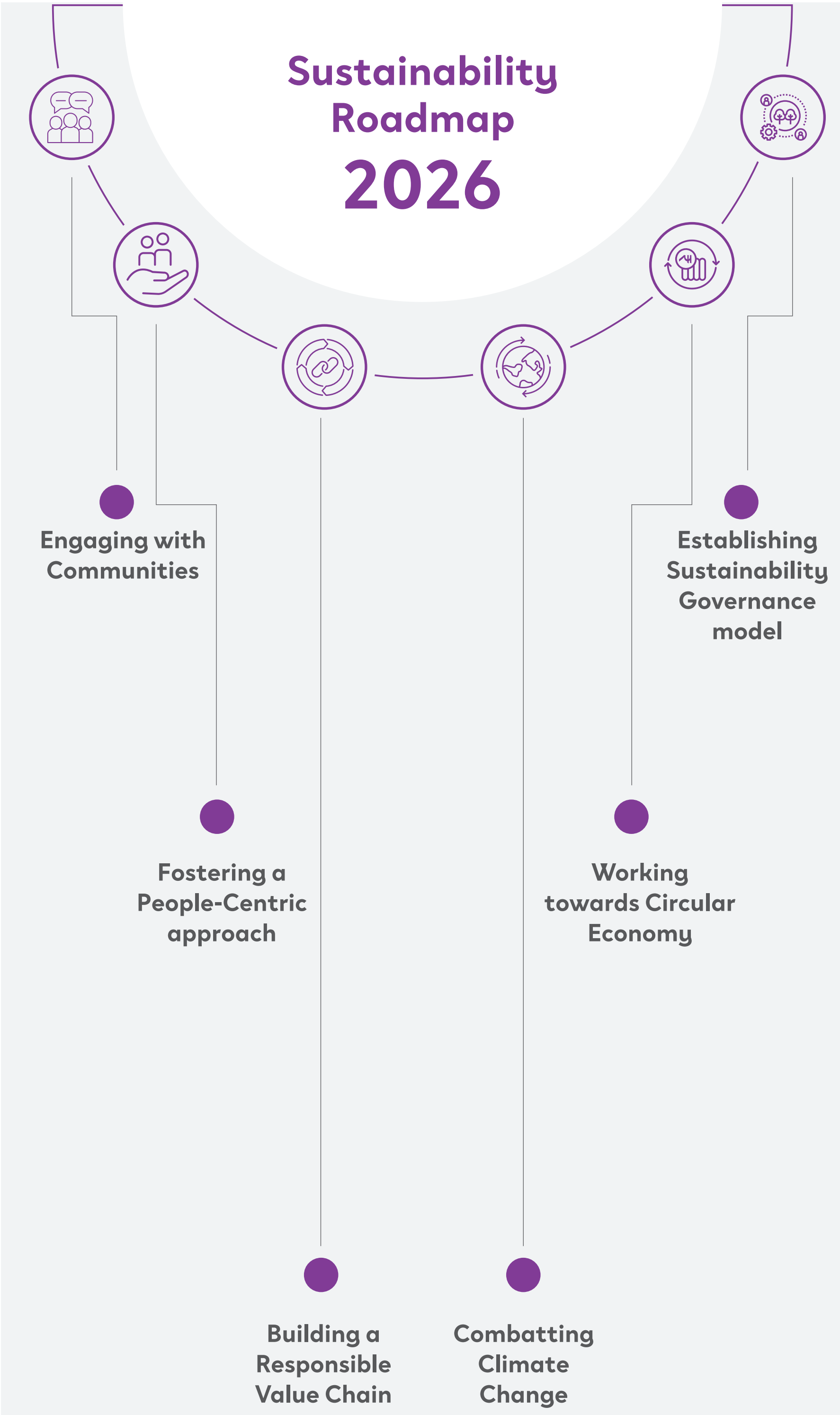
Sustainability is one of its 5 key growth pillars for achieving Vision 2026.

The sustainability statement resonates with the Company's approach and outlines that "Apollo Tyres Ltd. will continuously work towards achieving Sustainability across all its operations and value chain."

(For details, please visit: https://corporate.apollotyres.com/sustainability-and-ethics/policy-and-documents/)

→ Sustainability & Ethics -> Policy & documents ->Others

This is further manifested through our well-developed and implemented Sustainability Management Framework. The framework is represented in our Sustainability Roadmap, and further divided into six focus areas that are aligned and linked to the Sustainable Development Goals (SDGs). For this purpose and other sustainability endeavours, **Apollo Tyres was rated as India's 50 most Sustainable Companies based on SDG alignment.**



Action plans are being drawn for each of these focus areas to achieve tangible outcomes by 2026.

In its efforts to make sustainability performance a core business objective, the Company began submitting its disclosures, based on our international guidelines from 2010. These disclosures were instrumental in supporting continual improvement towards a better growth trajectory in all domains of the triple bottom line – social, environmental and financial.

Management Framework to build Oversight

The Sustainability Steering Group, with representations of the senior members of the management, is a conduit between the Board of Directors and the organisation as a whole. It serves to provide oversight on sustainability issues of critical significance and guides it towards achieving sustainability objectives.

The committee is responsible for setting up an overall vision. Sustainability & CSR Department acts as the secretariat of the Steering Group. Initiatives under the 6 pillars of Sustainability are anchored by various cross functional working groups in the organisation.

The Group strengthened its commitment to pursue sustainability by assessing emerging challenges in domains like climate induced risks and setting a roadmap on sustainability for 2026. For this purpose, **assessment as per Task Force on Climate Related Financial Disclosures (TCFD) was undertaken** in 2021 to map climate-related risks and opportunities. This dovetails with our overall Sustainability Strategy.

Risks And Mitigation

The Company has also put in place a robust risk management framework that identifies and evaluates business risks and opportunities. The Company's risk management processes ensure that these risks are promptly identified, and an appropriate mitigation action plan is developed and monitored periodically to drive sustainable growth. Sustainability risks are identified through formal and informal interactions with the stakeholders, and mitigation plans are developed. The risks are prioritised and reported to the Board each quarter.

Framework for Sustainability

Apollo Tyres adopted ISO 26000:2010, an International Standard on Social Responsibility, and has been on a journey to develop its Sustainability Governance Model.

All the adopted procedures are also independently assured by a third party. The assurance certificate forms a part of this report.

ISO26000

01 Environment

- Prevention of Pollution
- Sustainable Resource Use
- Climate Change Mitigation and Adaptation
- Protection of the Environment, Biodiversity and Restoration of Natural Habitats

02 Community Involvement & Development

- Community Involvement
- Employment Creation and Skills Development
- Wealth and Income Creation
- Health

03 Fair Operating Practices

- Anti-corruption
- Responsible Political Involvement
- Fair Competition
- Promoting Social Responsibility in the Value Chain
- Respect for Property Rights

04 Customer Issues

- Fair Marketing, Factual and Unbiased Information and Fair Contractual Practices
- Protecting Consumers' Health and Safety
- Sustainable Consumption
- Consumer Service, Support, and Complaint and Dispute Resolution
- Education and Awareness

05 Labour Practices

- Employment and Employment Relationships
- Conditions of Work and Social Protection
- Social Dialogue
- Health & Safety at Work
- Human Development and Training in the Workplace

06 Human Rights

- Due Dilligence
- Avoidance of Complicity
- Resolving Grievances
- Discrimination of Vulnerable Groups
- Fundamental Principles and Rights at Work

Issues addressed for Each Core Subject of ISO 26000

Policy Framework and Fair Operating Practices

The Company is guided by appropriate publicly stated policies to address the needs and expectations of our growing spectrum of stakeholders.

It identifies, adopts and applies standards of ethical behaviour, appropriate to its purpose and activities. It has been able to sustain productive relationships with other companies, because of our responsible business practices. Further, it is in compliance with all applicable legal and regulatory requirements.

Code of Conduct:

Its Code of Conduct sets out key policies that outline the standards and behaviours that help to shape and strengthen the organisational culture.

Whistle Blower Policy:

It has a strong vigil mechanism to deal with instances of unethical behaviour, actual or suspected, fraud or violation. The functioning of the whistle blower mechanism is periodically reviewed by the Audit Committee of the Board.

Fair competition:

The Company considers its vendors as long-term business partners. It is committed to conducting business affairs in a fair and ethical manner that promotes open and fair competition in its best interests and its business partners. It has developed a Competition Compliance Manual to prevent engaging in anti-competitive behaviour and conducts employee awareness on legislations related to fair competition through regular e-mailers, newsletters, trainings, meetings and manuals.

Being an *Ecosystem* Player

We aspire to be a true ecosystem player. While living this purpose, we realised the need to think out of the box to continue operating Sustainably within the Earth!

Key Performance Indicators

9.4%
of RE in total power share with an aspiration to increase RE share to 25% by FY26

38%
water recycled

34,219
GJ energy saved

3.65
[M3/MT] Specific Water Withdrawal

Rolling resistance of the PCR was reduced from 7 Kg/T to 6.3 Kg/T in FY22

Bureau Veritas assured Water Footprint

TUV India assured Carbon Footprint

Pilot projects initiated to reduce Scope 3 emission

Climate Resilience for a Thriving Ecosystem

Climate impacts are a growing reality, and the manufacturing sector can play a key role in helping mitigate this crisis. Being a part of the manufacturing ecosystem,the Company realises its position of influence and commits to action.

Apollo Tyres aspires to be carbon neutral by 2050 and is investing in advanced processes and systems to keep it on course to achieve this objective.

Company Approach

Apollo Tyres is working concertedly to introduce climate-resilient operations with a long-term approach. **The cross-functional Environment Working Group decides the strategy and pathways to address environment aspects.** The Company has undergone climate risk assessment as per the Taskforce on Climate Related Financial Disclosure (TCFD) framework. Based on the identified areas, mitigation strategies have been formulated and action plans drawn to put them into action.

To ensure a gradual transformation to a low-carbon trajectory, the Company has been working on a decarbonisation strategy, looking at ways to reduce its Scope 1 and Scope 2 emissions. To augment this strategy, Apollo Tyres has been looking to accelerate the renewable energy usage in its operations. It recently announced its decision to invest in solar power with a guaranteed supply of 40 million clean units for our Chennai plant.

At the Company level, more than 8% of its power requirement in the reporting period was met by renewable (wind and solar) sources. The acceleration will further ensure annual improvement in our sustainability journey. The Limda facility in Gujarat, India uses steam that is produced using waste heat recovery system from a third party. This augments the Company's vision to pursue a low carbon trajectory.

To keep its approach comprehensive, the Company has also been looking at value chain emissions or the Scope 3 footprint and exploring ways to reduce it. As a novel effort towards this, it kicked off a pilot initiative by deploying electric vehicles (EVs) for the delivery of tyres from its regional distribution centre (RDC) to multiple Business Partners in Bengaluru, in the southern part of India. This initiative, while on one hand, will address the concern of growing environment pollution, it will also help mitigate the impacts of climate change.

Apollo Tyres has announced a strategic partnership with Tata Power for the deployment of public charging stations across India. These charging stations will be deployed at Apollo Tyres' Commercial and Passenger Vehicle Zones spread across the country.

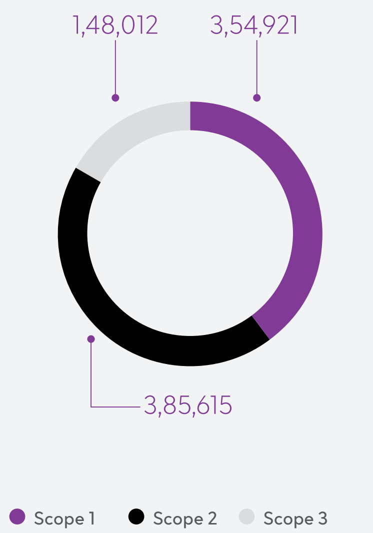
As per the agreement between Apollo Tyres and Tata Power, the latter will set up Charging Stations at 150 branded retail outlets – CV and PV Zones – of Apollo Tyres initially. In addition to the customers visiting these tyre retail outlets, the charging stations would also be open for use by the general public as well, throughout the year.

Apart from this, the Company is also working in reducing the distance in transporting finished products, This is aimed at reducing the Scope 3 emissions. For instance in Hungary, the Company is building a warehouse that can lead to a saving of 500 thousand kilometres of distance travelled per year.

At the heart of the climate strategy lies the underlying purpose to create means for climate adaptive and efficient operations. The FY26 roadmap on Sustainability provides the basis for putting this purpose to action and effectively monitoring the performance.

Carbon Emission Profile FY22

2021-22 GHG Emissions
(t CO_2 eq) - Scope Breakup



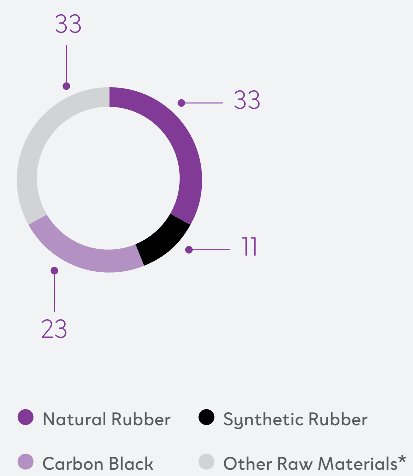
Resource Consciousness for a Sustainable Ecosystem

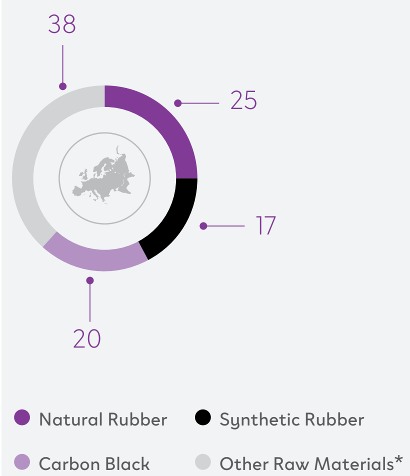
At Apollo Tyres, resource efficiency is of critical significance as it translates to optimal use as well cost benefits.

Raw Material Footprint

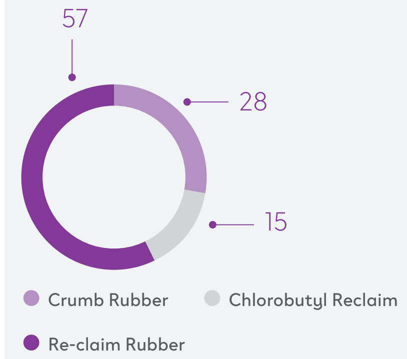
The three main constituents used for manufacturing tyres are natural rubber, synthetic rubber and carbon black. While these constitute a major part of the raw material, it uses other materials as part of its overall raw material requirement. The total raw material consumed across the operations was 6,86,383 metric tonnes. The total recycled material was 8,812 metric tonnes.

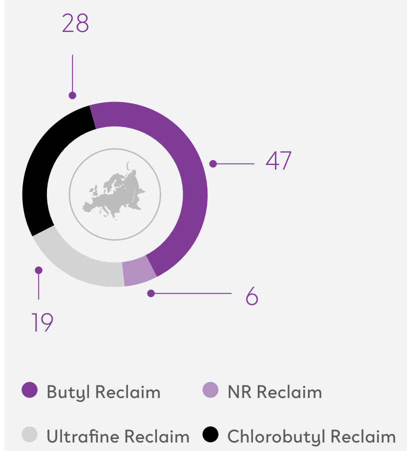
Share of Raw Material consumed, APMEA and Europe Operations in FY22 (%)





Break-up of Recycled Raw Materials by Type, APMEA And Europe Operations in FY22 (%)





*Other Raw Materials includes associated process materials.

Driving Sustainable Consumption

To support the EV development in India and address the requirement from this fast-emerging market, the Company has developed an EV range, which offers a low-rolling resistance coefficient, reduced noise and better comfort without sacrificing structural durability and wear performance. Several sizes are now available in its portfolio to cater to the demand of the upcoming EV vehicle.

During the fiscal, the rolling resistance of the PCR was reduced from 7 Kg/T to 6.3 Kg/T translating into reduction of rolling loss and reduced fuel consumption, without compromising any other performance.

The Company uses efficient techniques for re-treading of truck tyres to provide extended life cycle of the tyre body material to 2-3 times, thus avoiding the need for frequent replacements. Re-treading is also a green process as it extends the usage life of the tyre significantly. Improvement of wear life for all tyres ensures improved re-use of the non-consumable part of tyres to a longer period.

Improvements achieved in few parameters in FY22

Water consumption per kg of product [Litre/Kg]: PCR & TBR at Chennai manufacturing location dropped by **14%** while steam consumption (kg/kg) dropped by **6.8 and 6.5 %** for TBR and PCR, respectively.

Progressive reduction of tyre weight in PCR up to ~8% by redesigning the product, which directly corresponds to the reduction in the consumption of hydrocarbon, **resulting in reduced carbon footprint per tyre.**

Silica based tyre production for PCR category was **~ 28%, which reduced** the consumption of carbon black, a fossil fuel based reinforcing agent.

'Smart Cure Technology' was introduced in TBR based on real time heat input and termination of cure cycle and achieve right cure level for all tyres.

Early Detection system established for TBR Tyre by **measuring green tyre uniformity, which resulted in cured tyre rejection.**

Energy Performance

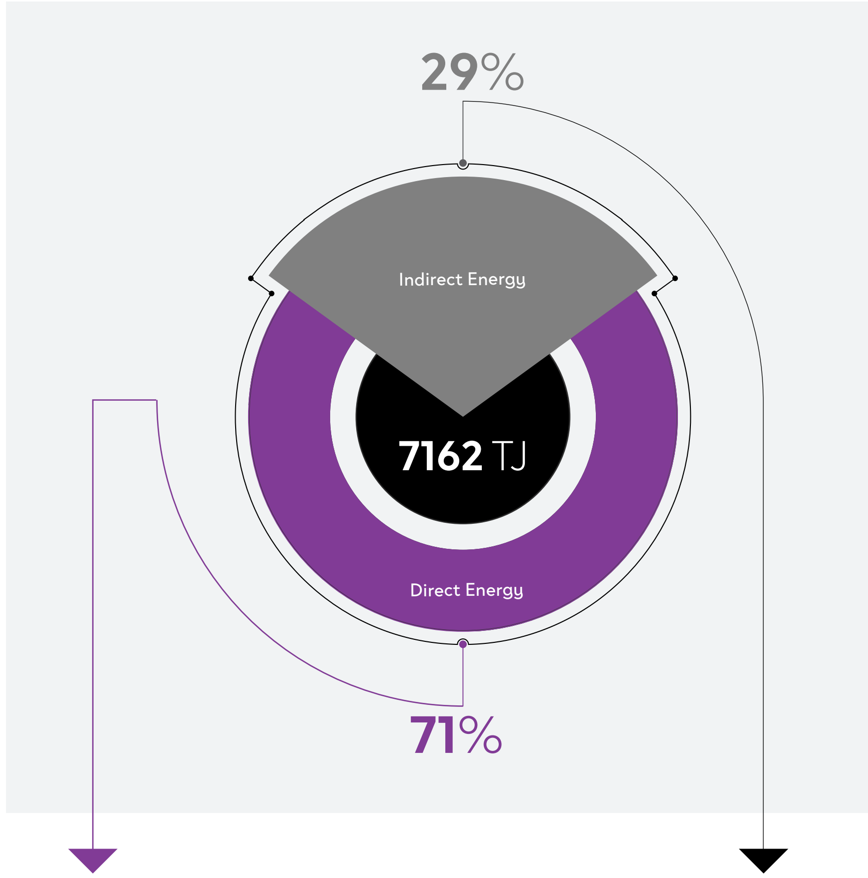
Apollo Tyres utilises a mix of renewable and non-renewable fuel types to meet its energy requirements. In its India operations, the main source of direct energy continues to be coal, followed by furnace oil. It has invested in renewable energy like solar and wind power as direct energy sources. In the Europe operations, direct energy is sourced from natural gas. Indirect energy sources in the Indian Operations comprised of grid electricity along with wind energy. In Europe, electricity is the main source of indirect energy.

The total energy consumption (from both direct and indirect sources) for the reporting year was 7,162 TJ. The share of direct energy was 71% (5,099 TJ) and the indirect energy accounted for 29% (2,062 TJ).

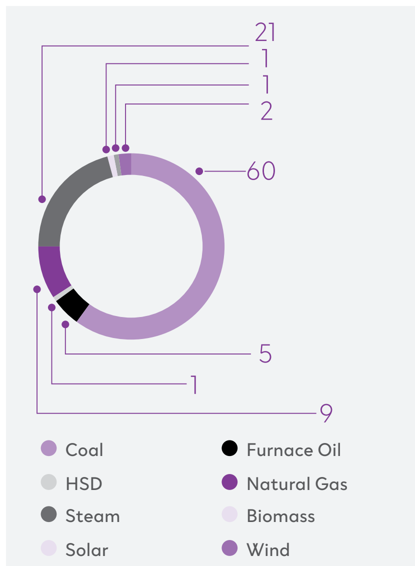
The Company's Limda facility contributed captive capacities for solar and wind energy, while Chennai sourced solar energy from captive capacity and imported wind power to add to its energy sources.


Battery operated Fork lifts being employed in the operations

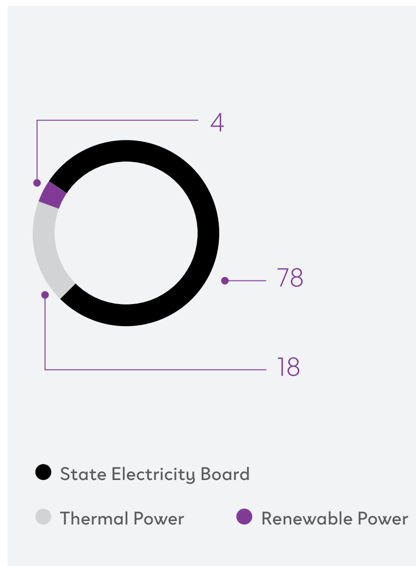
Share of Direct and Indirect Energy Consumed, FY22



Break-Up of Direct Energy by Source, FY22 (%)



Break up of Indirect Energy by Source, FY22 (%)



The Company has been making efforts to achieve energy efficiency through improvements in its process design, conversion and retrofitting of equipment and use of energy-efficient equipment. Several initiatives were undertaken during the reporting period, resulting in 34,219 GJ of energy savings.

Sustainable Water Use

The primary source of water at the operations is surface water. Other sources included ground water and municipal water during the reporting year.

2,374,569
Total annual water withdrawal (in m³), FY22

109,926
Gyöngyöshalász

495,740
Perambra

31,575
Enschede

249,305
Kalamassery

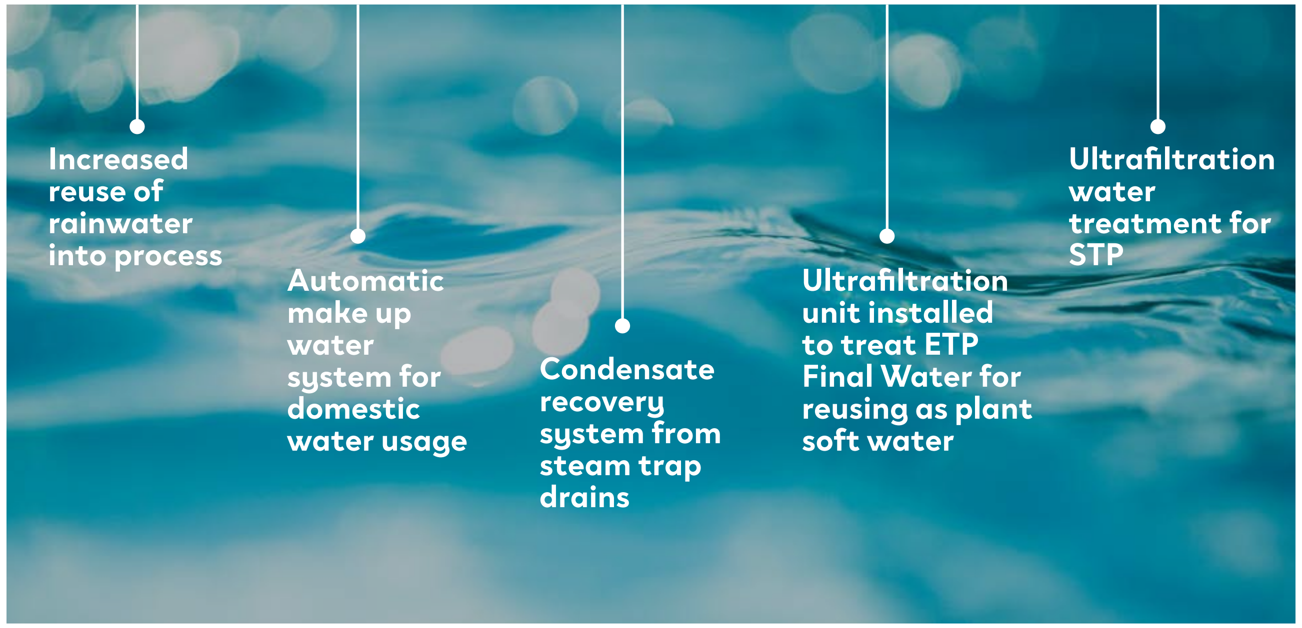
403,183
Chennai

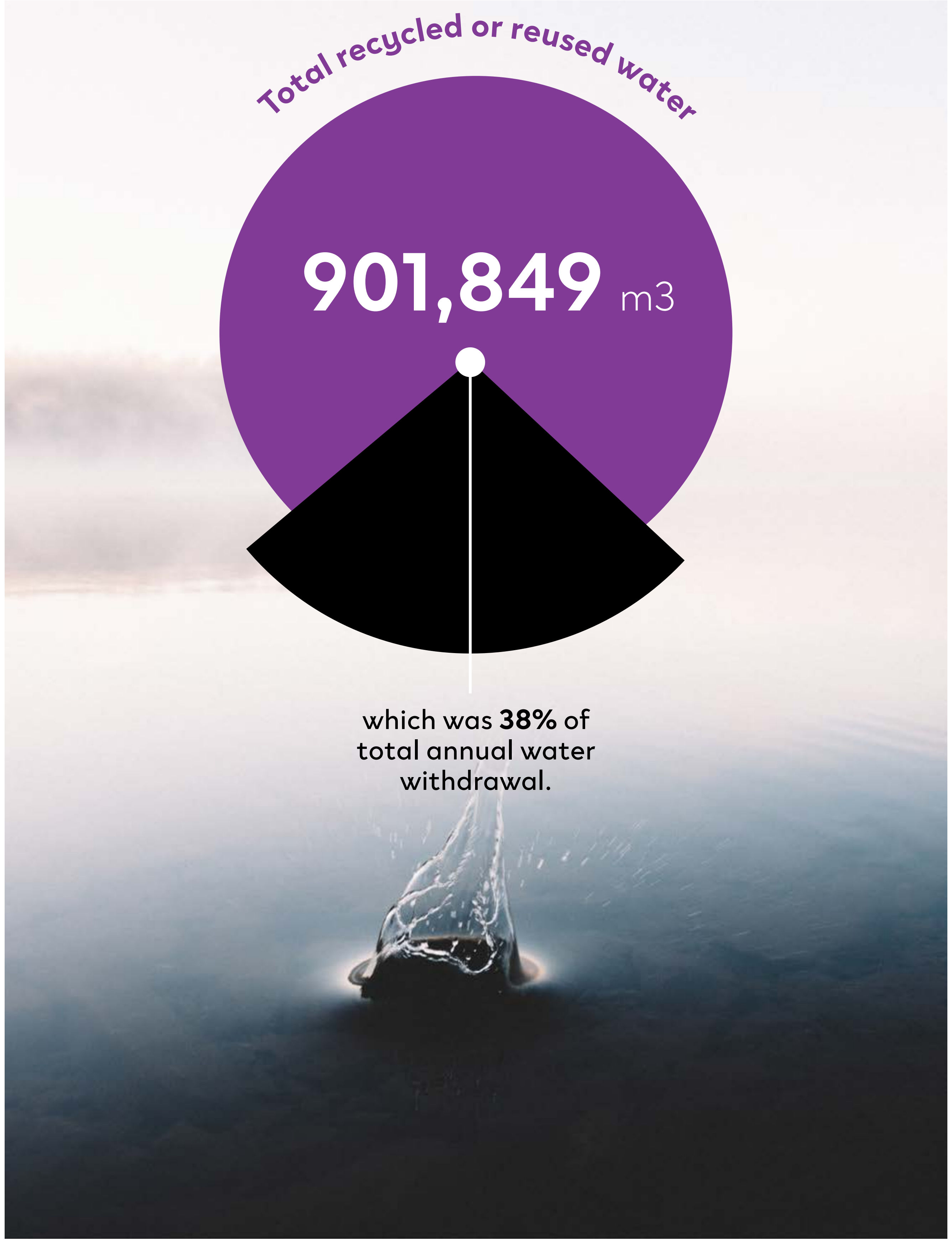
847,147
Limda

237,693
Chinnapanduru

Note - Exceptional Item - River water for cooling in closed loop in Enschede plant; discharged back into the river.

Few initiatives to conserve water by the APMEA region





Biodiversity Conservation is a global theme for Apollo Tyres. It has undertaken multiple initiatives within and outside the fence. The initiatives beyond the boundaries are mentioned under 'Communities' in the Social section.

Promoting Biodiversity for a Pristine Ecosystem

To enhance the biodiversity quotient, the Company's environment program HabitAt Apollo has designed and implemented several activities inside our plants.

At Kalamassery unit, the activities included maintaining the existing theme gardens such as butterfly garden, snake repellent plant belt and fruit garden to enhance the biodiversity and increase species of flora and fauna. Apiculture, for collection of honey from rubber trees within the premises, was also continued at Perambra during the reporting period. Also, the Company has an organic farming project within the plant premises in Limda, Gujarat.

Cleaner Production for a Sustainable Ecosystem

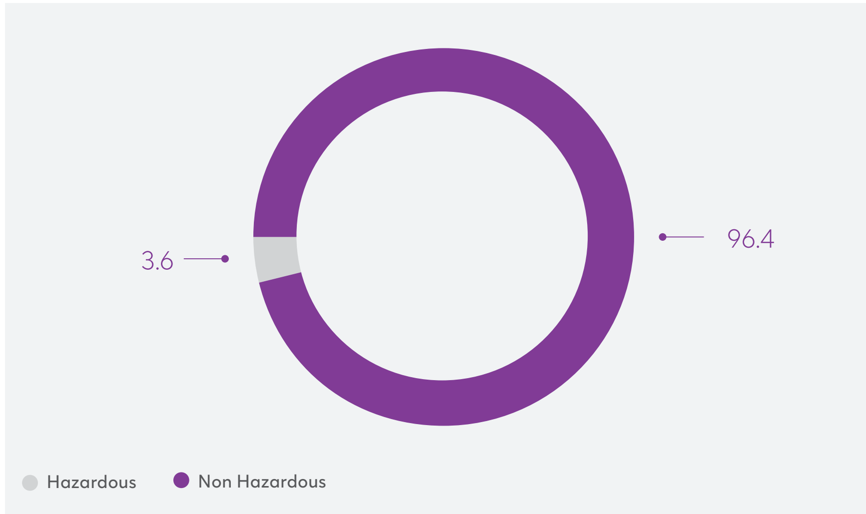
Apollo Tyres strives towards improving its environmental performance by reducing pollution including emissions reduction, water management, waste management, usage /disposal of toxic and hazardous chemicals and other identifiable forms of pollution. Manufacturing operations use state-of-the-art technology to ensure cleaner operations.

Waste generated from the operations included hazardous and non-hazardous types in solid and liquid forms. The total solid waste generated in the reporting period was 24,593 metric tonnes.

The total solid waste generated in the reporting period

24,593
metric tonnes

Break-Up of Solid Wastes by Type Generated, FY22 (%)



In the APMEA operations, 647 metric tonnes of hazardous and 19,583 metric tonne of non-hazardous solid wastes was generated. The hazardous liquid waste generated was 112 kilo litres.

A total of 246 metric tonne of hazardous and 4,117 metric tonne of non-hazardous solid wastes was generated in the reporting period in the Europe region.

The Chinnapanduru plant in Andhra Pradesh, India utilises 100% STP waste as compost for horticulture within the plant.

Enriching and empowering a prosperous society

The existence of a broad spectrum of stakeholders (Customers, Value Chain Partners, Employees, Communities and Environment* that we operate in) with varied expectations is our biggest propeller towards growth.

*Environment is a key stakeholder which is highlighted in detail under the Environment Section

Key Indicators

2 Hours
Complaint redressal time for PVs by AQS

88%
Value chain partners have signed Apollo Partnership Pact (APP)

1.49+ mn
Beneficiaries outreached through CSR initiatives in FY22

~ 50%
Women workforce in Americas region

144,405
man hours of training imparted

0.41
LTIFR reported in FY22 (35% improvement from FY21)

60 CV Zones are TUV certified

Customers – Central to Existence

The Company looks at its customer relationship management approach from two broad themes – Customer Care and Transparent Communication.

Customer Care

Safety

The Company focuses on providing customers with a product that minimally impacts the environment and is produced with safety, reliability and efficiency in mind. Customers are provided ample information through product labels to assist them in making an informed decision.

Quality and Safety of products for use are ensured through periodic checks at each stage of the product lifecycle. Dealers and consumers are regularly educated on the proper use of products and right application.

Customer Delight

The Company aims at delighting its customers by ensuring that they get best-in-class products.
It actively engages with its customers to understand product complaints. It used multiple platforms and programs including 'Voice of the Market' and 'Load and Fitment studies'.

The understanding and feedback collected are subsequently shared internally to various functions, including manufacturing and R&D departments to further improve product quality and customer engagements. A good example of this is redesigning the Alnac 4G, an OEM tyre to Maruti Suzuki Baleno, and offering it in the replacement market based on the customer feedback.

Furthermore, consumer complaints are a mechanism that assist in better aligning the products/services. Apollo Customer Care monitors the speed of response and resolution of a complaint as it registers, tracks and closes all customer complaints with a stringent turnaround time.

To further enhance the customer experience, it is working on concepts like such as Apollo Tyre Service Centre and doorstep delivery services to service tractors in rural areas.

Apollo Tyre Service Centre

A first in the industry, the specialised service centre in Gurugram, helps customers get on-the-spot grievance redressal, instead of going to multiple touchpoints.

Apollo Quick Service (AQS)

This is spot complaint redressal facility at the Company's empowered business partner counter itself and customer gets resolution within a span of two hours.

Service Tractor

An innovative concept where a single service tractor serves 30 villages, as it delivers services such as tyre fitment and removal, punctures, greasing, air filling facility, battery charging and tyre complaint redressal at customer's location. This provides customers better uptime and quality service.

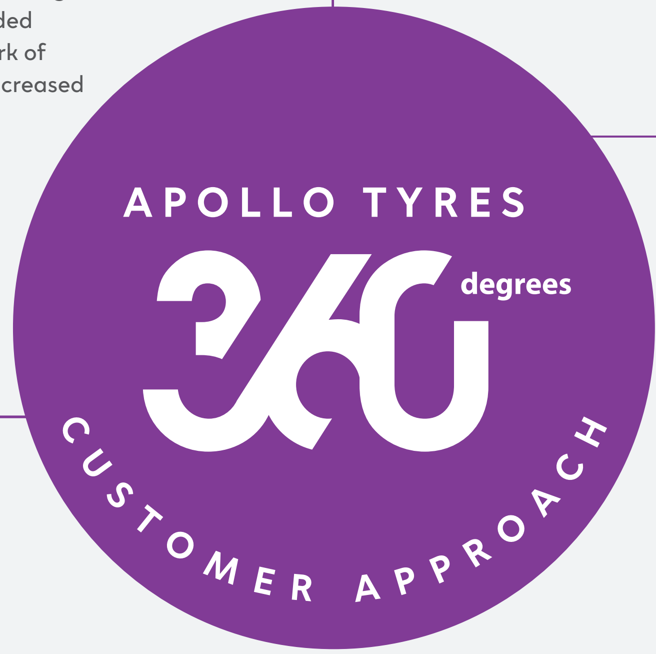
Commercial Vehicle (CV) Zone

To strengthen services to the truck and bus segment, **the company has expanded its CV Zone to 95 in FY22, up from 68 centres in FY21.** This also helps promote the safety culture, as it educates the drivers of the need to have wheel alignment and other safety aspects.

During the fiscal, **the Company also started its TUV SUD certifications across 60 CV zones.** The certifications help provide standardised services, along with a safe and hygienic environment for its customers.

As a value-added service to customers, six of the CV Zones have been equipped with electric vehicle charging stations in collaboration with Tata Power.

Transparent Communication



Apollo Radial Service Assistance (ARSA)
A technically qualified individual engages with the customers in this initiative to optimise their operational efficiency through standard checks, This leads to an increase in operational efficiency by 15-20%.

Apollo Certified Fitter (ACF)
A fitter engagement and welfare initiative with the aim of educating customers on the recommended fitment practices. The network of Apollo Certified Fitters has increased to 505 in FY22.

Apollo Radial Repair Centre (ARRC)
Customers are supported as dealers are guided to repair damaged tyres instead of scrapping them through this initiative. Total 71 ARRC are operational.

Apollo Direct (Contact Centre Management)
A dedicated customer care service centre for grievance redressal, which is accessible seven days a week and in various regional languages.

Apollo Quick Service (AQS) amd AQS Lite
An initiative to provide swift redressal to customers at the business partners' counters. The service's reach is extended through AQS Lite at OEM Franchisees at selected outlets. The number of outlets have increased by 66% (8 Tractor OEMs & 1 Car OEM) since the previous year. AQS Lite centres has increased to 370 and AQS centres to 1,520 in FY22.

Apollo Tractor Owners Meet (ATOM)
Training sessions are held to engage farmers and educate tractor owners in tyre care and repair. The sessions which are accessible to dealers, franchisees, fitters and retreaders, have achieved 1,523 agri-customer engagements activites for the year.

Value Chain - Partners in Progress

Value chain offers a critical linkage to achieve sustainability for any company. Apollo Tyres has been consistently investing in promoting sustainability across the value chain to build a truly connected business.

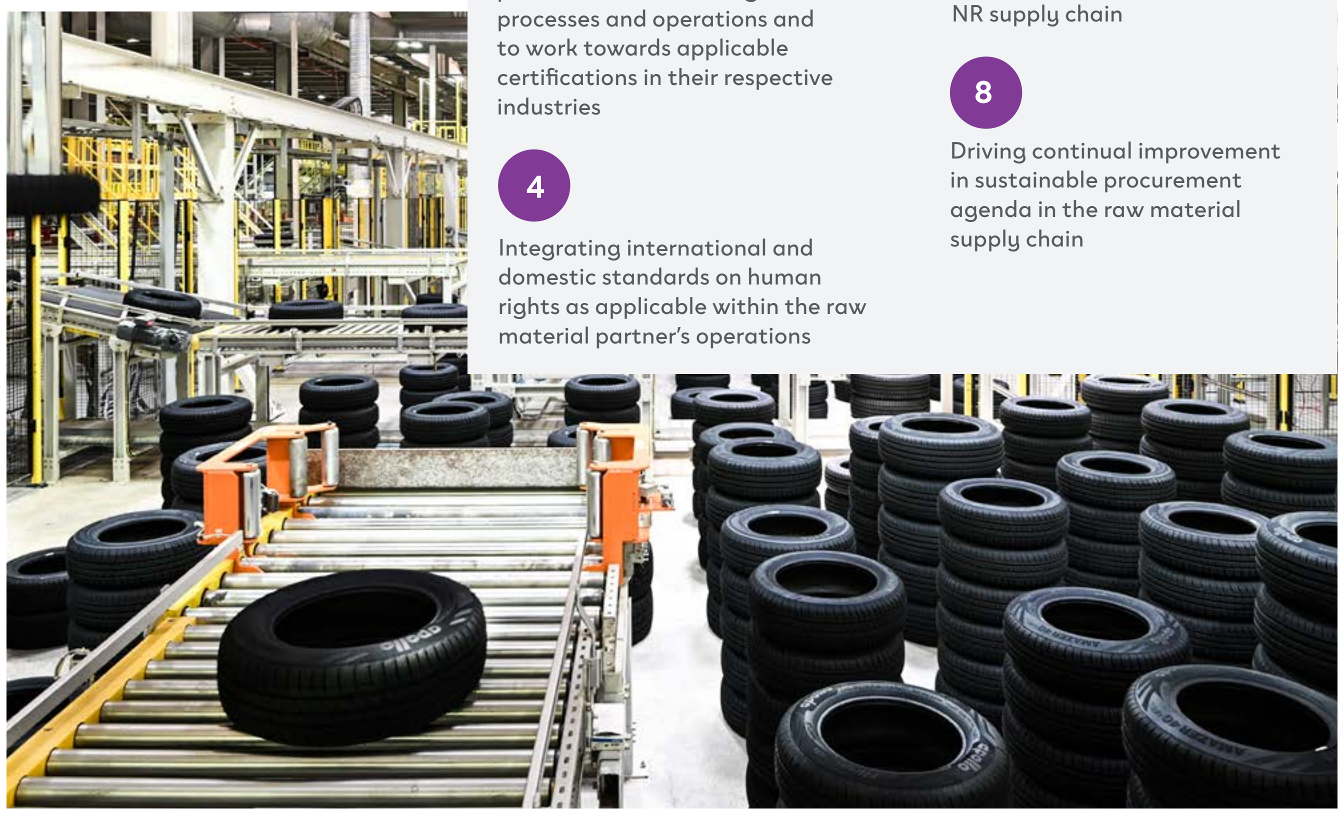
Sustainable Procurement

Apollo Tyres endeavours to promote sustainable procurement through its sustainability vision, sustainable procurement policy, sustainable procurement guiding principles, and the deployment of sustainability guidelines in its upstream raw material supply chain.

The Company integrates its priorities on environment, social and governance aspects in its upstream supply chain to ensure adherence to the values and promoting sustainable practices across the value chain.

Sustainable Procurement Guiding Principles

1. Driving through governance, transparency and accountability
2. Enhanced usage of recycled and renewable raw materials in the Company's products, including encouraging Raw Material (RM) supply chain partners in increasing the content of their recycled and renewable raw materials in their manufacturing processes
3. Striving towards highest environment, health and safety standard in the raw material partner's manufacturing processes and operations and to work towards applicable certifications in their respective industries
4. Integrating international and domestic standards on human rights as applicable within the raw material partner's operations
5. Ensuring the compliance of international norms on decent work agenda
6. Encouraging its 'One Family' culture in the RM supply chain
7. Work on Natural Rubber (NR) Sustainability in line with the Global Platform for Sustainable Natural Rubber (GPSNR) guidelines to drive improvements in the social, economic and environmental performance of its NR supply chain
8. Driving continual improvement in sustainable procurement agenda in the raw material supply chain



The Company encourages sourcing from domestic suppliers, with all other factors being equal. Additionally, dealing directly with manufacturers enables it to work closely with them and at the same time addressing any quality or logistic issues.

On the other hand, where there are opportunities to explore new product technology and innovation, it also looks at import supplier partners as additional and alternate sources of supply and under technical partnership projects.

The Company ensures that the raw materials sourced are free from chemicals and substances with adverse environmental impact (SVHC – Substances of Very High Concern), which impact the environment adversely and it complies with all international norms and standards. Additionally, it mandates suppliers to establish an environmental management system in compliance with ISO14001 and to attain their system certification from an accredited 3rd party as per the standard.

The Company has constituted a sustainable raw material group to increase the use of sustainable material in the product mix

The Company collaborates with its partners to promote and encourage compliance. It has developed the APP and all its supplier partners are expected to abide by it and integrate environmental, occupational health and safety, human rights and labour policies in their business process.

Till date, more than 88% of the upstream supplier base has signed and acknowledged the APP to pledge their compliance.

The Company is a member of Global Platform for Sustainable Natural Rubber (GPSNR) and leading the India Chapter. GPSNR is promoted by the World Business Council on Sustainable Development (WBCSD). It has developed the Apollo Sustainable Natural Rubber Policy (ASNRP). The GPSNR mandates to contribute towards the improvement of socio-economic factors in NR supply chain. Till date, 98% of the NR suppliers have signed the ASNRP policy to pledge their compliance.

Supplier Engagement

The Company has developed various engagement channels such as global partner meets, joint technical projects, quality workshops with NR producers and processors, CSR workshops at suppliers manufacturing facilities, safety @ supplier workplace, and so on for engaging with its supplier regularly.

Supplier Audits

The scope of supplier audits covers quality management system, environmental standards, occupational health and safety standards and others as per its procurement standards, APP and ASNRP for NR suppliers.

Supplier Performance Evaluation

The Company manages its suppliers on quality, delivery and service performance aspects through rating criteria, which aim to provide timely feedback to suppliers to improve their performance.

Apollo Global Partners' Summit

The Company organised a virtual Global Partners' Summit 2021 on the theme 'Sustainability in Uncertainty - the Challenge Ahead' with its RM partners. The Summit was attended by 700+ participants from approximately 270 organisations across 30 countries.

The Company honoured its supplier partners, based on their work and contribution, with the Apollo's Gold Partner Awards 2021 in various categories including Supply Chain Excellence, Quality Champion and Service Excellence.

Corporate Social Responsibility in Supply Chain

Ensuring the well-being of RM suppliers, Apollo Tyres organises awareness programs on the health issues like HIV/AIDS prevention and the ill effects of substance abuse. The awareness sessions were conducted virtually with them. In the reporting year, four partners were outreached, and 78 participants benefitted.

Apollo NR Dirt Free Centres

The Company has set up dirt-free centres where NR sheets are sourced from the farmers and graded using international practices. Dirt-free centres engage with rubber tappers community. It has trained local women in NR grading and provided them with livelihood opportunities.

Dealer Engagement

The Company continues to enhance its processes to offer its business partner the best-in-class services. It has formed a Management Advisory Committee of business partners to gather constructive market feedback for improvement.

It has introduced three robust IT-enabled platforms - Business Partner Service Centre; Sampark – a digital platform to do all business transactions; and Sampark2 - a technology-enabled distribution system.

At the beginning of FY22, Apollo Tyres was already a significant rural player with close to 585 AVK / ARD and 1600 REDs in the rural network. With a vision to attain leadership in rural markets, it launched one-of-its-kind initiatives of 'Apollo Tyres Sarpanch' in March to have the widest and most enabling tyre distribution network in rural areas.

Apollo Value Club (AVC)

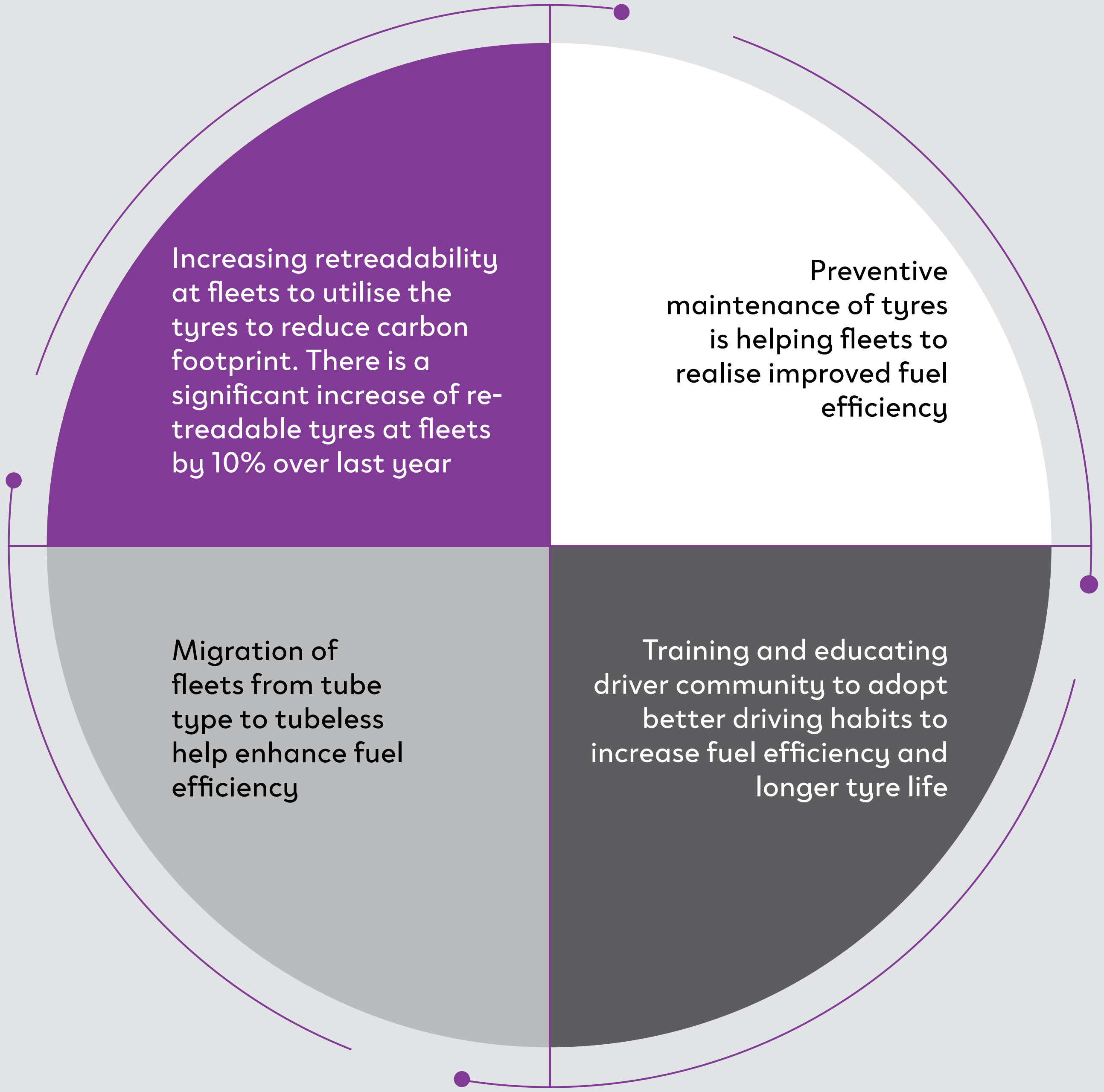
The Company pioneered the loyalty program in the tyre industry more than a decade ago with an objective of building a stronger bond with the dealer network and their families.

The Company launched a new initiative for its business partners - Emerging Turks (ETs) with around 110 participants from across India. This program is aimed at not only strengthening relationship with business partners but also emphasises upon developing and nurturing these ETs for becoming a successful entrepreneur and help them grow together with Apollo Tyres.

It organised its first ever Digital Dealer conference and saw participation by over 1,500 business partners.

Reducing Carbon Footprint @ Fleets

The Company has kicked off a pilot initiative by deploying EVs for the delivery of tyres from its regional distribution centre to multiple business partners in Bengaluru, India.



GOVERNANCE

ENVIRONMENT

SOCIAL

Engaging with Communities

'Taking Responsibility' is a core value at Apollo Tyres and the belief system behind all our sustainability endeavour.

The Company is committed to building a responsible and sustainable business that benefits society. Its CSR initiatives are designed to cater to the needs of the community, while positively impacting its stakeholders - employees, customer, dealers, suppliers and communities, around its manufacturing locations, every day.

All CSR initiatives are implemented through Apollo Tyres Foundation (ATF) and aligned to National and Sustainable Development Goals (SDGs).

In addition to the core themes, it conducts local initiatives in 25-30 km radius of its manufacturing locations. These are Watershed Management and Renewable Energy Proliferation projects. **As on March 31, 2022, it has reached out to nearly 8.47 million beneficiaries since the inception of CSR programs. The company has a target to reach out to nearly 11 million beneficiaries by 2026.**

01 Healthcare for Trucking Community

02 Solid Waste Management and Sanitation

The CSR initiatives are implemented at APMEA and Europe regions.

03 Livelihood for Underprivileged Rural Women

05 Local Initiatives water conservation projects in communities around manufacturing plants

04 Biodiversity Conservation

The Company has categorised its CSR initiatives in five core thematic areas

Employees

Communities

Value Chain Partners

Customers

Core themes

01 Healthcare for Trucking Community

3 GOOD HEALTH AND WELL-BEING

Goal 3
Ensure healthy lives and promote wellbeing for all

3.3
By 2030, end the epidemics of AIDS, tuberculosis, malaria and other communicable diseases

3.4
By 2030, reduce by one-third premature mortality from non-communicable diseases

3.6
Correcting the vision of drivers reduces the number of deaths and injuries from road traffic accidents

HIV-AIDS Awareness and Prevention Program
Vision Care
Awareness on Tuberculosis (TB)
Non-Communicable Disease
General Healthcare and Treatment
Tele Medicine Consultation
Saarthi COVID-19 Helpline
COVID Testing & Vaccination Support

A nomadic lifestyle and limited access to healthcare facilities leave truck drivers vulnerable to various healthcare issues. This is the reason the Company chose the trucking community as its target beneficiaries (they are also our key customers). It has established 32 healthcare centres in transhipment hubs spanning 19 Indian states, providing healthcare facilities at the doorsteps of this community.

The program provides healthcare services such as prevention and awareness of HIV-AIDS, Vision Care, Awareness on Tuberculosis and other non-Communicable diseases such as Diabetes, High Blood Pressure and General Treatment facility, COVID testing and Vaccination support.

The outreach from the healthcare centres have **increased twice,** compared to FY21. **A total of 1.3 million people were outreached in FY22.**

The services under the Healthcare Initiative:

HIV-AIDS Awareness and Prevention Program

The service provided under HIV Awareness and Prevention includes Behaviour Change Communication (BCC), Sexually Transmitted Infection (STI) Diagnosis and Treatment, Counselling, Condom Promotion, Integrated Counselling Testing Centre (ICTC) support and Awareness through Peer Educators (volunteers).

In the reporting year

35,238

beneficiaries tested for HIV. Out of which

77

beneficiaries were identified as HIV positive. Under this service, positive cases are also linked with Anti-Retroviral Therapy.

Vision Care

A common issue among the trucking community is lack of vision care. Regular eye check-up facilities have been created at all the centres. People identified with refractive error issues are provided with low-cost spectacles. Cataract patients are linked with government hospitals for further treatment.

ATF has partnered with Essilor India Pvt Ltd under its 2.5 New Vision Generation initiative to provide affordable and sustainable vision care services to the community.

For FY22, a total of

66,814

beneficiaries were tested for vision screening, out of which

37,407

beneficiaries were identified with refractive error issues. Over

11,800

beneficiaries received spectacles.

Awareness on Tuberculosis (TB)

ATF embarked on TB awareness initiative in 2017 for its trucking community, given it is co-infection with HIV. ATF established 13 Designated Microscopy Centres at transhipment hubs with the support of the Government of India to bring TB testing and treatment facilities to the doorsteps of its beneficiaries.

Positive TB patients were linked with Directly Observed Treatment (DOTs) services for treatment. ATF partnered with The Union, USAID and Central TB Division for the implementation of this initiative.

For FY22, a total of

9,672

beneficiaries were tested for TB, out of which

337

beneficiaries were identified as TB positive.

80%

of the total positive cases were linked with DOTs facility.

GOVERNANCE
ENVIRONMENT
SOCIAL

Non-Communicable Disease

The Company witnessed a trend based on the reports from its 32 healthcare centres, which indicated that diabetes and high blood pressure have been emerging as serious health challenges among the trucking community.

Based on this, the Company has been offering diabetes and blood pressure testing facilities to its beneficiaries.

In the reporting year, around

48,453

beneficiaries were screened for diabetes and

48,256

beneficiaries were tested for blood pressure

General Healthcare and Treatment

The Company endeavours to create its healthcare centres as a holistic service under one roof for its trucking communities. The service offers generic treatments for seasonal cough, flu, stomach dysentery and other basic First Aid features.

COVID-19 Relief Services

Tele Medicine Consultation

During the COVID-19 outbreak, a tele tele-medicine consultation facility was launched in partnership with Telerad Foundation at all healthcare centres. The facility provided continuous healthcare facilities to its community. Through this service, patients could avail online doctor consultations and collect medicines from the centres.

In the reporting period,

12,313

beneficiaries have availed the facility.

Saarthi COVID-19 Helpline

Truck drivers and their families availed the services of 'Saarthi', a COVID consultation helpline, a joint initiative by Apollo Tyres and Ashok Leyland.

The helpline enabled telephonic consultation for COVID-19 treatment, vaccination-related inquiries and general healthcare service support. The service was available in 5 languages (Hindi, Tamil, Telegu, Marathi and Assamese).

Over

2,000

beneficiaries benefitted from the helpline facility.

COVID Testing & Vaccination Support

ATF began screening for COVID-19 at its healthcare centres to help restrict the spread of virus.

In the reporting period, ATF initiated the vaccination drive for trucking community partnering with local governments. It has vaccinated over

1.41 lakh

beneficiaries.

3Ps Interventions

Partnership Approach

To achieve the targets of all the SDGs, partnership for the goals (SDG-17) plays a key role. ATF encourages collaboration to expand the reach of its services. It has created a one-of-a-kind collaboration strategy in which it fosters private partnerships and public-private partnerships with like-minded organisations. It has partnered with State AIDS Control Society, Central TB Division, Ambuja Cement Foundation, Essilor Foundation, Ashok Leyland, The Union, USAIDS, ACC cements for implementation of various healthcare services.

Presence of All Health Services at Doorsteps (Mobile Medical Units)

As an extension of its static healthcare centres, our mobile alternatives continued to be provided to enhance the connectivity of trucking community. Mobile medical units (Apollo Healthcare Express) provide its services at highways, district borders and trucking halt points. The mobile medical units are currently operational in Delhi, Namakkal (Tamil Nadu), Cuttack (Odisha) and Chhindwara (Madhya Pradesh).

Peer Educator (PE) Involvement

Peer Educators, or volunteers, serve as a critical link between the organisation and its beneficiaries. They play an important role in creating awareness about health services and referring the beneficiaries to healthcare centres for availing treatment facilities. PEs are the typically mechanics or owners of small restaurants (dhabas), barber shops, and street vendors, and so on, who are based at transhipment hubs and remain in close contact with truck drivers. The program has mobilised 1000+ PEs who provide voluntary services for the healthcare program across locations.

Employees
Communities
Value Chain Partners
Customers

02

Solid Waste Management and Sanitation

Goal 6
Clean Water and Sanitation

Goal 11
Responsible Cities and Consumption

Goal 12
Responsible Consumption and Production

6.1
By 2030, achieve universal and equitable access to safe and affordable drinking water for all

6.2
By 2030, achieve adequate and equitable access to safe sanitation and hygiene for all

11.7
By 2030, provide universal access to safe, inclusive, and accessible, green and public spaces

12.4
By 2020, achieve environmentally sound management of all wastes throughout their life cycle

Segregate Waste
Practise Composting
Awareness Generation
Reduce, Reuse & Recycle
Safe Sanitation
Hygiene for All

Aligning with National development agenda and contributing to '**Swachh Bharat Abhiyan**', Apollo Tyres has been running various projects on solid waste management and safe sanitation under the umbrella of **SPARSH**, with the objective to promote a healthy and sustainable lifestyle amongst the local communities. 'Clean My Transport Nagar', 'Clean My Village', 'Sanitation Management' and 'End of Life Tyre Playgrounds' are four initiatives initiated under this theme.

Total outreach increased by **51%** in comparison with FY21. In FY22 **total 100,495 beneficiaries** were outreached through SPARSH initiatives.

Our services under SPARSH initiative:

Clean My Village and Transport Nagar

A solid waste management initiative has been launched to improve cleanliness and waste management in the villages around the Company's manufacturing locations and selected transhipment hubs. Awareness generation, door-to-door waste collection, cleaning of the lanes/roads, recycling of waste and so on are the crucial services delivered under this initiative

During the reporting period, a total of 1,438 metric tonnes (MT) of waste was collected, of which around 8% was wet waste. A total of 55,151 beneficiaries were benefitted from this initiative. Around 11,212 beneficiaries were outreached through awareness activities.

1,438 MT
waste was collected

~11,212
beneficiaries were outreached through awareness activities

Sanitation Management

To provide safe sanitation and hygiene facility to the beneficiaries, Apollo Tyres has constructed toilets with bathing spaces for the communities around its manufacturing locations and community toilets in transhipment hubs in Delhi and Agra locations.

In the reporting period, 181 new toilets with bathing facilities were constructed in Chennai, Chinnapanduru and Baroda locations, benefitting 724 people. A total 24,000 beneficiaries can avail the services at the community toilets in Agra and Delhi transhipment hubs.

This initiative is a true representation of Public Private Partnership as the support is provided by Government, ATF and also the voluntary contribution by the employees

181
new toilets with bathing facilities were constructed in Chennai

24,000
beneficiaries can avail the services at the community toilets

End of Life Tyre (ELT) Play Spaces

ELT projects promote the recycling of waste tyres by constructing playgrounds. Apollo Tyres has been strategically evaluating various ways on how to increase the product lifecycle through expansion of re-treading footprint, which reinforces the Re-use concept.

In the reporting year, two ELT tyre playgrounds were constructed at Baroda and Chinnapanduru locations. Total 210 waste tyres were used. This shall benefit 985 children.

210
waste tyres were used

985
children shall benefit

03

Livelihood for Rural Women

Goal 1
No Poverty

Goal 5
Gender Equality

Goal 8
Decent Work and Economic Growth

Skill Building

1.1

By 2030, eradicate extreme poverty for all people everywhere

5.5

Ensure women's full and effective participation and equal opportunities

8.3

Promote decent job creation, entrepreneurship, and encourage the growth of micro, small and medium sised enterprises, including through access to financial services

Income Generation Activities

Under the banner 'Navya', the Company provides skill-building and income generation activities for rural women around our manufacturing locations, to address the problem of poverty and poor social status of women in the community.

In the reporting year, a total of

792 women were outreached through Self Help Group (SHGs) formation and strengthening activity. A total of

5,302 women were linked with various Government welfare schemes and have availed benefits worth

₹ 3.70 crores

Women are trained in agricultural and non-agricultural activities such as rubber sheet making, mushroom cultivation, apiculture (honey production), khakhra making, tailoring, organic farming, livestock care and management and others for income generation.

Trained women are further linked with financial institutions for credit support and market linkages are also established to promote the business of women. The program has established linkages to leverage government schemes

There has been an increase in the income generation trainings by 78% (2734 women) in comparison to FY21. The fiscal also saw a 10% (986 women) increase in trained women, participating to start income generation activities as compared to FY21.

04

Biodiversity Conservation

Goal 13
Climate Action

Goal 14
Life Below Water

13.1

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

14.2

Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts

Stadbeek in Enschede, the Netherlands

Mangrove Conservation, India

Conservation of Bukk National Park, Gyöngyöshalász, Hungary

Biodiversity Conservation is a global theme for the Company, wherein it has undertaken various projects in India, Hungary and the Netherlands. In Europe, it has undertaken two projects: Stadbeek in Enschede, the Netherlands and Conservation of Bukk National Park, Gyöngyöshalász, Hungary.

The Stadbeek Project is implemented in partnership with Enschede Municipality and European Union. The project aims to address the issues related to flooding from rainwater and groundwater and improve the local biodiversity. Under this project nectar plants are planted on the 6 kms long banks of the city stream, which has resulted in an increase of flora and fauna in this area.

In India, mangrove conservation is a key initiative, wherein a Mangrove Conservation project is being implemented in Kannur district, Kerala. Under this initiative, awareness sessions are conducted for the local community. For mangrove restoration and conservation periodic plantation activities are conducted in different panchayats of Kannur district.

In the reporting period, total 1,230 beneficiaries were outreached through various awareness activities under Mangrove Conservation initiative.

To further climate change mitigation, afforestation projects are being implemented in Tamil Nadu and Gujarat.

Under the afforestation initiative at Tamil Nadu, 3.5 lakh planted teak trees are being maintained. As per estimates, 30,000 tonnes of CO_2 have been sequestered till March 2022. The project also engages with the farmers for providing agriculture interventions for soil productivity enhancement. Further, ATF initiated Miyawaki afforestation project in Gujarat region. A total of 25,000 square feet of land is utilised and 10,000 trees of 84 varieties are planted.

05

Local Initiatives

These are designed, based on the local requirements of the communities. These initiatives are implemented in the communities in a radius of 35-45 km of manufacturing locations. Details of such initiatives are:

Goal 6:
Clean Water and Sanitation

Water Conservation

Support to Anganwadis

Philanthropic Initiatives

6.1

By 2030, achieve universal and equitable access to safe and affordable drinking water for all

India Initiatives

Water Conservation project is an integral part of this initiative and is mapped to the local stakeholders' requirement. There are two projects implemented under water conservation category:

a. Access to purified drinking water:
The company has set up Reverse Osmosis (RO) drinking water plants at Orgadam village, Chennai Tamil Nadu and Chinnapanduru village, Chittoor Andhra Pradesh.

Around 1,550 households and over 6,200 beneficiaries have benefitted.

b. Eco restoration of Ponds:
It has restored few ponds in Chennai, Limda and Perambra locations. The primary objective of this initiative is improving the condition of water bodies, restoring and enhancing the aqua biodiversity. **A total of 14 ponds, spanning 3 lakh square feet** have been restored through pond deepening, desilting, bunding and maintenance activity. **Around 162,888 beneficiaries have availed the benefits from the restored ponds.**

c. **At Baroda, it also supports the Gujarat Government's Pond deepening initiative under the Sujalam Sufalam Jal Sanchay Abhiyan (SSJA).**

Under this scheme, ATF has restored a pond in the Jambuvada village of Waghodia block in the Baroda district. **This pond deepening project has provided livelihood opportunity to 6,000 beneficiaries under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme.**

In addition to the water conservation initiative, few other local initiatives were also implemented in FY22:

Support to Anganwadis

At Racherla panchayat in Chittoor, Andhra Pradesh, a damaged Anganwadi was renovated on the request of local panchayat. Due to damaged infrastructure, there were issues related to water leakage, seepage, and so on. This has ensured the children coming to the Anaganwadi have safe access to the centre.

Philanthropic Initiatives

The Company also supports the underprivileged and deprived communities by undertaking philanthropic initiatives through Taru Foundation. The initiative ranges from providing educational support to underprivileged girls to rendering healthcare facilities to rural people and distributing food items to eradicate hunger and poverty.

Europe Initiatives

Blood donation camps

The Company organised periodic blood donation camps. A total of three camps were organised, and 96 employees donated blood in the reporting period.

Support to hospital

The employees of Hungary plant organised charity collection for the children of Bugát Pál Hospital in Gyöngyösalas. From the collected funds they provided toys for the children department.

Support during Ukraine Crisis

During the Ukraine and Russia war, the Company provided food, transportation and shelter support to Indian students at its manufacturing facility located at Gyöngyöshalász, Hungary.

Since March 01, 2022, it arranged buses, transporting students from the Zahony border, Ukraine to Budapest where they have been brought to safety. To help Indian Embassy, it provided urgent accommodation to over 300 students.

Engagement

To engage with stakeholders and promoting partnership we had launched campaigns focused on our core themes.

1. **Partnership for Action Against Tuberculosis (PAcT) Campaign- Edition- 4**

   To support the government's agenda of TB elimination, the Company organised the 4th edition of its virtual event, 'PAcT'. It partnered with USAID, The Union and Central TB Division in creating awareness related to TB. ATF also joined the Corporate TB Pledge (CTP) - a joint initiative of Government of India and USAID and mobilised total 15 Corporates to join CTP through its campaign. ATF also felicitated three grassroot level NGOs for their contribution towards TB elimination and awareness. During the year, it organised two campaigns 'Jan Andolan for TB-Free India' to boost case identification of TB amongst trucking community at 32 transhipment hub locations. The Company was lauded by the Ministry of Health and Family Welfare for its contribution. During the Jan Andolan campaigns, around 5,401 beneficiaries were tested for TB. A total 198 beneficiaries were reported as TB positive and 88% of positive cases were linked with DOTs facility.

2. **Ek Naam Campaign - Edition -4**

   To promote the livelihood of the rural women, ATF organised the 4th edition of 'Ek Naam', a social media campaign and Symposium 2022 (a virtual event). To celebrate International Women's Day, ATF felicitated and recognised the outstanding work of eight Change Agents who have made a difference in their families and working as catalysts for change. A fireside chat was also organised with Mrs. Vita Dani, co-owner of Chennaiyan FC, who shared her journey of breaking the bias in the sports arena. The event was organised in partnership with Alliance Française de Delhi and CSRBOX.

3. **Environment and Nature Quiz**

   To create awareness on environment sustainability, it organised an 'Environment and Nature Quiz' competition. This was the fourth consecutive year covering the colleges from West and South region of India. (Andhra Pradesh, Karnataka, Kerala, Maharashtra and Tamil Nadu participated in the event).

Our Impressions

CSR Health Impact Award 2021

Gold - CSR Health Impact Award 2021 under 'Health CSR Project – Health Campaign of the Year' category.

Recognition from Ministry of Family and Child Welfare

The Company received a recognition certificate from the Ministry of Health & Family Welfare on World TB Day for exemplary contribution under TB eradication initiative.

ET SDG Award 2021

Apollo Tyres Foundation was honoured with the SDG (Sustainable Development Goals) Award 2021 by Economic Times, for exceptional work in the sustainability space.

CSR Times Award 2021

Apollo Tyres Foundation won Gold in CSR TIMES Award 2021 under 'Healthcare' category

Kerala State Biodiversity Conservation award 2021

The Kerala State Biodiversity Conservation award under 'Best Biodiversity Institute (Industrial Sector-Private)' category. Kerala State Biodiversity Board recognised the outstanding work of Apollo Tyres in the field of environmental protection and biodiversity conservation.

Best Environment Promotion Supplier 2021 Award

Toyota Motors awarded Apollo Tyres with the 'Best Environment Promotion Supplier 2021' award for Chennai.

Performance against Sustainable Development Goals

17 PARTNERSHIPS FOR THE GOALS

SDG- 17:

Partnership for the Goals

refers to the cross sector and cross collaboration. Apollo Tyres works in a partnership model with like-minded organisations for wider outreach and impact.

SDG Goals & Target Mapping

Sr.No	Initiative Name	Linkage with SDG	SDG target		Performance against the target (cumulative)	
01	Healthcare for Trucking Community	Goal 3: Good Health and Well Being	End the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases other communicable diseases.	Over **10.5 million** beneficiaries by 2026	A total of **7.2 million** beneficiaries were benefitted through healthcare programs for the trucking community	
02	Solid Waste Management & Sanitation	Goal 6: Clean-water-and-sanitation Goal 11: Sustainable Cities & Communities Goal 12: Responsible consumption and Production	Achieve access to adequate and equitable sanitation and hygiene for all and end open defecation.	Total **11 villages** ODF by 2026	A total of **six village** panchayats were declared Open Defecation Free (ODF)	Over **5.89 lakh** people were outreached under waste management initiative
			Achieve the environmentally sound management of all wastes.	Total outreach through awareness activities to **7 lakh** beneficiaries by 2026	A total of **10,233 metric ton (MT)** waste was collected, of which 1,010 MT was biodegradable waste, and **9,259 MT** was non-biodegradable waste.	A total of **11 End of Life Tyres** play spaces constructed. Nearly **1,621 waste** tyres were recycled
			Substantially reduce waste generation through prevention, reduction, recycling, and reuse.			
03	Livelihood for Underprivileged Women	**Goal 1:** No Poverty **Goal 5:** Gender Equality **Goal 8:** Decent Work & Economic	Eradicate extreme poverty for all people everywhere Ensure women's full and effective participation and equal opportunities.	Total **20,000 women** in financial and social inclusion decision by 2026	Reached out to over **15,000** rural women Around **7,000** women are involved in income generation	Over **8,100** women have received income generation training Over **9,500** women are directly involved in decision-making process.
			Promote decent job creation, entrepreneurship.	Total women in income generation **15,000** by 2026	More than **100** group enterprises established, engaging **2,000** women directly.	
04	Biodiversity Conservation	**Goal 13:** Climate Action **Goal 14:** Life Below Water	Strengthen resilience and adaptive capacity to climate-related hazards. Improve education, awareness-raising on climate change mitigation, adaptation	Total awareness outreach to **5 lakh** beneficiaries on Environment conservation by 2026	Under Mangrove Conservation Project, covering **10.4 acres** of land. Over **1.76 lakh** beneficiaries outreached through Biodiversity Conservation initiatives.	**3,50,000** teak trees are planted under the afforestation project in Tamil Nadu. A total of **30,000 tonnes** of CO_2 were sequestered.
05	Local Initiative (Eco restoration of ponds)	**Goal 6:** Clean Water & Sanitation	Protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes		**Fourteen ponds**, covering an area of over **3.5 lakh square feet** were restored. Over **1.78 lakh people** are benefitted from the restoration of the ponds.	
	Access to purified drinking water		Achieve universal and equitable access to safe and affordable drinking water for all		**Three RO drinking** water plants were installed in Chennai and Chennapanduru location.	Over **1,550 households** and over **14,000 beneficiaries** benefitted with the facility

Philanthropy Initiatives: Apollo Tyres also undertakes philanthropy initiatives to provide quality education to underprivileged girls, ration support to the homeless people to eradicate hunger and poverty and healthcare support to disadvantaged communities. These initiatives are linked to SDG: 4 Quality Education and SDG 3: Good health and well-being

Employees

The Company endeavours to create best-in-class products, offer superior value propositions to customers, work with partners, support and empower communities and stay focused on its 'People First' philosophy.

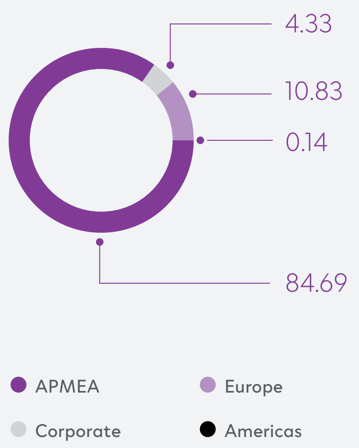
As of March 31, 2022, the Company has

19,112 people,

permanent and contract, worldwide.

Talent pool worldwide

Region wise employee distribution (%)



Apollo Tyres provides its people with the necessary tools, policies and growth opportunities to create a high-performance culture. With one of its core values, 'One Family', it has created a culture, which is high on empathy and encourages its people to listen, recognise and engage with individuals and teams.

Global Grading

Under Global Grading project, the Company has worked to align existing grades with global grades, using the methodology of Hay Job Evaluation. This has helped it to cut down multiple layers across its various geographies and now has nine layers (Grade 1 to 9) across the Company.

Talent Hiring

To attract talent that would bring in diverse perspectives, the Company focuses on lateral hiring and recruiting freshers. In FY22, it hired a total of 1,160 people.

The Apollo Summer Internship program, conducted virtually, provided opportunity to the interning students from premier management institutes. The interns worked on live projects closely with the leadership team across functions like sales, marketing, supply chain management and finance. On similar lines, the Company's Apollo Finance Programme saw the finance trainees (Charted Accountants) completing their stint in multiple verticals including finance, commercial, internal audit, etc.

Job Enrichment & Rotation

The Company continued with its People First journey by providing multiple learning opportunities to its people in the form of job enrichment and rotation. Over 200 employees took job rotation across the various location and functions

Managing Industrial Relations

Apollo Tyres proactively engages with trade unions and other bodies to enhance the working environment for its people as well as the productivity and cost-effectiveness of its operations globally.

It continued to witness positive Industrial Relations scenario across its manufacturing locations throughout the pandemic. In the reporting year, it completed the third-party independent assurance for the core subject of Human Rights as per ISO 26000.

Diversity and Inclusion

Diversity and Inclusion are the key drivers for ensuring equal opportunities for people. **In FY22, Apollo Tyres expanded the team in the Americas by increasing women diversity in the team. Out of the total workforce at the Americas region, nearly 50% are now women.** At its plant in Andhra Pradesh, India, the Company has hired female diploma engineers on the shopfloors in various process of tyre manufacture. **Presently 50 female operators are working at the shopfloor.**

All female operators belong to different social and economic backgrounds. The multicultural environment at the workplace promotes positive and conducive momentum.

All women operators had undergone structured skill-building process through classroom training and on-the-job training with built-in Prevention of Sexual Harassment (POSH) awareness program.

The Company provides an equal opportunity to Persons with Disability (PWD). Twenty-one PWDs are now part of the workforce.

Capability Building

At Apollo Tyres building a talent pipeline for creating future leaders has been a consistent focus area. It continues to invest in a variety of capability building programs and learning initiatives to achieve business goals and become future ready.

In FY22, it launched several global learning initiatives under the umbrella of **Apollo Virtual Academy (AVA).** In partnership with Lumina Learning, it established a Leadership Capability Framework which supported in successfully implementing the lead learning program for emerging and established leaders - **Apollo Laureate Leadership Development.**

Additionally, it offered several courses to its people, based on their function and region including Apollo Total Quality Management training, Apollo Tyres Business Skills, Compliance training, Five @ 5:00 habit calendar, Apollo Summer of Learning, etc. These programs were hosted on its digital learning platform - apollotyres.percipio.com.

The Europe region saw the launch of the Apollo Laureate program for middle management, in partnership with MindGym. At Enschede plant in the Netherlands, Turbo Dynamics project was initiated, which trained people to create a ready pool, which can be deployed across multiple roles.

In India, the Company's ADMIRE program focused on developing the capabilities of sales teams. A new platform, Apollo LXP, was also launched to support virtual tyre and product category training. The people at Plants were given specific programs for capability development including Total Quality Management training for process improvement, Technical Talk to support functional and technical training, Competency Improvement program to bridge post restructuring competency gap. Other wellness-based programs were also launched to support people including workshops on mental health, first-aid, team building, and so on.

In the reporting year, total 144,405 manhours for training were imparted across the company.

Employee Engagement

In today's competitive environment, employee engagement has emerged as one of the most important drivers of business success. High employee engagement promotes the retention of talent, foster customer loyalty, improve organisational performance and stakeholder value.

In FY22, a global employee engagement survey, Apollo Voice, was launched. This strongly reinforced One Family value, encouraged and empowered all employees to share their Apollo experience. While the overall Sustainable Engagement score of 89 surpassed Global Manufacturing and Autor sector benchmarks, the Company continues to invest resources in looking at key action steps to further strengthen engagement parameters which did not meet employee expectations.

In Europe, promoting a healthy lifestyle during the pandemic was a key focus. The Company distributed care packages, including vitamins supplements and, organised virtual yoga sessions to all employees. Due to pandemic, restrictions engagement activities were conducted virtually.

In India, several engagement activities were facilitated across the plants such as Q Fest, ER Connect, Ignite (leadership connect) and Reach out (BU connect), employee family connect etc. To ensure that employees remain in the pink of health, several activities were initiated like regular Immunity Booster drives, Manase Relax Please, Yoga.

Rewards & Recognitions

Apollo Tyres has initiated various categories of recognition programs to recognise and felicitate the efforts of the employees, at a global level including the Chairman's Award (Employee of the Year) to senior level people, Roll of Honour to people in middle management. Apollo Pillars recognises the long-term contribution of the people towards its growth and success.

Each year, the Company celebrates the 'Chairman's Recognition Week' globally. During the event in 2021, Apollo Pillars, Winners of Roll of Honour, Winners of Covid Warriors were announced. Recognition and Appreciation badges were given to the colleagues and leaders for their exceptional contribution.

In addition to global efforts, rewards and recognition programs are also organised at plant level, like Sponteneo and Wall of Fame.

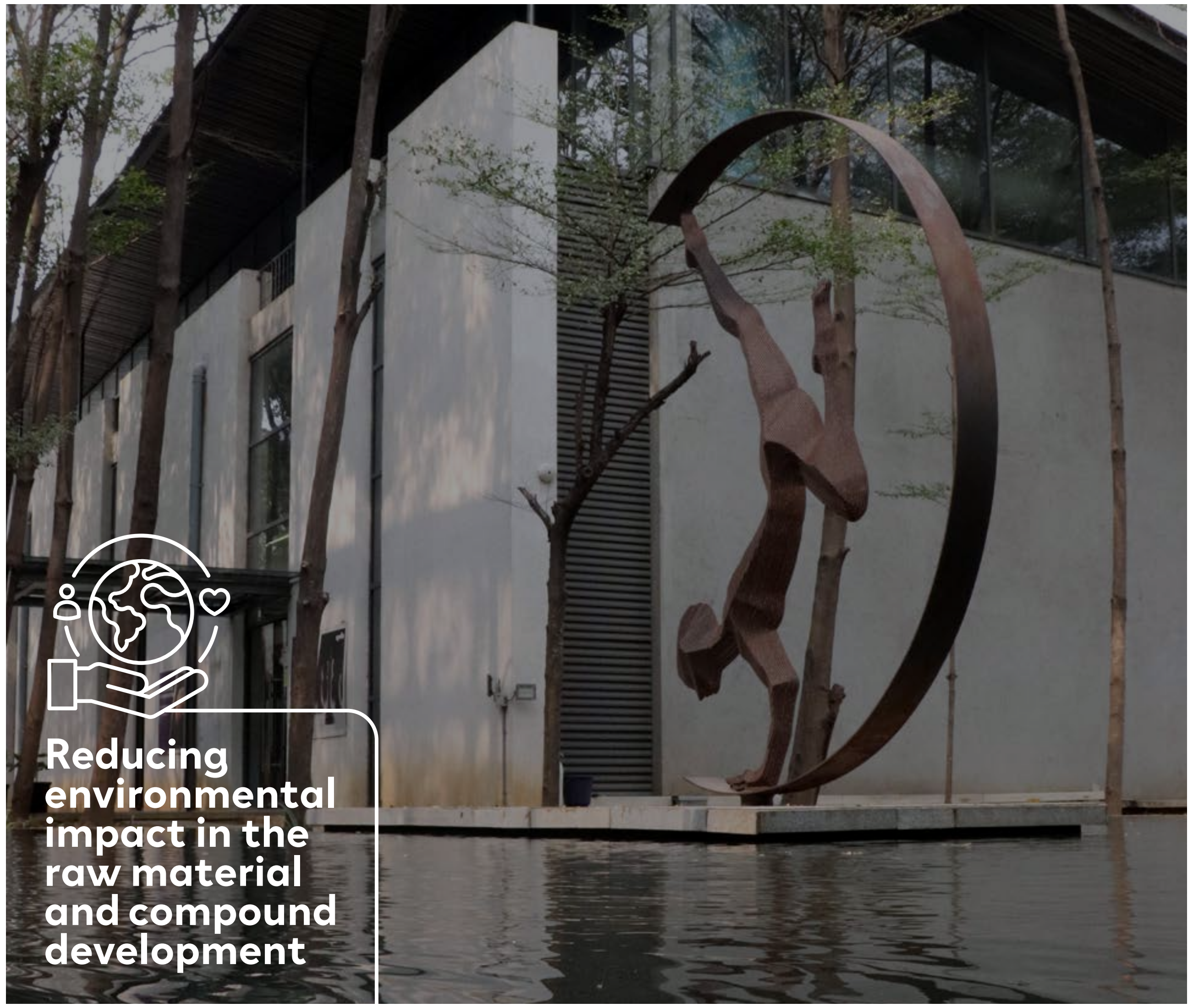
Health & Safety (H&S)

H&S has been an integral part of business operations at Apollo Tyres. It continues to build on its H&S culture transformation journey through strategic involvements and initiatives across 'One Family' value chain.

The Company launched its H&S mission in FY22 – 'Achieving well-being with Always Healthy & Absolute Safety'. The mission aimed to spread awareness among the employees about well-being, health and safety as not being the only important priority at the workplace, but equally important in each aspect of their lives.

More than 2 lakh safety contacts were made on various HSE elements. Loss Time Injury Frequency Rate (LTIFR) at the end of FY22 was reported at 0.41 (35% improvement from FY21). It witnessed three serious accidents in FY22. The Company's risk management projects are introduced to address the gaps associated with incidents in the ecosystem. The detailed initiatives of H&S for FY'22 have been mentioned in the MDA section of the Annual Report.

Creating Products of Tomorrow



Apollo Tyres has been consistently innovating to create products that offer smart solutions as well using prudent manufacturing techniques. The key initiatives include

- Identifying eco-friendly raw materials and establishing the process of their application in compound development
- Developing compound technology using renewable materials
- Identifying recyclable plant-based Biomaterials
- Expanding the application of compounds from recycled rubber and recovered carbon
- Developing the compound using recycled rubber

With a goal to reduce environmental impact in the raw material and compound development, the company has taken significant steps to increase the use of recycled end-of-life tyre (ELT) products in its products. Recycled material usage increased by 6.5% over the previous year and expanded to many components to reduce virgin material consumption. Introduction of reclaim rubber helped the Company to achieve substantial savings too. Silica based tyre production for PCR category was almost 28% which thus reduced the consumption of carbon black, a fossil fuel based reinforcing agent. It has entered into partnerships with recycling companies employing de-vulcanisation technology for enabling tyre-to-tyre recycling to process ELT rubber crumb and other waste rubber into a tyre derived polymer, to enhance the quality of secondary materials. It has entered into partnerships with recycling companies employing de-vulcanisation technology for enabling tyre-to-tyre recycling to process ELT rubber crumb and other waste rubber into a tyre derived polymer, to enhance the quality of secondary materials. Such materials have huge potential to be used in Off-Highway, TBR and PCR tyres. It has several partnerships to make bio-rubber, specifically, bio-polybutadiene, new generation styrene-butadiene rubber, new hydrogenated styrene-butadiene rubber, etc. from fully renewable feedstock, recycled polyester and nylon.

Extended life and Optimising Tyre Weight

This involves reducing environmental impact in the product use/disposal phases

Securing **tyre weight optimisation technology and efficient mass** production technology	Developed **technology that can reduce tyre weight** without performance tradeoff	Introduced technology for **weight optimisation to OE tyre development for new generation electric vehicles (EV)**

The Company has continued its research on tyre weight optimisation to reduce the amount of raw materials used in the raw material acquisition phase, improve fuel economy during use phase and reduce the generation of waste in the disposal phase.

Compliance with Global regulations

To enhance the safety standards, the Government of India has introduced mandatory compliance of new norms for tyre majors (including Rolling Resistance, Wet Grip and Rolling sound emissions). Accordingly, new tyres manufactured will carry star rating / labelling, thus helping the consumers to make informed decisions. The tyre labeling system is envisaged to bring a better informed decision making process for the customer to select and purchase new tyres. It has embraced the new AIS142 standards in India and is compliant with US EPA smart-way program for CV tyres. Further, being a prominent player in EU market, it is also complying to the requirements in Europe.

In support to OEM customers for complying with the law on conflict minerals, it has enabled the supply chain system for traceability of the origin of these minerals supplied to the downstream supplier, up to the smelter levels and mines and the same is periodically reported to the OEMs. Further compliance to other chemical restrictions like REACH, California Prop65, SOC s, TSCA, POPs, PFOA, is strictly adhered to.

Intellectual Capital

The Global R&D centres which represent the Company's Intellectual Capital have produced numerous customer centric innovations till date, helping it to bag prestigious and highly regarded National IP Awards 2020 of India. The award was given for being the 'Top Indian Company/Organisation for Design & Commercialisation. The Company's Global R&D Centres have undertaken and completed many projects in key areas of technology that have a direct bearing on business growth. Some key highlights are mentioned below –

41 patent applications were filed in FY22 (total **190+ active patents across geographies)**

25 design registrations filed in FY22 **(total 200+ designs across geographies)**

22 trademarks filed in **FY22** (approximately **1,600+ active trademarks across geographies)**

BEING FUTURE READY

Apollo Tyres is drawing strategic plans to realise its Sustainability ambitions for FY 26. The Company is keenly engaging with key stakeholders to ensure that its strategy is representative of their views and expectations.

The Company's Sustainability journey has translated into six key priorities, whereby Climate Change takes the centre stage. The work is strengthened by concerted efforts in developing models for low carbon emissions, leading to a roadmap of Renewable Energy being defined. The **Company aspires to have 25% of total power share coming from renewable sources by FY 26.**

Collaboration with all stakeholders remains the mainstay for the Company in advancing its journey towards developing mobility solutions for the future.

Assurance Certificate

The CSR Company International provides Limited Assurance that the process documentation of core subject:

Human Rights

Developed by

Apollo Tyres Ltd.
7, Institutional Area, Sector 32
Gurgaon 122001, India

Presented on 7th February 2022 are aligned with the actions and expectations of ISO 26000: Guidance on Social Responsibility.

Date of Issue: 8th February 2022

Serial Number: 2022/0005
Strovolos Avenue 47/4th floor
2018 Strovolos/Nicosia
Cyprus

CSR company international

Martin Neureiter, CEO
The CSR Company International

BUREAU VERITAS 1828

Bureau Veritas Certification

Certificate of Verification

For

APOLLO TYRES LIMITED

7, Institutional Area, Sector 32, Gurgaon –122001, India.

Covering operations within the geographical boundary of the manufacturing units as provided in Annex 1 below.

Bureau Veritas (India) P. Ltd. has carried out the assurance of the following data of the above organization for the manufacturing plants as reported under Annex II, in accordance with its own internal protocol and the results are as below.

Sr. No	Name of the organization	Quantity of raw water intake (m3 per Year)	Quantity of water recycled (m3/year)	Water Intensity (m^3 of raw water intake / MT of product) *
1	Apollo Tyres Limited*	23,74,569	9,01,849	3.65 m^3/MT

** - Detailed breakup provided in Annex II*

 # - This certificate of verification shall be read in conjunction with referred assessment report

Reporting year: 1st April 2021 to 31st March 2022

Level of Assurance: LIMITED

Assessment Report reference: 14567048 #

To check this certificate validity please call: **+91 22 6274 2000.**

Further clarifications regarding the scope of this verification certificate may be obtained by consulting the organisation.

Certificate Number: **IND.22.14411/WB** *Date:* **12 June 2022**

Jagdheesh N. MANIAN
Director – CERTIFICATION, South Asia
Commodities, Industry & Facilities Division

Certification / Managing Office Address: Bureau Veritas (India) Private Limited (Certification Business) 72 Business Park, Marol Industrial Area, MIDC Cross Road "C", Andheri (East), Mumbai – 400 093, India.

TÜV INDIA
TÜV NORD GROUP

Greenhouse Gases Verification

Independent Assurance Statement

The inventory of Greenhouse Gas emission in FY 2021-2022 of

Apollo Tyres Limited

apollo TYRES

has been verified in accordance with AA1000AS-V3 along with AA1000AP (2018) as meeting the requirement of ISO 14064-1 and GHG protocol. With application of the mentioned standard the carbon footprint was examined by TUV India Pvt. Ltd. regarding its correctness and completeness and conforms below results.

Direct emissions from fuel consumption (Coal, FO, HSD, NG) is **354,921.45** tonnes of CO_2eq and Indirect emission from purchased grid electricity is **385,615.26** tonnes of CO_2eq, upstream transportation and distribution (**43,119.38** tonnes of CO_2eq), downstream transportation and distribution (**83,394.47** tonnes of CO_2eq), Business Travel (**1820.89** tonnes of CO_2eq) and Ship Freight (FG) outbound (**19,677.43** tonnes of CO_2eq) .

For and on behalf of TUV India Private Limited

Manojkumar Borekar
Product Head – Sustainability Assurance Service
TUV India Private Limited

AA1000
Licensed Assurance Provider
000-138

Date: 11/06/2022
Place: Mumbai, India

Assurance Statement no: 8119295758
www.tuv-nord.com/in

This assurance statement is invaild without annexure 01 of this statement

TÜV®

Complementarity Chart with GRI G4 Standard

GRI 102: General Disclosures

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Organisational Profile		
Disclosure 102-1	Name of the organization	Apollo Tyres Limited
Disclosure 102-2	Activities, brands, products, and services	Value Creation at Apollo Tyres, pg 26
Disclosure 102-3	Location of headquarters	Gurugram, India
Disclosure 102-4	Location of operations	Value Creation at Apollo Tyres, pg 26
Disclosure 102-5	Ownership and legal form	Value Creation at Apollo Tyres, pg 26
Disclosure 102-6	Markets served	Value Creation at Apollo Tyres, pg 26
Disclosure 102-7	Scale of the organization	Value Creation at Apollo Tyres, pg 26
Disclosure 102-8	Information on employees and other workers	Employees, pg 72
Disclosure 102-9	Supply chain	Value Chain – Partners in Progress, pg 50
Disclosure 102-11	Precautionary Principle or approach	Environment – Being an Ecosystem Player, pg 38
Disclosure 102-12	External initiatives	Governance – For an Enabling Ecosystem, pg 34-35
Disclosure 102-13	Membership of associations	Business Responsibility Report, pg 134
Strategy		
Disclosure 102-14	Statement from senior decision-maker	Message from Chairman, pg 10,12
Ethics and integrity		
Disclosure 102-16	Values, principles, standards, and norms of behaviour	Governance – For an Enabling Ecosystem, pg 18
Disclosure 102-18	Governance structure	Governance – For an Enabling Ecosystem, pg 33
Stakeholder engagement		
Disclosure 102-40	List of stakeholder groups	Value Creation Model, pg 26
Disclosure 102-41	Collective bargaining agreements	Employees, pg 72
Disclosure 102-42	Identifying and selecting stakeholders	Value Creation Model, pg 26
Disclosure 102-43	Approach to stakeholder engagement	Governance – For an Enabling Ecosystem, pg 34
Reporting Practice		
Disclosure 102-46	Defining report content and topic Boundaries	ESG Performance Report, pg 22
Disclosure 102-48	Restatements of information	None
Disclosure 102-49	Changes in reporting	None
Disclosure 102-50	Reporting period	ESG Performance Report, pg 22
Disclosure 102-51	Date of most recent report	ESG Performance Report, pg 22
Disclosure 102-52	Reporting cycle	ESG Performance Report, pg 22
Disclosure 102-53	Contact point for questions regarding the report	Rinika Grover, Vishwa Bandhu Bhattacharya, sustainability@apollotyres.com
Disclosure 102-56	External assurance	Governance – For an Enabling Ecosystem and Annexure. pg 34 & pg 79-81

Topic Specific Standards: Economic

GRI 203: Indirect Economic Impacts

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 203-2	Significant indirect economic impacts	Business Responsibility Report, pg 140

GRI 205: Anti-corruption

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 205-2	Communication and training about anti-corruption policies and procedures	Business Responsibility Report, pg 130

Topic Specific Standards: Environment

GRI 301: Materials

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 301-1	Materials used by weight or volume	Being an Ecosystem Player – Raw Material Footprint, pg 39
Disclosure 301-2	Recycled input materials used	Being an Ecosystem Player – Raw Material Footprint, pg 39
Disclosure 301-3	Reclaimed products and their packaging materials	Being an Ecosystem Player – Raw Material Footprint, pg 39

GRI 302: Energy

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 302-1	Energy consumption within the organisation	Being an Ecosystem Player – Energy Performance, pg 41
Disclosure 302-4	Reduction of energy consumption	Being an Ecosystem Player – Energy Performance pg 41
Disclosure 302-5	Reductions in energy requirements of products and services	Being an Ecosystem Player – Driving Sustainable Consumption, pg 40

GRI 303: Water

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 303-1	Water withdrawal by source	Being an Ecosystem Player – Sustainable Water Use, pg 42
Disclosure 303-3	Water recycled and reused	Being an Ecosystem Player – Sustainable Water Use, pg 43

GRI 304: Biodiversity

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 304-3	Habitats protected or restored	Being an Ecosystem Player – Climate Adaptation & Promoting Biodiversity, pg 44 and Engaging With Communities – Biodiversity Conservation, pg 64-65

GRI 305: Emissions

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 305-1	Direct (Scope 1) GHG emissions	Being an Ecosystem Player – Climate Resilience for a Thriving Ecosystem, pg 38
Disclosure 305-2	Energy indirect (Scope 2) GHG emissions	Being an Ecosystem Player – Climate Resilience for a Thriving Ecosystem, pg 38
Disclosure 305-5	Reduction of GHG emissions	Enabling Sustainable Growth, pg 05

GRI 306: Waste

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 306-3	Waste generated	Being an Ecosystem Player – Cleaner Production for a Sustainable Ecosystem, pg 45

Topic Specific Standards: Social

GRI 403: Occupational Health and Safety

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 403-8	Workers covered by an occupational health and safety management system	Social – Enriching and Empowering for a Prosperous Society - People – Health & Safety, pg 75
Disclosure 403-9	Work-related injuries	Social – Enriching and Empowering for a Prosperous Society - People – Health & Safety, pg 75

GRI 404: Training and Education

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 404-1	Average hours of training per year per employee	Social – Enriching and Empowering for a Prosperous Society - People, pg 74
Disclosure 404-2	Programs for upgrading employee skills and transition assistance programs	Social – Enriching and Empowering for a Prosperous Society - People, pg 74
Disclosure 404-3	Percentage of employees receiving regular performance and career development reviews	Social – Enriching and Empowering for a Prosperous Society – People, pg 72

GRI 413: Local Communities

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 413-1	Operations with local community engagement, impact assessments, and development programs	Social – Enriching and Empowering for a Prosperous Society – Engaging With Communities, pg 54

GRI 414: Supplier Social Assessment

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 414-1	New suppliers that were screened using social criteria	Social – Enriching and Empowering for a Prosperous Society – Value Chain – Partners in Progress, pg 51

GRI 416: Customer Health and Safety

GRI G4 Standard Disclosure Key	Details	Report Section & Page Reference
Disclosure 416-1	Assessment of the health and safety impacts of product and service categories	Social – Enriching and Empowering for a Prosperous Society –Customers Central to Existence, pg 48

Management Discussion and Analysis

India market overview

Economy

Financial Year 2021-22 (FY22) saw the continuing threat of COVID-19 pandemic. The year began on an ominous note with the second wave of the pandemic hitting many countries. The focus for individuals, communities, companies and nations was on finding innovative ways of working in a new normal, leveraging technology with a sharp focus on health and safety.

In the latter half of the year, the new COVID-19 variant - omicron - led to increased mobility restrictions and financial market volatility. The year continued to see supply disruptions, which weighed hard on economic activity. Along with these complexities, inflation was much higher and more broad-based than anticipated.

Despite such difficult times, humanity fought back and ended the year on a high. According to data from the International Monetary Fund (IMF), countries across the globe posted significant growth rates, compared to the deceleration in Calendar Year 2020 (CY20).

The US grew by 5.6% for CY21, compared to 3.4% de-growth a year ago. Overall, the advanced economies bounced back with a strong growth trajectory of 5%, compared to a 4.5% de-growth. The European economy also posted a growth of 5.2% with the sharpest gains registered by the United Kingdom (7.2%), France (6.7%) and Italy (6.2%).

The emerging markets and developing economies collectively posted 6.5% growth, compared to a decline of 2%. China was back on its northward path as it posted 8.1% growth. Such bright sparks globally helped the world economy increase its GDP by 5.9%, compared to a 3.1% de-growth in CY20.

The fiscal year for India saw the severe impact of the dreaded second wave of the virus on healthcare system, resulting in loss of countless lives. Despite the health scare, the country bounced back and saw a rise in demand, which helped shore up private income and expenditures, taking it to pre-COVID levels.

According to data from Government of India, the country's GDP for FY22 expanded to 8.7%, highest in 22 years. The improvement in the economy comes over a GDP contraction of 6.6% for FY21.

Auto segment

It has been a while since the auto industry achieved robust growth and this fiscal will be no different. The last time the industry ended on a high was FY18 when it closed the year with an overall production of 29 million units, posting a robust 15% growth over the previous year.

Since then, the industry has been facing multiple issues including economic slowdown, poor consumer demand, chip-related issues, liquidity crisis and more. This has resulted in poor production growth of 6% (FY19) and two subsequent years of de-growth (15% and 14% for FY20 and FY21, respectively).

FY22 was the year of learning ways to manage the global supply chain bottlenecks, given the continuing impact of COVID-19 pandemic on the global supply chain. Semiconductor chip shortage severely impacted the industry. And yet, one must acknowledge the resilience of the auto players in India, which continued to move ahead despite the challenges. The industry kept the value chain in motion, worked on projects to indigenise parts, focussed on cost control, invested in newer technologies and endeavoured to enhance exports in order to beat the poor consumer sentiment in the country.

While, the Society of Indian Automobile Manufacturers' (SIAM) data does paint a grim picture of a flat growth rate of 1% in the industry's overall production numbers, one needs to look between the numbers to understand that the low-volume, high-value segments like commercial vehicles (CV) and passenger vehicles (PV) have finally delivered on growth promise.

After de-growing for two consecutive previous fiscals, the PV segment posted a compelling growth of 19% in the overall production numbers to close the year at 3.65 million vehicles produced during the year. The segment continued to see significant demand in the utility vehicles which posted a growth of 43% and now account for around 46% of the segment, up from 39% a year ago.

CVs also had a good year as it posted an overall growth of 29% in terms of vehicles produced and closed the year with an overall production number of 0.8 million units. Of course, this is still a far cry from the heydays for CVs in FY19 when the industry had produced over 1.1 million units.

While the industry's overall domestic sales showed a decline of 6%, thanks to poor sales of two-wheelers which dropped by 11% year-on-year, a focussed exports program by all auto companies helped them beat the domestic blues. The overall exports jumped sharply by 36% to close the year with 5.6 million vehicles exported compared to 4.1 million in FY21.

19%

Growth in PV segment

29%

Growth in CV segment

Tyre segment

Like the auto industry, the tyre industry too, had little to cheer for the past two fiscals. With a Compound Annual Growth Rate (CAGR) of just 3% over the past decade (between FY11 and FY21), the industry has witnessed erratic growth. According to the data from Automotive Tyre Manufacturers' Association (ATMA), in the past decade, only twice has the industry seen double-digit growth (13% in FY15 and 10% in FY17). However, FY22 might be a year where the growth might surpass the previous numbers. According to the data released by ATMA for 9 months, the industry has grown at a robust rate of 23%.

23%

Growth registered in 9 months

Europe market overview

Economy

Like the rest of the world, the pandemic left an indelible mark on the European economy. According to data from Eurostat, the statistical office of the European Union (EU), GDP for CY20 fell by 6.6% in the Euro area and by 6.2% in the EU.

While the pandemic managed to ravage Europe, various countries continued to mitigate the spread by implementing temporary lockdowns, encouraging work-from-home and limiting people's transportation.

However, the rapid deployment of vaccines in Europe allowed for opening of economies. Along with pent up consumer demand and strategic government actions to spur demand, the European economy initiated a rebound in CY21. Nevertheless, like the rest of the world, Europe too had to face supply side challenges as the economy struggled to keep pace with the abrupt swings in the level and composition of global demand. This affected several key industries, including global logistics and microprocessors. The region closed the year with a tepid 5% growth.

5%

Growth in European economy

Along with pent up consumer demand and strategic government actions to spur demand, the Europe economy initiated a rebound in CY21.

Auto segment

According to the European Automobile Manufacturer Associations, CY20 was one of the worst years for the PV market. The year saw the biggest yearly decline in car demand since records began. The segment contracted by 24% to 9.9 million units as a direct result of the pandemic. CY21 was no better for the PV segment as sales of new cars declined by 2.4% to 9.7 million units, despite the record low comparison base of CY20. Shortages of semiconductor chips played a major role in the contraction as it impacted production and availability of vehicles to customers.

Looking at the full year for the four major EU markets, Germany posted a decline (-10.1%) in 2021. In contrast, Italy saw the highest increase (+5.5%), followed by Spain (+1.0%) and France (+0.5%) with modest growth.

After a huge drop of 19% in CY20, the CV registrations in the EU increased by 9.6% to reach 1.9 million units. While this was at a lower base and is still to reach the pre-pandemic level of 2.1 million units, it was heartening to see all major EU market, except Spain (-2.8%) posting growth during the calendar year. Italy saw the highest percentage gain (+15.5%) followed by France (+7.8%), while registrations increased by only a modest 0.6% in Germany.

Tyre segment

CY21 was a year of recovery for the tyre industry. Given the contraction in the auto industry, especially in the PV segment, it directly impacted the tyres supply to the OEMs. However, this was offset by the gains made by the industry in the replacement market.

Industry Structure and Developments

India

The tyre industry is directly dependent on business from the OEMs and the replacement market. As per data, the growth is led by all segments of the tyre industry. Riding on the demand upswing in the second half of FY21, the industry continued to see good momentum in the medium and heavy commercial vehicle (M&HCV) segment which grew by 21% for the nine months. Further, the upswing was visible in exports as well which showed a significant upward trajectory for the segment, as it posted an overall growth of 66% for the nine-month period.

The PV segment saw strong demand from both OEMs and the replacement market, and grew by 46% for the nine-month period. Exports for this segment continued to post month-on-month growth and the segment saw compelling growth of 116% for the nine-month period.

India continued to be one of the biggest two-wheeler (2W) tyres market in the world. While the production of 2W tyres saw a dip, the bullish demand from the replacement market continued.

Despite strong momentum in volumes, the tyre industry players had to grapple with margin pressure, as they witnessed a sharp 30% escalation in their overall raw material costs. Additionally, due to the pandemic, the industry saw unprecedented disruptions on the supply chain due to global port congestions, container shortages and blank sailings. The Ocean Freight rates rose over five times on most shipping routes during the year.

Oil prices continued a northward trajectory during the year, scaling a peak of USD 140/bbl on account of geopolitical factors, supply disruptions, inability of OPEC members to increase oil supply as per agreement, and rise in natural gas prices.

Natural rubber availability in India was severely constrained during the April-December period in 2021, on account of weather-related challenges, COVID restrictions in Kerala, and so on. Further, the inverted duty structure on natural rubber (25% or ₹30/kg whichever is lower) continued during the year. The domestic natural rubber prices rose to a seven-year high during the year. The shortfall in domestic availability had to be met through imports from major rubber-producing countries such as Thailand and Indonesia.

Europe

Tyres supply to the OEMs recorded a decline of 8%, as per data from the European Tyre and Rubber Manufacturers Association.

However, the high value OEM truck segment saw robust growth of 25% closing CY21 with 5.8 million units. Along with the OEM truck segment, the overall replacement market brought cheers to the PV industry as it saw a robust growth of 14%, led largely by a 35% growth in all-season segment and single digit growth in the other segments – summer and winter tyres. Like the OEM truck segment, the industry saw growth coming in from the replacement truck tyres segments which registered an increase of 12%. Along with supply to PV OEMs, the replacement agriculture tyres also saw a decline of 3%.

SWOT Analysis

Strengths

- Apollo Tyres has the advantage of a diversified market base across geographies and therefore, it is not completely dependent on the Indian market alone. Further, the Company is working towards establishing and growing operations in other large markets, including ASEAN and North America.
- With its reasonable presence in the two-wheeler segment, the Company is now a full-range tyre player in India and can service the large and growing two-wheeler tyre segment in India.
- The Company is powered by well-established product brands in its key markets – Apollo and Vredestein.
- Apollo Tyres enjoys an extensive distribution network for its products across its two key markets.
- In Europe, the Company's brand, Vredestein, has a heritage of over 100 years and an established presence. It also enjoys a reasonable premium positioning, especially in winter and all season segments.
- The Company has state-of-art manufacturing facilities in India and Europe and with a robust network, it can easily distribute and sell its products across the globe.
- The Company has entered the CV tyre segment in North America, after a successful launch of its passenger vehicle range in this market.
- In India, the Company is a leading brand in the CV and PV segment, which account for the bulk of the industry's revenue. The Company is best positioned to maintain its leadership position in the truck radial and PV segment and drive growth through the same.
- Apollo Tyres has a global and culturally diversified management team driving growth across geographies.
- The Company's research and development (R&D) facilities for PV and CV tyres will play a key role in bringing cutting-edge technology and innovation to drive growth for Apollo Tyres.
- Increased spends on building the corporate brand has made Apollo an enduring brand in India and a recognised one globally.
- Apollo Tyres has long established relationships with global OEM manufacturers, present in India, and has further forayed into the premium OEM segments in India.
- The Company is aggressively pursuing its strategy of building OEM relationships in Europe and has seen key wins.
- The Company's new ranges like Vredestein Wintrac Pro and Vredestein Quatrac Pro have been given top ratings by multiple external media and tyre testing agencies.

Weaknesses

- In a rapidly rising raw material cost scenario, the Company may be unable to pass on cost escalations to consumers in India, in a timely fashion, due to intense competition and various market dynamics, resulting in pressure on margins.

Opportunities

- In India, the Company has a considerable lead over its competition in terms of product brand equity in the truck bus radial (TBR) segment. This implies impressive growth prospects with increasing 'radialisation.'
- Apollo Tyres has a leadership position in passenger car tyres segment with significant growth prospects.
- In India, the Company's two-wheeler tyre product has been widely accepted by the market and there are prospects of scaling up the market share in a fast-growing and profitable segment.
- The Company's highly automated state-of-the-art greenfield plants in Hungary and India are scaling up and are well-positioned to drive growth in the European and Indian market due to a new cost-competitive manufacturing facility.
- Apollo Tyres has started deliveries to European OEM manufacturers endorsing the premium position of its Vredestein brand. This will help to generate replacement demand.
- With the premium positioning of the Vredestein brand in Europe and now with the modern state-of-the-art plant in Hungary, the Company has good prospects for improving its product mix towards a more profitable premium car tyre segment.
- The Company has brought the Vredestein brand in India catering to the higher segment of the market.
- The Company continues to increase its focus on new geographies such as North America and in geographies where it has already made some inroads, such as in the Association of Southeast Asian Nations (ASEAN) and the Middle East. These geographies will be the growth avenues for the future.
- The Company has launched truck tyres in Europe, which will further enhance revenue and market presence.
- Anti-dumping measures in EU against Chinese imports will support the expansion of Apollo's truck tyre footprint.

Threats

- Economic downturn or slowdown in the key markets (India and Europe) can lead to reduced demand and capacity utilisation.
- The continuing lockdown/ disruption situation due to COVID-19 pandemic in many parts where the Company operates can have a significant impact on the business of the Company.
- The coming year will continue to face pressure from raw material costs continuing the need to take large price increases across markets to protect margins.
- A weak Indian currency can result in pressure on margins, since the Company is a net importer.
- Consolidation in the distribution landscape as independent dealers are disappearing, wholesalers and company-owned networks are growing. Internet is playing a major role in this change and this can impact the Company network and profitability.

Segment-wise performance

The Company continued to focus on its key regions - India and Europe. Also, it continued to build its presence in North America with product releases.

In FY22, the APMEA (Asia Pacific/ Middle East/Africa) operation continued its focus on key themes for the Indian market - consolidating its leadership position and expanding market share by introducing new products across segments. Committed investments in R&D and brand building continued to fuel the growth journey of the region to attain market leadership position. The region has seen continued OEM approvals with high satisfaction as well as increased customer acknowledgements. For other countries in the APMEA region, it continued increasing the presence with country specific products, building brand salience and expanding distribution networks.

Committed investments in R&D and brand building continued to fuel the growth journey of the APMEA region to attain market leadership position.

Commercial vehicles

Apollo Tyres maintained its overall leadership across the radial segments in the M&HCV category. This was supported due to the overall strategy of new launches or refreshing the range, investing in expanding the distribution network, investing in dealer relationship and multiple initiatives.

In the truck bus radial (TBR) segment, the Company focussed on ensuring its performance edge and brand advantage as it rolled out improved products across the range in key volume segments.

It introduced the EnduRace MA and extended the benefits of even-wear performance and higher durability to the end customers. The segment also saw the addition of a strategic new product, EnduRace RA(t), an all-wheel fitment tyre. The product established a robust market presence and garnered superior performance feedback.

On the tubeless radial range, the Company made two key additions to its extensive portfolio - EnduRace RD2 for drive fitment and EnduComfort CA2 for premium coaches. Both the products offer the latest advancements in Bead technology and the products have been developed keeping in mind the best performance for the regional and coach segments.

In the truck bus bias (TBB) segment, the Company's new products, Abhimanyu and XT100 HD continued to gain traction with superior performance benchmark in the industry. With more than 2.5 million kms of field and indoor testing, Abhimanyu has been accepted for its growing performance demand for bias tyres from the customers.

During the fiscal, the Company resumed its 'Customer Connect' program and has supported its ambition to increase fitment share across fleets. As part of the program, multiple initiatives were conducted to raise awareness and help customers get the right application to fit with the tyres.

In the light commercial vehicle (LCV) segment, the Company continued to play on its strength of radial technology, significant brand value and a segmental approach to the market. It dominated the market with a high replacement market share. The product quality has made it a favourite with the OEMs and the Company has a high share of business in OEMs.

In pickup and SCV radial segment, the top selling ENDUMAXX LT continued to show consistent gain in volume and market share throughout the year. The Company also strengthened its bias portfolio for the small commercial vehicle (SCV) segment with the launch of 'BHIM'. The product has been appreciated by the customers and business partners alike.

The Company also strengthened its bias portfolio for the small commercial vehicle (SCV) segment with the launch of 'BHIM'.

Passenger vehicle

The Company continued to strengthen its market leadership position in India driven by new product launches, a sharp focus on building brand salience with effective campaigns, expansion of distribution footprint and adding new OEM customers to the Company's portfolio.

Even as the year began under the shadows of the second wave of the pandemic, the Company, with its focus on its initiatives, managed to successfully thwart the headwinds and close the year with a double-digit growth for the overall PV category. The focus on R&D-led product development and continued brand building saw it inching its market share up by nearly 100 basis points.

For the passenger car segment, post the first quarter, the industry saw an increase in demand. The demand saw the Company's Alnac 4G, one of its highest selling patterns in OEM and created for compact SUV, premium hatchback and sedan segments, recording a mighty year-on-year growth.

It also upgraded its Aspire 4G Luxury models and reintroduced it as Aspire 4G+ offering better mileage, handling and ride comfort. The Company's focus on offering premium, best-in-class products for the entire range of cars, saw it offering different sizes of Aspire 4G+ catering to luxury passenger vehicles.

During the fiscal, the Government of India put import of tyres on the restricted list, in line with its intent of 'Make in India' initiative.

To cater to the growing demand of premium tyres in India, the Company successfully launched its global brand – Vredestein. Along with Aspire 4G+ and Vredestein product offerings, Apollo Tyres made inroads in the premium/ ultra-premium segment.

The Apollo Amazer 4G life, one of the largest selling tyres in replacement market, continued its northward march recording its highest ever figure of over ₹350k in December 2021 and closing the year with a double-digit growth. Offering fuel efficient products, the Amazer XP grew over 200%.

It is a testimony to the Company's focus on creating top-in-class products accepted by multiple OEMs. The fiscal saw its tyres as standard fitment in most of the launches including XUV700, Punch, New Baleno, MG Astor, Skoda Kushaq, Taigun and Slavia.

350k +

Recorded by Apollo Amazer 4G life

200+%

Growth registered by Amazer XP

Off-highway tyres

The Company's off-highway tyres (OHT) category is focussed on three key sub-segments: Agriculture, Industrial and Earthmovers.

Despite the economic turmoil of FY22, the Agriculture segment had shown growth. However, the momentum got derailed during the fiscal. The second wave of COVID-19 in the beginning of the fiscal had a big impact on rural India. Even as the industry started seeing some revival in demand, a rainfall deficit in July-Aug, followed by heavy rainfall in September 2022 dampened the sentiments.

In addition, rise in commodity prices saw a drop of income in the hand of the consumer, putting the entire hinterland in distress. All these factors saw a contraction in demand and the impact was visible in both OEM and replacement markets.

The tractor sector de-grew and the replacement market also did not fare better leading to a sharp decline over a high base of FY22. Adding to the woes of the industry, increasing raw material prices continued to put pressure on profitability.

Apollo Tyres continued to strengthen its product range by further expanding its robust portfolio. Thanks to the brand presence of well-established products like Farmking, Virat 23 and Krishak Gold, the Company sustained its market share gain of FY22 even as it further consolidated its position in special application segments like compact, puddling and row crop.

The Company's industrial segment faced strong headwinds due to the slowdown in the infrastructure growth, especially road construction. The segment saw a decline in volumes mainly for the backhoe loader segment, while it registered growth in non-backhoe segments.

In the earthmover segment, the Company made inroads in coal and cement-based applications while the mining segment continued to grow.

Two-wheelers

In keeping with its overall strategy of bringing in top class products, focus on brand campaigns and increasing distribution footprint, the Company's two-wheeler category made significant inroads in the high-value, highly profitable premium motorcycle tyre market following a similar strategy, thus increasing its market share to reach double digits.

The Company's full range strategy supported it to cross sell the two-wheeler products to customers of agriculture and car category, both in the rural and urban markets.

The fiscal saw the launch of the 'Vredestein' brand for two-wheelers in India. The Company launched the Vredestein Centauro ST and Vredestein Centauro NS, targeting the 650cc plus category of super sports and sport touring bikes.

With the Vredestein brand, the Company plugged its product gap and covered all major international brands like Triumph, Ducati, Kawasaki and Yamaha, among others.

The Company launched the Vredestein Centauro ST and Vredestein Centauro NS, targeting the 650cc plus category of super sports and sport touring bikes.

Brand building

The digital platform continued to be key for brand building as it gave a larger exposure to the Company's marketing and communication initiatives and other brand building content.

The year saw multiple launches on the digital platform including Apterra Cross. This was supported by an amplification on various digital platforms and focus on digital events in over 14 cities. Considering the success of the previous fiscal, the Company continued its association with PowerDrift for its Apterra range. The travel-oriented videos have garnered over 3 million views with positive interactions.

Bringing the much-acclaimed Vredestein brand to India was the year's biggest highlight. The Vredestein passenger and two-wheeler tyres saw a grand launch in Mumbai, India followed by a track day event with key stakeholders including auto journalists and influencers, to help them experience the brand. To further enhance the 'premiumness' of the brand, the Company tied up with various golfing events across the country.

In the two-wheeler segment, the Company focussed on its ActiGrip R6 and ActiGrip F6 tyres for Royal Enfield motorcycles. It also created a product film, 'Adventure Borne', to highlight the ethos of ActiGrip R6.

The products and the campaign were marketed via digital and social media, and biking events across cities. The marketing efforts helped in reaching out to more than 3.5 million people. As part of the brand building initiatives for the segment, the Company continued to be in touch with its loyal communities across cities via digital variants of its flagship 'Bad Road Buddies' initiative and regional biking events.

The product film, 'Adventure Borne', highlights the ethos of ActiGrip R6 tyres.

Beyond India

With operations in key regions such as ASEAN, Middle East and Africa as part of the APMEA region, the Company continued to invest in brand building, working on the requirements of each region to bring country-specific products.

Europe

In Europe, the Company largely operates in the replacement market in PV, agriculture, industrial, truck and bicycle segments, even as it continues to make inroads into the OEM segment in PV and agriculture.

During FY22, the Company focussed on adding new sizes to its product lines introduced in FY21 and consolidate the market offering. The year saw the product launches and marketing initiatives in line with this strategy as it added 24 sizes in the ultra-high performance (UUHP) tyre segment (19 inches and above) among its All-season and Winter offering – Vredestein Quatrac Pro and Vredestein Wintrac Pro, respectively.

Further, it expanded its offering for the family and executive car segment by introducing 18 sizes in the new summer product Vredestein Ultrac and 11 sizes in the new winter tyre, Vredetstein Wintrac.

It bolstered its Van portfolio with 6 sizes each in All-season and Winter offering – Vredestein Comtrac 2 All Season+ and Vredestein Comtrac 2 Winter+.

The Company also focussed on its other global brand, Apollo, in Europe. The fiscal saw it revamping the business model to make the business leaner and more efficient. It leveraged its global footprint and optimised its product sourcing to ensure best-in-class Apollo branded products in Europe. It introduced four new TBR SKUs and 18 new OHT SKUs for the Europe region.

The strategy to focus on profitable products like agricultural tyres and

high-value niche segment passenger car tyres paid rich dividends for the Company as it posted record sales along with record profitability. Its focus on strengthening the Vredestein brand and the UUHP segment has seen the brand grow in double digits for the fiscal year.

Outlook

The geopolitical strife in Europe and runaway inflation make for an ideal recipe for uncertainty. The ongoing conflict has already impacted global energy prices.

The World Economic Outlook (WEO) update in April 2022 states, "Economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest."

Supply disruptions have become the norm and will result in higher and more broad-based inflation. Private consumption is expected to recover much slowly leading to restrained consumer demand.

In all this, the outlook depends not just on the outcome of the conflict in Europe but also how effectively economic policies deployed under high uncertainty can limit lasting damage from the current external crisis.

According to International Monetary Fund (IMF), global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8% and 0.2% lower for 2022 and 2023, respectively, than projected in January.

For Europe, the IMF has lowered its economic growth in the 19 countries sharing the Euro to 2.8% and is 1.1% points lower than its forecast in January.

For India, the FY23 growth forecast has been slashed to 8.2% from 9.0%, saying that higher commodity prices will weigh on private consumption and investment. This was one of the steepest cuts for emerging economies compared to the IMF's January WEO forecasts.

Amid such see-sawing economic conditions, Apollo Tyres has adopted a cautious approach. The focus continues to be on investing in good cost and cutting down bad cost, employee safety and conserving cash. The Company is cutting down on all avoidable costs and focusing on good cost such as R&D, eTraining, brand building, and so on.

To tap the new demand in the Indian and APMEA markets, the APMEA region will continue to focus on bringing in new products in all its key segments.

Some key launches are planned in the coming year in both TBB and TBR categories including some future flagship products. The products are made to undergo a rigorous testing phase after understanding the customer and the application requirements.

The success of recent launches in FY22 is testimony to the fact that the strategy of investing to build strong R&D capability and testing teams has paid off. Along with new product offerings, the Company will also be enhancing its capacity for high-growth products to meet the demand.

Beyond the product offerings, the Company is also testing innovative sales and service models for fleets. Finally, the region will continue to focus on strengthening and expanding its retail network, both for the CV and PV segments.

The Europe region has been working on refreshing its entire portfolio in the last two years. The results of this strategy have been evident given the enduring growth and market share gain in FY22. The region is confident that these refreshed products and a focus on brand spend on both the Company's global brands, 'Vredestein' and 'Apollo', will help the region to further its position in the market. The region will also focus on expanding the network for the Apollo branded TBR tyres in Europe.

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The success of recent launches in FY22 is testimony to the fact that the strategy of investing to build strong R&D capability and testing teams has paid off.

Risk and concerns

Apollo Tyres has in place a robust risk management framework that identifies and evaluates business risks and opportunities. The Company recognises that these risks need to be managed effectively and mitigated to protect the interest of the shareholders and stakeholders, to achieve its business objectives and to create sustainable value and growth.

The Company's risk management processes focus on ensuring prompt identification of these risks and identification of a mitigation action plan which is monitored periodically to address risks accordingly.

The Company's risk management framework operates with the following objectives:

- Proactively identify and highlight risks to the right stakeholders
- Facilitate discussions around risk prioritisation and mitigation
- Provide a framework to assess risk capacity and appetite; develop systems to raise alarm at appropriate time.

The list of key risks and opportunities identified by the Management are as follows:

Financials

1. **Raw material price volatility**
   - The industry is raw material intensive. Natural rubber, which is a major raw material, is an agricultural commodity and is subject to price volatility and production concerns. Most other raw materials are affected by the movement in crude prices.
   - The industry has already witnessed significant hike in raw material prices. Rising crude oil prices increase raw material costs and may affect the profitability of the Company.
   - Both natural rubber and crude prices are controlled by external environment and are, therefore, beyond reasonable control of the management.
2. **Ability to pass on increasing costs in a timely manner**
   - Demand-supply situation must remain in favour of the industry to enable it to premiumse its products.
3. **Dilution of import restrictions on tyres and increased competition from global players**
   - Dilution of anti-dumping duty on Chinese tyres will increase price competition for the domestic tyre manufacturers.
4. **Radialisation levels in India**
   - Slower-than-expected increase in the radialisation levels in the truck tyre segment may affect Indian operations. Excess capacity may result in competitive pressures.
   - An unexpected quicker increase in the level of radialisation can result in faster redundancy of cross-ply capacities and create a need for fresh investments.
5. **Cyber attacks**
   - The cyber-attack threat of unauthorised access and disruption of business operations continues to increase across the globe.
6. **Repeated outbreak of COVID-19 waves and their impact on economic growth**
   - Several waves of COVID-19 were witnessed in different geographies causing disruptions to supply chain in varying proportion.
   - Demand in the tyre industry is dependent on economic growth and/or infrastructure development. Any slowdown in the economic growth across regions, impacts the industry.
   - In the past few years, the Company has made significant investments to increase production capacities, both in India and Europe. Any slowdown in economic activities, may adversely impact return on such investments.

Social

1. **Manpower and labour**
   - Disruptions due to COVID-19 may impact availability of manpower at our plants.
   - Retaining skilled personnel may become increasingly difficult in India with the increasing demand for talent.
   - Tyre manufacturing is significantly dependent on availability of skilled labour. Any labour unrest, shortage of labour or diversion of labour to other industries may impact tyre production.

Internal controls and systems

The Company believes that internal controls is one of the key pillars of governance, which provides freedom to the management to operate within a framework of appropriate checks and balances. Apollo Tyres has a robust internal control framework, which has been instituted considering the nature, size and risks in the business.

The framework comprises a well-defined organisation structure, roles and responsibilities, documented policies and procedures, financial delegation of authority, ERP controls, among others. IT policies and processes ensure mitigation of business risks through controls. These policies are complimented by a management information and monitoring system, which ensures compliance with internal processes, as well as with applicable laws and regulations.

The Company's internal control environment ensures efficient conduct of operations, security of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Company uses SAP as its core enterprise resource planning (ERP) software. The ERP controls are regularly evaluated. Systems and processes are continuously improved by adopting best-in-class processes and automation, and implementing the latest digital tools.

Apollo Tyres has a culture of internal controls. The operating management is not only responsible for revenue and profitability, but also for maintaining financial and commercial discipline within an internal control framework.

The Company has a well-established, independent, and in-house internal audit function that is responsible for providing assurance on compliance with operating systems, internal policies and legal requirements. It also suggests improvements to systems and processes. The Company has also identified and documented key internal financial controls for critical processes across all plants, warehouses and offices wherein financial transactions are undertaken.

The financial controls are evaluated for operational effectiveness through management's ongoing monitoring and review process, and are independently evaluated by the internal audit team.

The head of internal audit reports functionally to the Audit Committee and administratively to the Chairman and Managing Director of the Company. Key internal audit findings are presented to the Audit Committee in quarterly meetings.

Most importantly, the senior management sets the tone of 'no tolerance to non-compliance' and promotes a culture of continuous innovation and improvement. The management also supports independent and objective internal auditing and implements recommendations of the internal audit.

Discussion on financial performance with respect to operational performance

The financial statements have been prepared in accordance with the requirement of the Companies Act, 2013, and applicable accounting standards issued by the Institute of Chartered Accountants of India. The management of Apollo Tyres Ltd accepts the integrity and objectivity of these financial statements as well as the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements are reflected in a true and fair manner and also reasonably present the Company's state of affairs and profit for the year.

(₹ Million)

Sl. No.	Particulars	Year Ended March 31, 2022 (Standalone)	Year Ended March 31, 2021 (Standalone)	Year Ended March 31, 2022 (Consolidated)	Year Ended March 31, 2021 (Consolidated)
1	**Revenue from operations**				
	Sales	143,068	113,545	205,808	169,546
	Other operating income	3,426	3,789	3,668	4,424
	Total (1)	**146,494**	**117,334**	**209,476**	**173,970**
2	**Expenses**				
	a) Cost of materials consumed	94,938	62,383	109,554	70,653
	b) Purchase of stock in trade	8,466	6,948	22,060	20,093
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(3484)	69	(7,759)	3,198
	d) Employee benefits expense	10,240	9,109	25,742	25,134
	e) Other expenses	22,027	18,481	34,138	26,917
	Total (2)	**132,186**	**96,991**	**183,735**	**145,995**
3	**Operating profit (EBITDA excluding other income) (1 - 2)**	**14,308**	**20,343**	**25,741**	**27,975**
4	Other income	1,269	1,215	1,235	1,294
5	Less: Finance costs	3,822	3,794	4,444	4,430
6	Less: Depreciation & amortization expenses	8,239	7,134	13,997	13,150
7	**Profit before share of profit/ (loss) in associates / joint venture, exceptional items & tax**	**3,517**	**10,630**	**8,535**	**11,689**
8	Share of profit / (loss) in associates / joint venture	-	-	1	-
9	Exceptional items	(13)	(110)	(59)	(6,077)
10	**Profit before tax**	**3,504**	**10,520**	**8,477**	**5,612**
11	Less: Provision for tax				
	Current tax	612	1,904	948	2,247
	Deferred tax	281	1,388	1,143	(137)
	Total	**893**	**3,292**	**2,091**	**2,110**
12	**Profit after tax**	**2,611**	**7,228**	**6,386**	**3,502**

KEY FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios. Please note that there is no significant change of 25% or more in Key Ratios viz. Debtors Turnover, Inventory Turnover, Interest Coverage Ratio, Current Ratio and Debt Equity Ratio as compared to the previous year other than the following:-

Sl. No	Particulars	FY22	FY21	% Change	Explanation
1	Operating Profit Margin	9.77	17.34	-44%	Higher raw material cost led to reduction in operating profit margin.
2	Net Profit Margin	1.78	6.16	-71%	Higher raw material cost led to reduction in net profit margin.

CHANGE IN RETURN ON NET WORTH

Sl. No	Particulars	FY22	FY21	% Change
1	Return on Net Worth*	2.75	8.42	-67%

* Reason for change- Lower profitability led to reduction in return on equity.

Information technology

Digitalisation is a key growth pillar for Apollo Tyres. To accelerate digitalisation, considerable progress has already been made in building a robust foundation.

Further, the Company streamlined its IT operations by creating a single global IT organisation and bringing in specialists in contemporary technologies. Considerable investments were made to ensure cyber security. The outer perimeter of the Company's global network was secured and the defences of key systems were upgraded.

During the year, the Company also received the coveted TISAX certification for the European business, which confirms that its information security management system complies with industry-defined security levels.

The fiscal year saw the Company making serious strides in its Cloud journey with the setting up of the data lake and strengthening of Internet of Things (IoT) capability. The Company now has the capability to stream thousands of data elements every second from production machines to the Cloud. These are now being used to identify and address opportunities to drive productivity, reduce waste and improve product and process quality.

It has set up a digital innovation hub in London. Apart from building capabilities by hiring data scientists, it is partnering with Glasgow University in the UK on several PhD programs with a view to use technologies to solve complex problems around productivity maximisation and elimination of waste.

To support its profitable growth strategy and sweat its assets, the Company has resorted to digital technology and ERP systems. It aims to 'connect' its supply chain, consisting of 165 distribution centres, 19 regional distribution centres and 7 factories, into a single integrated global supply chain. This real time, end-to-end integration will enable the Company to improve accuracy of demand and supply planning and working capital efficiencies.

It has also developed capability to optimise production during capacity constraint periods. The move to Cloud will also strengthen business continuity in case of any IT disaster / major outage.

Health, safety and environment (HSE)

The Company continued to build on its health, safety and environment (HSE) culture through strategic involvements and initiatives across its value chain. It has an integrated business approach to drive HSE synchronisation across business aspects.

During the fiscal, it launched its health and safety mission statement - 'Achieving well-being with always healthy and absolute safety' - on World Day for Safety and Health. The mission was developed to spread awareness amongst the employees about well-being, health and safety in the workplace as well as in each and every aspect of their lives.

To ensure that people are aligned with the new mission, the Company did multiple focused interventions to ensure full participation at all levels and made more than 2 lakh safety contacts on various HSE elements.

(Under the HSE mission, the Company adopted six key elements under two broad themes -System and Processes, and Mindset and Behaviours)

The Company improved its HSE performance from FY21 and significant improvements were observed in the leading indicators (Near misses, unsafe acts/conditions and BBS reporting, training person-days and Gemba observations). Lost time injury frequency rate (LTIFR) at the end of FY22 was reported at 0.41 per million person-hours worked (an improvement of 35% over FY21).

During the fiscal, it adopted ISO HSE Management Systems in all its manufacturing locations and successfully achieved HSE management certification (ISO 14001:2015 and ISO 45001:2018) for its new plant located in Andhra Pradesh. It also successfully completed compliance audits in its six other plants across the globe.

Physical and virtual Gemba observation system continued to be an effective method to engage teams across the globe. It is a widely-used system to involve cross functional teams to find improvement opportunities in the ecosystem. More than 1,700 Gembas were conducted during the fiscal.

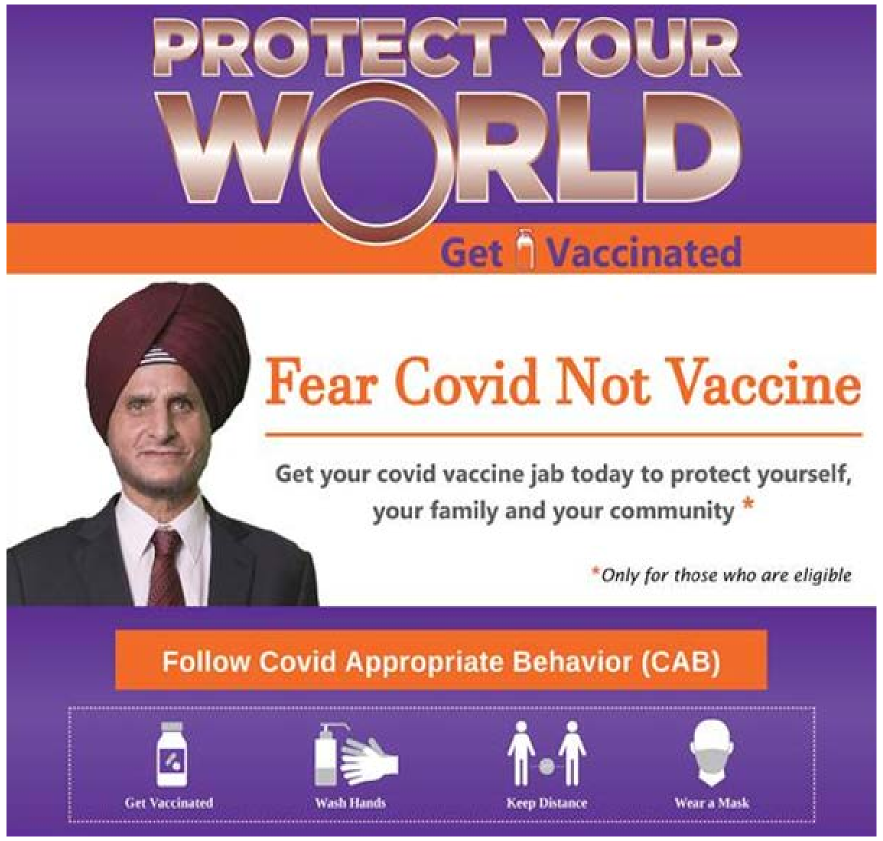
The Company continued its efforts to manage and support people in COVID crisis management. Important steps were taken at crucial periods to pro-actively assess the situation and initiate actions to manage the same.

The Company organised vaccination camps across multiple locations for its employees and their family members. There were continuous messages from the leadership team highlighting the pandemic risks and necessary precautions to be taken to ensure that each employee was safe.

During the dreaded second wave of the pandemic, even as the medical infrastructure in India was overwhelmed due to the large number of cases, the Company supported its employees and their families by procuring and providing oxygen concentrators as emergency medical support. Also, it ensured that its employees were provided with health insurance against COVID-19.

This helped its employees to significantly reduce medical expenses in case of serious health complications due to the virus. Further, to deal with the pandemic, the Company introduced a policy which ensured that in case of death of an employee due to COVID-19, the family would be given two years' pay and the Company will take responsibility of the education of the children till graduation.

Further, the Company engaged physical and mental health experts to guide the employees and provide 24x7 assistance. It created platforms to provide access to people to facilitate quick response.



Development in human resources and industrial relations

The people form the bedrock of the success of Apollo Tyres. Employees are one of the key strengths of Apollo Tyres and HR plays an important role of managing, guiding, engaging and motivating the Company's workforce. Moreover, HR at Apollo Tyres is viewed as a strategic business partner aligned with the business requirements.

Armed with the new vision, 'Driving Progress, Together,' purpose and values rolled out during the fiscal year, the HR continued supporting the Company's 'People first' motto.

Learning and development

In the new normal, as people started returning to their workplaces in the later part of the fiscal, learning and development (L&D) continued to remain a focus area for the Company.

While L&D has always been at the core of the Company's people practice, it has seen a focussed push during the pandemic. The Company has invested in a variety of programs and learning initiatives to hone technical, product, process, leadership and soft skills of the people through classroom, on-the-job and online training.

These programs were curated to achieve business goals, support the Company in becoming future ready and to help the employees understand challenges, learn, grow and #GoTheDistance.

The Company launched several global learning initiatives under the umbrella of Apollo Virtual Academy.

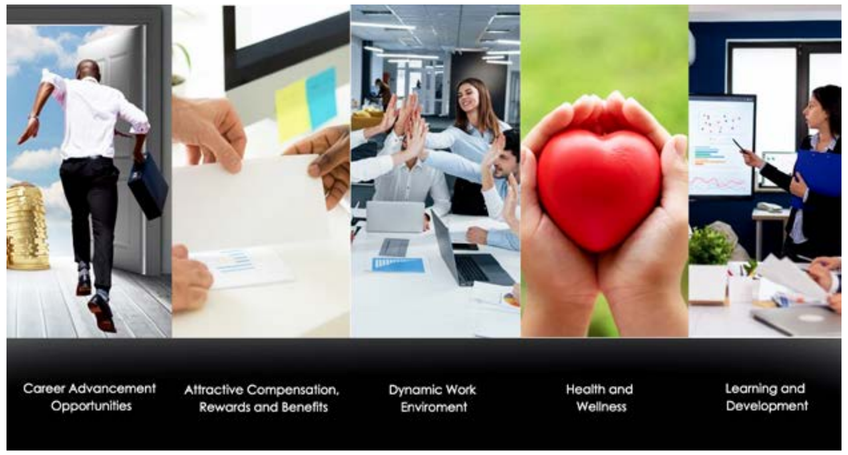
In partnership with Lumina Learning, it established the leadership capability framework which supported it to craft the Apollo Laureate Leadership Development program for emerging and established leaders.

In addition to this, several training were delivered to employees such as Apollo Total Quality Management training, Apollo Tyres Values, Apollo Tyres Business Skills, Compliance training, Five@5 Habit Calendar, Apollo Summer of Learning, and so on.

In Europe, targeted functional trainings were key priorities in the fiscal year. Various programs were launched to build key business capability within finance, sales and marketing teams.

To support the flexible deployment of employees in Enschede plant in the Netherlands, the 'Turbo Dynamics' project was initiated with a training plan developed for flexible employees.

In India, several learning initiatives were launched for the field teams to support their capability building journey across behavioural, functional and leadership areas. Some of these programs include executive coaching and leadership accelerated program for newly on-boarded leaders, ADMIRE program for sales training, among others.



A new platform, Apollo LXP, was also launched to impart virtual tyre and product category training.

The Company's capability development programs for its manufacturing facilities and its global R&D centres in India and the Netherlands focused across several areas including 'Total Quality Management' training for process improvement; 'Technical Talk' to support functional and technical training and 'Competency Improvement' program.

The other programs such as 'Knowledge House', 'SAKSHAM' and 'EVOLVE' continued to support skill transformation.

The Company's two global R&D centres in India and the Netherlands saw capability building on leadership development, functional and product training, and intercultural awareness. Examples include intercultural awareness webinars, personal effectiveness training, tyre academy coaching and mentoring programs.

Employee focus

People practices ranked high on the priority list during the fiscal as the Company introduced multiple practices. Some of these included Apollo Voice (global employee engagement survey), Global Recognition and Retention Plans, Global Rewards (performance bonus), Policy and Alignment, APEX Talent Management and Leadership Competency framework, Global Competency framework and so on.

The global employee engagement survey is an example of the Company's focus on participatory management. It is inspiring to note that its overall sustainable engagement score of 89 surpassed global manufacturing and auto sector benchmarks.

The Company continued to adopt and ameliorate its best-in-class engagement practices. These included focus on promoting a good lifestyle including workshops on mental health, first-aid, team building, Women's Day celebrations, Q fest, ER connect, ladies club, science exhibition for employee wards, coffee break series, Rendezvous with the President, Connect with CTO, and so on.

Over the years, Apollo Tyres has adopted sports as a medium to foster the spirit of camaraderie and competition among its employees, engaging with them on and off the job. Some of the sporting events include Apollo One Family Run, Sports and Arts Council, volleyball, cricket, among others.

The Company aims to contribute to its employees' growth and advancement through job enrichment and rotation. Over 200 employees worked across the Company's offices, plants, field, R&D and Centre of Excellence.

Industrial relations

Labour relations remained conducive in all its operations. The Company has consistently worked in collaboration with trade unions and other employee bodies to improve the working environment for its people, and enhance productivity and cost-effectiveness of the operations globally.

Regular meetings were scheduled with employee representatives, trade union leaders and the management to discuss welfare and productivity-related concerns, and address the grievances of workmen at the grassroots.

During the fiscal, the unions and employees were highly cooperative with the management.

Sustainability

The Company's sustainability journey, which began in 2010, was strengthened further during the year. As a part of its sustainability governance, the Company adopted ISO 26000 guidance on social responsibility. The standard operating procedures (SOPs) of six core subjects, namely fair operating practices, consumer issues, environment and community development, labour and decent workplace, and human rights, have been assured by a third party. Additionally, across its key regions, the Company continued to focus on two key themes of'Environment' and 'Social'.

Environment

In the fiscal, the Company continued its efforts in core areas of biodiversity conservation and waste management. Local initiatives included activities towards climate change mitigation and watershed management. It initiated the Miyawaki Afforestation initiative in Gujarat, India and planted over 10,000 plants of different varieties for carbon sequestration.

The Company was recognised by the Kerala State Biodiversity Board for exceptional work done for biodiversity conservation. Also, it partnered with the same board to create a biodiversity park in Perambra, Kerala, India.

In Europe, the Company joined hands with Municipality of Enschede on the 'Stadsbeek' project which aims to solve the existing problems of rainwater and groundwater levels to enhance the living environment.

Social

The Company continued to ramp up its healthcare program for the trucking community across 32 centres in 19 states of India. The healthcare centres continue to provide COVID awareness and a preliminary test to the trucking community. During the fiscal, it partnered with state and local governments for conducting vaccination drives across 32 healthcare centres. Over 1.4 lakh beneficiaries received COVID vaccination.

The Company has joined the 'Jan Andolan' for tuberculosis (TB) free India to contribute to India's national TB elimination program which aims to eliminate TB from India by 2025. It partnered with USAID and the Union and Central TB division for this initiative. During the fiscal, it organised two campaigns for TB identification amongst the trucking community.

Additionally, in the reporting year, two webinars on the theme of Partnership for Action against TB (PAcT) were organised. The main aim of the webinar was to invite more corporates to join the partnership for TB elimination. With its consistent effort, the Company has mobilised over 15 corporates who have joined the 'Corporate TB Pledge'.

To facilitate TB testing and treatment at the doorstep, it has inaugurated seven new designated microscopic centres (DMCs).

A total of 13 DMCs has been established so far since inception of this TB initiative. The work in this domain has earned recognition certificate by the Ministry of Health and Family Affaires. The Company continues to be recognised for its healthcare initiative for the trucking community.

Under the community development theme, the focus has been around aiding the livelihood and enhance income generation for women and farmers to improve farming practices. During the fiscal, over 2,700 rural women received income generation training and over 5,000 women were linked with various government welfare schemes and availed benefits worth ₹3.7 crores.

One of Company's livelihood initiative, Navya, ran its annual 'Ek Naam' campaign, in partnership with Alliance Francaise and CSRBOX to felicitate eight exemplary women beneficiaries who created their identity by breaking the bias and stood against odds. These women have not only created the livelihood opportunities for themselves but also for their community.

1.4+ lakh

Beneficiaries received COVID vaccination

5,000+

Women linked with various government welfare schemes

₹3.7 crores

Benefits availed by women

Board's Report

Dear Member,

Your Directors have pleasure in presenting the 49th Annual Report on the business and operations of Apollo Tyres Ltd. ("the Company"), together with the audited financial statements for the financial year ended March 31, 2022.

FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended March 31, 2022 is summarised below:

(₹ Million)

Particulars	Year Ended Standalone		Year Ended Consolidated	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Sales	143,068	113,545	205,808	169,546
Other operating income	3,426	3,789	3,668	4,424
Revenue from operations	**146,494**	**117,334**	**209,476**	**173,970**
Operating profit (EBITDA excluding other income)	**14,308**	**20,343**	**25,741**	**27,975**
Other income	1,269	1,215	1,235	1,294
Less: Finance costs	3,822	3,794	4,444	4,430
Less: Depreciation & amortization expenses	8,239	7,134	13,997	13,150
Profit before share of profit/ (loss) in associates / joint venture, exceptional items & tax	**3,517**	**10,630**	**8,535**	**11,689**
Share of profit / (loss) in associates / joint venture	0	-	1	0
Exceptional items	(13)	(110)	(59)	(6,077)
Profit before tax	**3,504**	**10,520**	**8,477**	**5,612**
Less: Provision for tax	893	3,292	2,091	2,110
Profit after tax	**2,611**	**7,228**	**6,386**	**3,502**

OPERATIONS

The tyre industry is dependent on the business from the OEMs and the Replacement market. According to the data from Automotive Tyre Manufacturers' Association (ATMA), in the past decade, only twice has the industry seen double digit growth (13% in FY15 and 10% in FY17). However, FY22 might be a year where the growth might surpass the previous growth numbers. According to the data released by ATMA for 9 months, the industry has grown at a robust 23%.

In the European market, given the contraction in the auto industry and especially in the PV segment, it directly impacted the tyres supply to the OEM segment which recorded a decline of 8%, as per data from the European Tyre & Rubber Manufacturers Association. However, this was offset by the gains made by the industry in the Replacement market which grew by 14%, led largely by a 35% growth in all-season segment and single digit growth in the other segments – summer and winter tyres.

The industry also saw solid growth coming in from the OEM Truck segment which grew by 25%. Even the replacement Truck tyres segment registered an increase of 12%.

The standalone revenue from operations of your Company was ₹ 146,494 million during FY22 as against ₹ 117,334 million during the previous financial year. EBITDA (excluding other income) was at ₹ 14,308 million as compared to ₹ 20,343 million during the previous financial year. The Net Profit for the year under review was ₹ 2,611 million, as against ₹ 7,228 million in the previous fiscal.

The consolidated revenue from operations of your Company was ₹ 209,476 million during FY22, as compared to ₹ 173,970 million in FY21. The consolidated EBITDA (excluding other income) was ₹ 25,741 million for FY22 as compared to ₹ 27,975 million for the previous financial year. On consolidated basis, Apollo Tyres earned a Net Profit of ₹ 6,386 million for FY22 as against ₹ 3,502 million for the previous financial year.

RAW MATERIALS

The year under review witnessed a sharp ~ 30% increase in the raw material cost. The year began with the COVID-19 Delta variant subduing demand followed by successful vaccination program in the country which helped mitigate the Omicron wave towards end of the year. The supply chains reeling under COVID-19 were subjected to unprecedented disruptions on account of global port congestions, container shortages and blank sailings. The ocean freight rates rose by over 5 times on most shipping routes during the year.

FY22 had multi-year highs in most commodities in the Energy, Metals and the Agriculture space. The Bloomberg

Commodity Index rose by 45% while the S&P Goldman Sachs Commodity Index increased by 54% in FY22.

The Rupee started the year at a level of 74 against the US Dollar and weakened to a level of 76 by the end of the year.

Oil prices continued their northward ascent during the year scaling a peak of USD 140/bbl on account of geo-political factors, supply disruptions, inability of OPEC members to increase oil supply as per agreement and rise in Natural Gas prices. Brent Crude Oil started the year in the range of USD 65/bbl rising steadily to USD 80/bbl by Q3. This was followed by Crude breaching the level of USD 100/bbl in Q4. The prices rose by 75% during the year.

Natural Rubber availability in India was severely constrained during the period April to December 2021 on account of weather related challenges, COVID-19 restrictions in Kerala, etc. The Port Restriction on imports of Natural Rubber continues with imports allowed only at Nhava Sheva and Chennai ports. The inverted duty structure on Natural Rubber @ 25% or ₹ 30/kg whichever is lower continued during the year. The domestic Natural Rubber prices rose to 7 year highs during the year. The shortfall in domestic availability had to be met through imports from major producing countries such as Thailand and Indonesia.

The Company has partnered with the Government of India in developing new Natural Rubber plantations in the North East of India under the Prime Ministers' Atma Nirbhar Bharat Scheme. The project is designed to implement the scheme for developing 200,000 hectares of rubber plantations financially supported by major tyre companies with technical support and coordination by the Rubber Board under the Ministry of Commerce.

The Crude based raw materials – Carbon Black, Synthetic Rubber, Nylon and Polyester Fabric, Chemicals also experienced high input cost increase. The Customs duty on Polyester Fabric was increased from 5% to 20% in February 2022.

The Company taking forward the Sustainability initiative in the Raw Material Supply Chain organized a virtual Global Partners' Summit 2021 under the theme "Sustainability in Uncertainty – the Challenges Ahead". The Vision 2025 together with the Sustainable Procurement Roadmap was shared with over 600 representatives of Raw Material Business Partners.

The Company successfully managed the Global Supply Chain disruptions through focus on building Resilience in the Supply Chain, increasing near Sourcing, Inventory Management and leveraging Raw Material Business Partner relationships.

DIVIDEND

Your Company has a consistent track record of dividend payment. The Directors are pleased to recommend a dividend of ₹ 3.25 (325%) per share of ₹ 1/- each on Equity Share Capital of the Company for FY22 for your approval.

The dividend, if approved, shall be payable to the Members holding shares as on cut-off date i.e. June 17, 2022.

RESERVES

The amount available for appropriations, including surplus from previous year amounted to ₹ 44,699.87 million. Surplus of ₹ 42,635.79 million has been carried forward to the balance sheet. A general reserve of ₹ 1,000 million has been provided.

BOARD OF DIRECTORS

A) Appointment/ Re-appointment of Directors

Ms. Lakshmi Puri (DIN: 09329003) was appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 consecutive years with effect from October 29, 2021 to October 28, 2026 by the Members through Postal Ballot dated December 19, 2021.

In line with the succession planning of the Company and to separate the roles of Chairman and Managing Director, Mr. Onkar Kanwar (DIN:00058921) has desired to step down from his current position of Managing Director with effect from January 31, 2023 and will continue to act as Non-Executive Director designated as "Chairman" with effect from February 1, 2023 subject to your approval at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Robert Steinmetz (DIN: 00178792) and Mr. Sunam Sarkar (DIN: 00058859), Directors of the Company, are liable to retire by rotation and being eligible offers themselves for re-appointment.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and hold highest standards of integrity.

None of the aforesaid Directors are disqualified under Section 164(2) of the Companies Act, 2013. Further, they are not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

B) Changes in Directors and Key Managerial Personnel

During the year under review and between the end of the financial year and on the date of this report, apart from aforementioned appointment/ re-appointment of Directors, Ms. Anjali Bansal (DIN: 00207746), Independent Director had tendered her resignation as an Independent Director of the Company with effect from end of the business hours of September 13, 2021, due to other preoccupations. She has also confirmed that there is no material reason for her resignation.

There are no changes in Key Managerial Personnel of the Company.

C) Declaration by Independent Directors

In terms with Section 149(7) of the Companies Act, 2013, Independent Directors of the Company have submitted declarations that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and also Regulation 16(l)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also complied with the Code for Independent Directors as per Schedule IV of the Companies Act, 2013. All our Independent Directors are registered on the Independent Directors Databank.

D) Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board is required to carry out annual evaluation of its own performance and that of its Committees and individual Directors. The Nomination and Remuneration Committee (NRC) of the Board also carries out evaluation of every Director's performance. Accordingly, the Board and NRC of your Company have carried out the performance evaluation during the year under review.

For annual performance evaluation of the Board as a whole, it's Committee(s) and individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself by rating the performance on each question on the scale of 1 to 5, 1 being Unacceptable and 5 being Exceptionally Good.

On the basis of the response to the questionnaire, a matrix reflecting the ratings was formulated and placed before the Board for formal annual evaluation by the Board of its own performance and that of its Committees and individual Directors. The Board was satisfied with the evaluation results.

E) Separate Meeting of Independent Directors

In terms of requirements under Schedule IV of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on February 15, 2022.

The Independent Directors at the meeting, inter alia, reviewed the following:-

- Performance of Non- Independent Directors and Board as a whole.
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

F) Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, laid down a Nomination & Remuneration Policy for selection and appointment of the Directors, Key Managerial Personnel and Senior Management and their remuneration. The extract of the Nomination and Remuneration Policy covering the salient features are provided in the Corporate Governance Report forming part of Board's Report.

The Nomination & Remuneration Policy of the Company is available on the website of the Company and the web link is: https://corporate.apollotyres.com/investors/corporate-governance/?filter=CodesPolicies

G) Code of Conduct for Directors and Senior Management

The Company has formulated a Code of Conduct for Directors and Senior Management Personnel and has complied with all the requirements mentioned in the aforesaid code. For further details, please refer the Corporate Governance Report.

NEW CORPORATE IDENTITY AND VISION 2025

The Company, on June 18, 2021, had unveiled its new corporate identity and vision 'Driving Progress, Together' setting the path for the next 5 (five) years. As a parent Company for both the Apollo and Vredestein tyres product brands, the Company is committed to bringing together a global community and fostering a diverse and inclusive culture, that powers innovation to transport, both its business and society forward.

This vision is supported by the organisation's purpose, 'Enabling Excellence', a belief that excellence should be universally accessible, and the Company's role is to connect people globally to the tyres, tools and support they need to reach their potential.

With this corporate identity, the Company has built a new purpose and vision for the whole organisation that everyone can identify with. The current Apollo Tyres logo will continue as the identity for the product brand – retaining the strength of the brand equity already established over many years. The exciting new identity unveiled last year for the Vredestein Tyres brand, building on its European heritage, will continue as well.

The five key pillars to realise the Company's 5-year vision are Digitalisation, Technology & Innovation, People, Brand and Sustainability.

PRODUCT & MARKETING

The Company continued to focus on its key regions – India and Europe. Also, it continued to build its presence in North America with product releases.

In FY22, the APMEA operation continued its focus on key themes for the Indian market - consolidating its leadership position and expanding market share by introducing new products across segments.

Apollo Tyres maintained its overall leadership across the radial segments in the M&HCV category. This was supported due to the strategy of new launches or refreshing the range, investing in expanding the distribution network, investing in dealer relationship and multiple initiatives.

In the LCV segment, the Company continued to play on its strength of radial technology, strong brand and a segmental approach to the market. It dominated the market with a high replacement market share.

In Pickup and SCV radials, the top selling ENDUMAXX LT continued to show a consistent gain in volume and market share throughout the year. The Company also strengthened its Bias portfolio for the SCV segment with the launch of 'BHIM'. The product has been appreciated by the customers and business partners alike.

In the PV tyres segment, the Company continued to strengthen its market leadership position in India driven by new product launches, a sharp focus on building brand salience with effective campaigns, expansion of distribution footprint and adding new OEM customers to the Company's portfolio. Even as the year began under the shadows of the second wave of the COVID-19 pandemic, the Company, with its focus on the above initiatives managed to successfully thwart the headwinds and close the year with a double-digit growth for the overall PV category. Like its overall strategy of bringing in top class products, focus on brand campaigns and increasing distribution footprint, the Company's two-wheeler category followed a similar strategy and made significant inroads in the high-value, highly profitable premium motorcycle tyre market, increasing market share to reach double digits. The Company's full range strategy supported it to cross sell the two-wheeler products to customers of agriculture and car category, both in the rural and urban markets.

In Europe, the Company largely operates in the replacement market in PV, agriculture, industrial, truck and bicycle segments, even as it continues to make inroads into the OEM segment in PV and agriculture.

During FY22, the Company focussed on adding new sizes to its product lines introduced in FY21 and consolidate the market offering. The year saw the product launches and marketing initiatives in line with this strategy as it added 24 sizes in the UUHP segment (19 inches and above) among its All-Season and Winter offering – Vredestein Quatrac Pro and Vredestein Wintrac Pro respectively. Further, it expanded its offering for the family and executive car segment – 18 sizes in the new summer product Vredestein Ultrac and 11 sizes in the new winter tyre, Vredetstein Wintrac.

A detailed analysis of the Company's key initiatives for both regions have been shared in the Management Discussion and Analysis section of the annual report.

FUTURE OUTLOOK

According to the World Economic Outlook (WEO) update in April 2022, "Economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest." Supply disruptions have become the norm and will result in higher and more broad-based inflation. Private consumption is expected to recover much slowly leading to restrained consumer demand.

Against such see-sawing outlook, Apollo Tyres continues with its cautious approach. The focus continues to be on investing in good costs and cutting down bad costs, employee safety and conserving cash. The Company is cutting down on all avoidable costs and focusing on good costs – R&D, eTraining, brand building, etc.

To tap the new demand coming in the Indian and APMEA markets, the APMEA region will continue to focus on bringing in new products in all its key segments.

Some key launches are planned in the coming year in both TBB and TBR categories including some future flagship products. The products are made to undergo a rigorous testing phase after understanding the customer and the application requirements.

The Europe region has been working on refreshing its entire portfolio in last two years. The results of this strategy have been evident given the strong growth and market share gain in FY22. The region is confident that these refreshed products and a focus on brand spend on both the Company's global brands 'Vredestein and Apollo' will help the region to further its position in the market.

MATERIAL CHANGES AND COMMITMENTS

Except the impact of COVID-19 as mentioned in this report, no material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

The Competition Commission of India (CCI) has issued an order on February 2, 2022 mentioning that it has held five tyre manufacturers and Automotive Tyre Manufactures Association (ATMA) guilty of contravention of the provisions of Section 3 of the Competition Act, 2002 and imposed a penalty of ₹ 425.53 Crores on the Company.

The Company does not agree with the findings of the Commission. The Company has proceeded with an appeal against the judgement and sought stay on the order before the National Company Law Appellate Tribunal (NCLAT).

We would like to reiterate that the Company follows the highest level of governance practices and operates within the letter and spirit of the law.

Other than the aforesaid, no significant and material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

INTERNAL FINANCIAL CONTROLS

Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, timely prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has identified and documented key internal financial controls as part of standard operating procedures (SOPs). The SOPs are designed for critical processes across all plants, warehouses and offices wherein financial transactions are undertaken. The SOPs cover the standard processes, risks, key controls and each process is identified to a process owner. In addition, the Company has a well-defined Financial Delegation of Authority (FDoA), which ensures approval of financial transactions by appropriate personnel.

The Company uses SAP-ERP to process financial transactions and maintain its books of accounts. The SAP has been setup to ensure adequacy of financial transactions and integrity & reliability of financial reporting. SAP was implemented in the European operations in year 2016. SAP was also implemented at Company's Greenfield plants in Hungary and Andhra Pradesh.

The financial controls are evaluated for operating effectiveness through management's ongoing monitoring and review process, and independently by Internal Audit. The testing of controls by Internal Audit are divided into three separate categories viz. a) automated controls within SAP, b) segregation of duties within SAP and restricted access to key transactions, c) manual process controls.

In our view, the SOPs, FDoA, SAP-ERP and independent reviews by the Internal Audit help in establishing adequate internal financial controls with reference to the financial statements and such internal financial controls are operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

SUBSIDIARY/ ASSOCIATE COMPANIES

As the Company follows its vision to become a global tyre brand of choice, it has multiple Subsidiaries for facilitating these operations in various countries. As on March 31, 2022, your Company had 34 Overseas Subsidiary Companies (including step subsidiaries), 1 wholly owned Subsidiary in India, 2 Associate Companies and 1 Joint Venture.

During the year under review the Company had made an investment of ₹ 49 million in the equity share capital of Apollo Tyres Centre of Excellence Ltd, a wholly owned Subsidiary of the company. The Company had also made an investment of ₹ 93 million by purchasing 11,66,250 Equity Shares (27.2%) of CSE Deccan Solar Private Limited on January 14, 2022, to get a guaranteed supply of 40 million units of electricity per annum for its Chennai Plant. Consequent to this investment, CSE Deccan Solar Private Limited has become an Associate Company.

Apollo Tyres (Malaysia) Sdn. Bhd. (a wholly owned Subsidiary of Apollo Tyres Holdings (Singapore) Pte. Ltd) had initiated for striking off its name from the Companies Commission of Malaysia and is in the process of liquidation as the company has changed its business model in Malaysia from multiple dealer network to Distributor model.

During the year under review, ATL Singapore Pte Ltd., (a wholly owned Subsidiary of Apollo Tyres Holdings (Singapore) Pte. Ltd) had also initiated for striking off its name from the Registrar and Accounting and Corporate Regulatory Authority (ACRA) and is in the process of liquidation, as the Company had ceased its business operations completely since February 28, 2022 and Company does not have any intention of carrying on business in the future.

Apart from the above, no other Company has become or ceased to be Subsidiary, Associate or Joint Venture of the Company during the financial year.

In order to distinguish between a Corporate and a Brand image of the overall Apollo Group, the Management had decided to change the name of few of its European Subsidiaries as a move towards Corporate Restructuring, Simplification and Operational Convenience. In view of the same, the names of following step-down Subsidiaries were changed during the year under review:

S. No.	Old Name	New Name
1.	Apollo Vredestein B.V.	Apollo Tyres (NL) B.V.
2.	Apollo Tyres B.V	Apollo Tyres (Europe) B.V.
3.	Apollo Tyres (UK) Pvt Limited	Apollo Tyres (UK) Holdings Ltd.
4.	Apollo Vredestein SAS	Apollo Tyres (France) SAS
5.	Apollo Vredestein Tires Inc.	Apollo Tires (US) Inc.
6.	Apollo Vredestein (UK) Ltd	Apollo Tyres (UK) Sales Ltd.
7.	Apollo Tyres (Germany) GmbH	Apollo Tyres (R&D) GmbH
8.	Apollo Vredestein Kft	Apollo Tyres (Hungary) Sales Kft.

S. No.	Old Name	New Name
9.	Apollo Vredestein Belux	Apollo Tyres (Belux) SA
10.	Apollo Vredestein Schweiz AG	Apollo Tyres (Schweiz) AG
11.	Apollo Vredestein GmbH	Apollo Tyres (Germany) GmbH
12.	Apollo Vredestein Nordic AB	Apollo Tyres (Nordic) AB
13.	Apollo Vredestein Gesellschaft m.b.H.	Apollo Tyres (Austria) Gesellschaft m.b.H.
14.	Apollo Vredestein Opony Polska Sp. Zo.o.	Apollo Tyres (Polska) Sp. Z o.o
15.	Apollo Vredestein Iberica S.A.U.	Apollo Tyres Iberica S.A.

CONSOLIDATED FINANCIAL STATEMENTS

As stipulated by Regulation 33 of the Listing Regulations, the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The audited Consolidated Financial Statements, together with Auditors' Report, form part of the Annual Report.

As per the provisions of Section 129 of the Companies Act, 2013, the consolidated financial statements of the Company, its Subsidiaries and Associates are attached in the Annual Report. The annual accounts of Subsidiaries and Associates will be made available to shareholders on request and will also be kept for inspection by any shareholder at the Registered Office and Corporate Office of your Company. A statement in Form AOC-1 containing the salient features of the financial statements of the Company's Subsidiaries, Associates and Joint Venture for the year ended March 31, 2022 is also attached with financial statements.

MATERIAL SUBSIDIARIES

Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 defines a 'material Subsidiary' to mean a Subsidiary whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed Company and its subsidiaries in the immediately preceding financial year.

In addition to the above, Regulation 24(1) of the abovementioned regulations requires that at least one Independent Director on the Board of Directors of the listed Company to be a Director on the Board of Directors of unlisted material Subsidiary, whether incorporated in India or not. For this provision, material Subsidiary means a Subsidiary whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its Subsidiaries in the immediately preceding financial year. Basis this definition, your Company has following five material unlisted Subsidiaries viz. Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.), Apollo Tyres (Hungary) Kft., Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.), Apollo Tyres Cooperatief U.A. and Apollo Tyres Holdings (Singapore) Pte Ltd. as on March 31, 2022.

Pursuant to this, Mr. Akshay Chudasama, an Independent Director of the Company was nominated as Director on the Board of Apollo Tyres (NL) B.V, Apollo Tyres (Hungary) Kft., Apollo Tyres Holdings (Singapore) Pte Ltd. and Ms. Pallavi Shroff, an Independent Director of the Company was nominated as Director on the Board of Apollo Tyres (Europe) B.V. & Apollo Tyres Cooperatief U.A, with effect from April 01, 2019.

Other requirements of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 with regard to Corporate Governance for Subsidiary Companies have been complied with.

a) Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.)

Apollo Tyres (NL) B.V. is a 100% subsidiary of Apollo Tyres (Europe) B.V. and ultimately held by Apollo Tyres Ltd, India, a listed multinational organisation, and a global tyre manufacturer.

The Company focuses on developing, manufacturing, marketing, sales and distribution of tyres across various categories including passenger car, truck & bus, agriculture, industrial vehicles and bicycles. The group sells passenger vehicle tyres under two brands, Vredestein and Apollo. The Company has its headquarters based at Amsterdam, Netherlands and production facility based in Enschede, Netherlands. Sales operations are managed by various subsidiary companies across Europe. The group's distribution network covers Europe, its products are also exported to various other countries.

b) Apollo Tyres (Hungary) Kft.

Apollo Tyres (Hungary) Kft. is one of the latest manufacturing facility within Apollo Tyres group. The Company continued to ramp up its production capacity during the year for both passenger & commercial tyres production line.

During the FY22, the Company has made an additional investment in passenger vehicle tyres production line for debottlenecking and line balancing the capacity.

c) Apollo Tyres Holdings (Singapore) Pte. Ltd.

The principal activities of the Company are of sourcing raw materials for Apollo Tyres manufacturing plants in India and Europe besides the provision of other strategic services to the group. 53% of the raw material procurement is for Natural Rubber for the year FY22. Major sourcing countries are Thailand, Indonesia. Company is also outsourcing finished goods for APMEA and Europe regions for certain specific tyre categories.

Global Supply Chain team based out of Singapore consolidates and manages Global Ocean Freight, Transport Optimization, Offtake activities, Supply Chain Cost Analysis, Mould Management and Certification Projects.

In addition, Corporate HR team, based out of Singapore, is managing and facilitating the effective deployment of HR systems and policies, in key areas such as Talent Acquisition, Rewards & Mobility, Talent Management and core HR processes, which are aligned to the business objectives of Apollo Tyres with the mandate of enhancing organizational effectiveness and human capital utilization.

d) Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.)

Apollo Tyres (Europe) B.V. incorporated in Netherlands is a Holding Company with two Subsidiaries, Apollo Tyres (NL) B.V. and Apollo Tyres (Hungary) Kft.

e) Apollo Tyres Cooperatief U.A.

Apollo Tyres Cooperatief U.A., a direct Subsidiary of the Company, was incorporated in the Netherlands. The Company is primarily acting as a Holding Company for all overseas operations.

DEPOSITS

During the year under review, your Company did not accept deposits covered under Chapter V of the Companies Act, 2013.

AUDITORS

M/s. Walker Chandiok & Co LLP, Chartered Accountants, Firm Registration No. 001076N/N500013 (the firm licenses audit software as well as audit methodology from Grant Thornton International Ltd), had been appointed as Statutory Auditors of your Company for a period of 5 years from FY18 to FY22 at the Annual General Meeting held on July 5, 2017. The present term of M/s. Walker Chandiok & Co LLP, Chartered Accountants, would expire at the conclusion of the ensuing AGM.

The Board of Directors of your Company has proposed the appointment of M/s. S.R. Batliboi & Co. LLP (Firm Registration No. 301003E/E300005), Chartered Accountants (Member firm of Ernst & Young Global) as the Statutory Auditors of the Company to hold office from the conclusion of this 49th AGM until the conclusion of the 54th AGM.

The Company has received a letter from the Auditors confirming that they are eligible for appointment as Statutory Auditors of the Company under Section 139 of Companies Act, 2013 and meet the criteria for appointment specified in Section 141 of the Companies Act, 2013. Further, they have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

AUDITORS' REPORT

The report given by M/s. Walker Chandiok & Co LLP, Chartered Accountants, Statutory Auditors on financial statements of the Company for FY22 is part of the Annual Report. The comments on statement of accounts referred to in the report of the Auditors are self explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

COST AUDIT

M/s. N.P. Gopalakrishnan & Co., Cost Accountants, were appointed with the approval of the Board to carry out the cost audit in respect of the Company's plants at Perambra (Kerala), Limda (Gujarat), Chennai (Tamil Nadu) and Chinnapandur (Andhra Pradesh) as well as Company's leased operated plant at Kalamassery (Kerala) for FY22.

Based on the recommendation of the Audit Committee, M/s. N.P. Gopalakrishnan & Co., Cost Accountants, being eligible, have also been appointed by the Board as the Cost Auditors for FY22 subject to Members' approval. The Company has received a letter from them to the effect that their re-appointment would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Companies Act, 2013. The remuneration to be paid to M/s. N.P. Gopalakrishnan & Co., for FY23 is subject to ratification of the shareholders at the ensuing AGM.

Cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 are made and maintained by the Company.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had re-appointed M/s. PI & Associates, Company Secretaries as Secretarial Auditor of the Company for FY22 to undertake secretarial audit of the Company.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Secretarial Audit Report given by Secretarial Auditors is annexed with the report as Annexure I.

MEETINGS OF THE BOARD OF DIRECTORS

A calendar of meetings is prepared and circulated in advance to the Directors. During the year, 5 (five) Board meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of all Board/ Committee meetings held are given in the Corporate Governance Report.

AUDIT COMMITTEE

The details of the Audit Committee including its composition and terms of reference mentioned in the Corporate Governance Report form part of Board's Report.

The Board, during the year under review, had accepted all recommendations made to it by the Audit Committee.

VIGIL MECHANISM

The Company has formulated a vigil mechanism through Whistle Blower Policy to deal with instances of unethical behaviour, actual or suspected, fraud or violation of Company's code of conduct or ethics policy. The details of the policy are explained in the Corporate Governance Report and also posted on the website of the Company.

COMMITTEES OF BOARD

Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various Committees of Board such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Business Responsibility and Sustainability Committee, Risk Management Committee and Corporate Social Responsibility Committee. The details of composition and terms of reference of these Committees are mentioned in the Corporate Governance Report.

SHARE CAPITAL

During the year under review the issued, subscribed and paid up Equity Share Capital of the Company was 635,100,946 equity shares of ₹ 1/- each. There was no change in the capital structure of the Company.

a) Issue of equity shares with differential rights

Your Company has not issued any equity shares with differential rights during the year under review.

b) Issue of sweat equity shares

Your Company has not issued any sweat equity shares during the year under review.

c) Issue of employee stock options

Your Company has not issued any employee stock options during the year under review.

d) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

Your Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review, your Company has not given any loan or guarantee which is covered under the provisions of Section 186 of the Companies Act, 2013. However, details of investments made during the year are given under notes to the financial statements.

RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Suitable disclosures as required by the Indian Accounting Standards have been made in the notes to the financial statements. The policy on related party transactions as approved by the Board is uploaded on the Company's website.

MANAGERIAL REMUNERATION

a) The details required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in the Corporate Governance Report.

b) During the year under review, Mr. Neeraj Kanwar (DIN: 00058951), Vice Chairman & Managing Director, also received remuneration from Apollo Tyres (UK) Holdings Ltd. (formerly Apollo Tyres (UK) Pvt. Ltd.), wholly owned Subsidiary of the Company.

PARTICULARS OF EMPLOYEES

Particulars of employees as required in terms of the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure A to the Board's Report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has in place a formal policy for prevention of sexual harassment of its employees at workplace and the Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company conduct, from time to time, the awareness sessions on prevention of sexual harassment at workplace for its employees.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Furthermore, there was no pending compliant/ case at the beginning as well as ending of financial year.

HEALTH, SAFETY & ENVIRONMENT

As a firm commitment to Health, Safety and Environment (HSE), the year saw multiple initiatives to implement and review the HSE plans and achieve the defined KPIs. For details on HSE, please refer to Management Discussion and Analysis Report.

AWARDS AND RECOGNITIONS

In its constant quest for growth and excellence, your Company was honoured and recognised at various forums. The prominent Awards are listed below for your reference.

Name of the Award	Category	Awarded by
CSR Health Impact Awards 2021	Health CSR Project- Campaign of the Year Category	Integrated Health & Wellbeing Council
National Intellectual Property Award for the year 2020	Top Indian Co for designs & commercialisation	Indian Intellectual Property Office and Confederation of Indian Industry (CII)
Sustainable Development Goals (SDG) 2021		ET SDG Summit
CSR Times	Health category	CSR Times
All Kerala CSR Award 2020	Environment Sustainability	Kerala Chapter of National Institute of Personnel Management (NIPM)
National Convention on Quality Concepts (NCQC) 2021	Par Excellence award	QCFI
Good Design Award 2021		The Chicago Athenaeum Museum of Architecture and Design
India Risk Management Awards	Masters of Risk	CNBC TV18
Pitch CMO Awards	CMO Sustainability Award	

RISK MANAGEMENT

The Company has constituted a Risk Management Committee (RMC) of the Board comprising of Directors and Senior Executives of the Company. The RMC has a Risk Management Charter and Policy that is intended to ensure that an effective Risk Management framework is established and implemented within the organisation. The Company has also formed Internal Risk Committees (IRCs), which review risk registers for Asia Pacific Middle East Africa (APMEA) Region including India, Europe region and Corporate Functions including United States (US) Region headed by President (APMEA), President (Europe) and Chief Financial Officer as Chairperson of the respective Committees. The IRCs review each risk on a quarterly basis and evaluate its impact and plans for mitigation. Further details about the RMC including its composition are mentioned in the Corporate Governance Report which forms part of the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company initiated its CSR activities way before the Companies Act, 2013 came in existence. The Company has a well-defined CSR policy which is made as per the requirement of Section 135 of the Companies Act, 2013. All the CSR activities are linked with National Development Goals and globally with the Sustainable Development Goals (SDGs).

The Company has a CSR team, which exclusively works towards achievement of CSR goals of the organisation. All the CSR activities of the Company are routed through a registered trust (Apollo Tyres Foundation) and functions with close monitoring and guidance of the CSR committee.

In the reporting year, the Company has undertaken various initiatives related to Healthcare Programme for Trucking Communities, Solid Waste Management and Sanitation Programme for Communities, Livelihood for Underprivileged Women, Biodiversity Conservation and Philanthropy Initiatives; focussing on eradicating hunger and poverty, preventive health and promoting education. Additionally, under Disaster Relief theme, the Company has also undertaken COVID-19 relief activities (mass vaccination, testing and helpline service) for its key stakeholder (trucking community).

Corporate Social Responsibility Report, pursuant to clause (o) of sub section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 including salient features mentioned under outline of Company's CSR policy forms part of this Report as Annexure II.

The CSR Policy of the Company is available on the website of the Company and the weblink is: - https://corporate.apollotyres.com/investors/corporate-governance/?filter=CodesPolicies

BUSINESS RESPONSIBILITY REPORT

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, mandates the top 1000 Listed Companies by market capitalisation to include Business Responsibility Report ("BR Report") in their Annual Report.

Your Company falls under the top 500 Listed Companies by market capitalisation. Accordingly, a BR Report describing the initiatives taken by the Company from an environmental, social and governance perspective, forms part of this Report as Annexure III.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, are given in Annexure IV, forming part of this report.

ANNUAL RETURN

As per Section 134(3)(a) of the Companies Act, 2013, the Annual Return referred to in Section 92(3) has been placed on the website of the Company www.apollotyres.com under the Investors Section (Refer link: https://corporate.apollotyres.com/en-in/investors/corporate-governance/?filter=Others).

CORPORATE GOVERNANCE REPORT

Your Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organisation's corporate governance philosophy is directly linked to high performance.

The Company is committed to adopting and adhering to established world-class corporate governance practices. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large, and strives to serve their interests, resulting in creation of value and wealth for all stakeholders.

The compliance report on corporate governance and a certificate from M/s. Walker Chandiok & Co LLP, Chartered Accountants, Statutory Auditors of the Company, regarding compliance of the conditions of corporate governance, as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as Annexure V to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

(a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL STANDARDS

During the year under review, your Company had complied with all the applicable Secretarial Standards.

ACKNOWLEDGEMENT

Your Company's organisational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilisation of the Company's resources for sustainable and profitable growth.

Your Directors wish to place on record their appreciation to the respective State Governments of Kerala, Gujarat, Haryana, Tamil Nadu and Andhra Pradesh and the National Governments of India, Netherlands and Hungary. We also thank our customers, business partners, members, bankers and other stakeholders for their continued support during the year. We place on record our appreciation for the contribution made by all employees towards the growth of your Company.

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN: 00058921

Place: Gurugram
Date: May 12, 2022

ANNEXURE -1

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Apollo Tyres Limited
(L25111KL1972PLC002449)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Apollo Tyres Limited (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and as applicable to the Company, in the manner and subject to the reporting made hereinafter:

Subject to the limitations given in this report, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

  a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

  c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *(Not applicable to the Company during the audit period)*

  e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

  f. The Securities and Exchange Board of India (Registrars and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client; *(Not applicable)*

  g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(Not applicable to the Company during the audit period)*

  h. The Securities and Exchange Board of India (Buy - back of Securities) Regulations, 2018; *(Not applicable to the Company during the audit period)*

  i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) We further report that with respect to the compliance of the below mentioned laws, we have relied on the representations made by the Company and its officers for system and mechanism framed by the Company for compliances under other the following Specific laws applicable as mentioned hereunder:

  1. Pneumatic Tyres and Tubes for Automotive Vehicles (Quality Control), Order, 2009;

  2. Bureau of India Standards Act, 1986 and the Rules made thereunder as applicable to Tyre Industry; and

  3. Rubber Act, 1947 and Rubber Rules, 1955.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ('Listing Regulations').

Subject to the limitations given in this report, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc.

We further report that:

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(ii) Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(iii) Majority decision were carried through and there were no instances where any director expressing any dissenting views.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following event(s) occurred during the year which have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to above.

i. On February 2, 2022, the Competition Commission of India (CCI) imposed a penalty of ₹ 425.53 crores on the Company and a penalty of ₹ 49,54,135 and ₹ 13,52,697 on two office bearers of the Company, namely Mr. Neeraj Kanwar, Vice Chairman and Managing Director of the Company and Mr. Satish Sharma, Executive Director of the Company respectively for alleged contravention of the provisions of Section 3 of the Competition Act, 2002. The Company has proceeded with an appeal against the judgement seeking a stay on the aforementioned order of CCI before the National Company Law Appellate Tribunal (NCLAT). The said matter is pending before the NCLAT.

ii. The Company issued Commercial Paper amounting to ₹ 2,000 million to ICICI Bank Limited on June 16, 2021 and Commercial Paper amounting to ₹ 2,500 million to Yes Bank Limited on January 18, 2022 and the said Commercial Paper were listed on the debt segment of National Stock Exchange (NSE) only.

For **PI & Associates**
Company Secretaries

Ankit Singhi
Partner
FCS No.: 11685
C P No.: 16274
PR: 1498/2021
UDIN: F011685D000294781

Date: May 12, 2022
Place: New Delhi

The above report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

Annexure A

To,
The Members,
Apollo Tyres Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Compliance Certificate/Management Representation Letter about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **PI & Associates**
Company Secretaries

Ankit Singhi
Partner
FCS No.: 11685
C P No.: 16274
PR: 1498/2021
UDIN: F011685D000294781

Date: May 12, 2022
Place: New Delhi

ANNEXURE -II

Annual Report on Corporate Social Responsibilty (CSR) Activities

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Care for society is one of the core Apollo values and all the CSR initiatives are designed to cater to the need of the community. The CSR initiatives have a clear roadmap that follows the overall vision of the function. The organisation's vision is to create value for its stakeholders by bringing about positive change in their lives through our intervention. All the CSR initiatives are implanted through Apollo Tyres Foundation (registered in 2008) and aligned to national and international development goals.

The organisation has categorised its CSR initiatives in 4 core thematic areas:

1. Healthcare for Trucking Community
2. Solid Waste Management and Sanitation
3. Livelihood for Underprivileged Rural Women
4. Biodiversity Conservation

In addition to the core themes the organisation also conducts some local initiatives in 25-30 km radius of the manufacturing locations. These are Watershed Management and Renewable Energy Proliferation projects.

In continuation to our efforts to serve our stakeholders, to combat COVID the organisation rolled out mass vaccination and testing drive for the trucking community and over 1.41 lakh people were vaccinated.

CSR policy of Apollo Tyres Ltd covers all the activities which are mentioned in Schedule VII of Companies Act, 2013 but does not include the following:

1. Activities undertaken in pursuance of normal course of business of the Company
2. Activities that benefit only the employees of the Company and their families
3. Contribution to any political party

Programmes proposed to be undertaken

Following are the proposed initiatives which will be undertaken by the Company:

1) **Healthcare Programme for trucking community** at 32 transhipment locations in 19 States (ongoing. Incorporate more health services at the locations and explore partnership for greater outreach).

2) **Solid Waste Management and Sanitation Programme** (SPARSH) in different transhipment hubs and communities around manufacturing locations (ongoing). Introduction of up-cycle products from waste. End of Life Tyre Playgrounds at selected locations and toilet with bathing facility initiative to promote safe sanitation at Chennai, Baroda and Chinnapanduru locations.

3) **Livelihood for underprivileged women:** Income generation trainings, linking more number of beneficiaries with financial institution and local market for business development and involving more number of women in livelihood activities. Expansion at Baroda, Kottayam, Chennai and AP location (ongoing).

4) **Biodiversity Conservation:** Mangrove conservation project at Kannur, Kerala. Conservation and maintenance of biodiversity parks in Kochi, Tree plantation with objective of carbon sequestration at Tamil Nadu (ongoing), biogas project at Baroda location (ongoing). Miyawaki afforestation project at Gujarat (initiated in FY22).

5) **Local Initiatives:** Watershed management project such as pond conservation and drinking water project around manufacturing units. Support to Anganwadi Centres etc.

6) **Philanthropic Initiatives:** Sponsorship of education of underprivileged girls in Dehradun, Uttrakahand (Himjyoti School), ration support to homeless people (DAVO Ngo) and others during the year.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Onkar Kanwar	Chairman	2	2
2	Mr. Sunam Sarkar	Member of the Committee	2	2
3	Gen. Bikram Singh (Retd.)	Member of the Committee	2	2
4	Ms. Anjali Bansal*	Member of the Committee	2	1

*ceased to be a Member of the Committee w.e.f. September 13, 2021

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

   https://corporate.apollotyres.com/sustainability-and-ethics/policy-and-documents/

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

   Yes, the company has conducted impact assessment studies for its three programmes.

   i. Healthcare for Trucking Community

   ii. Livelihood for rural women

   iii Water Conservation (Eco restoration of ponds and access to potable water) **Please refer to Annexure A**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ Million)	Amount required to be set-off for the financial year, if any (in ₹ Million)
1	FY-1 (31-03-2021)	0.00	0.00
2	FY-2 (31-03-2020)	0.00	0.00
3	FY-3 (31-03-2019)	0.00	0.00
	TOTAL	**0.00**	**0.00**

6. Average net profit of the Company as per Section 135(5): ₹ **8194.25 Million**

7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹ **163.89 Million**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹ **23.28 Million**

   (c) Amount required to be set off for the financial year, if any: **NIL**

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **187.17 Million**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Million)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (in ₹ Million)	Date of Transfer	Name of the Fund	Amount	Date of transfer
187.17	0.00			0.00	

8. (b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/ No)	(5) Location of the project: State	(5) Location of the project: District	(6) Project Duration	(7) Amount allocated for the project (in ₹ Million)	(8) Amount spent in the current financial year (in ₹ Million)	(9) Amount transferred to unspent CSR account for the project as per Section 135(6) (in ₹ Million)	(10) Mode of implementation – Direct (Yes/No)	(11) Mode of implementation – Through Implementing Agency: Name	(11) Mode of implementation – Through Implementing Agency: CSR Registration Number
1.	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Delhi	North West Delhi	24	25.77	12.76	0.00	No	Apollo Tyres Foundation	CSR00000622
2.	TB awareness & prevention programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Delhi	North West Delhi	24	2.14	1.69	0.00	No	Apollo Tyres Foundation	CSR00000622
3.	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Uttar Pradesh	Kanpur	24	5.21	2.57	0.00	No	Jan Kalyan Maha Samiti	CSR00000412
4.	Skill building & income generation project for women	Livelihood Enhancement Projects	No	Gujarat	Vadodara	24	10.03	6.26	0.00	No	Apollo Tyres Foundation	CSR00000622
	Total						**43.15**	**23.28**	**0.00**			

8. (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹ Million)	(7) Mode of implementation – Direct (Yes/No)	(8) Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Clean My Village	Ensuring Environmental Sustainability, Ecological Balance	No	Tamil Nadu	Kancheepuram	5.99	No	Apollo Tyres Foundation	CSR00000622
2	Development and maintenance of End of Life Tyres (ELT) play structure in Govt. schools	Ensuring Environmental Sustainability, Ecological Balance	No	Tamil Nadu	Kancheepuram	0.48	No	Apollo Tyres Foundation	CSR00000622
3	Development and Maintenance of Park	Ensuring Environmental Sustainability, Ecological Balance	No	Tamil Nadu	Kancheepuram	0.75	No	Apollo Tyres Foundation	CSR00000622
4	Tree Plantation Project (Afforestation)	Ensuring Environmental Sustainability, Ecological Balance	No	Tamil Nadu	Kancheepuram	4.18	No	Apollo Tyres Foundation	CSR00000622
5	Pond Restoration and Maintenance Project	Ensuring Environmental Sustainability, Ecological Balance	No	Gujarat	Vadodara	0.33	No	Apollo Tyres Foundation	CSR00000622
6	Clean My Village	Ensuring Environmental Sustainability, Ecological Balance	No	Gujarat	Vadodara	3.97	No	Apollo Tyres Foundation	CSR00000622
7	Development and maintenance of End of Life Tyres (ELT) play structure in Govt. schools	Ensuring Environmental Sustainability, Ecological Balance	No	Gujarat	Vadodara	0.58	No	Apollo Tyres Foundation	CSR00000622
8	Tree Plantation Project (Afforestation)	Ensuring Environmental Sustainability, Ecological Balance	No	Gujarat	Vadodara	2.26	No	Apollo Tyres Foundation	CSR00000622
9	Clean My Transport Nagar	Ensuring Environmental Sustainability, Ecological Balance	No	Uttar Pradesh	Agra	1.47	No	Apollo Tyres Foundation	CSR00000622
10	Clean My Transport Nagar	Ensuring Environmental Sustainability, Ecological Balance	No	Delhi	North West Delhi	3.00	No	Apollo Tyres Foundation	CSR00000622

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹ Million)	(7) Mode of implementation – Direct (Yes/No)	(8) Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
11	Clean My Transport Nagar	Ensuring Environmental Sustainability, Ecological Balance	No	Uttar Pradesh	Kanpur	1.51	No	Apollo Tyres Foundation	CSR00000622
12	Clean My Village	Ensuring Environmental Sustainability, Ecological Balance	No	Andhra Pradesh	Chittoor	1.33	No	Apollo Tyres Foundation	CSR00000622
13	Development and maintenance of End of Life Tyres (ELT) play structure in Govt. schools	Ensuring Environmental Sustainability, Ecological Balance	No	Andhra Pradesh	Chittoor	0.45	No	Apollo Tyres Foundation	CSR00000622
14	Pond Restoration and Maintenance Project	Ensuring Environmental Sustainability, Ecological Balance	No	Andhra Pradesh	Chittoor	0.53	No	Apollo Tyres Foundation	CSR00000622
15	Clean My Village	Ensuring Environmental Sustainability, Ecological Balance	No	Kerala	Thrissur	5.15	No	Apollo Tyres Foundation	CSR00000622
16	Pond Restoration and Maintenance Project	Ensuring Environmental Sustainability, Ecological Balance	No	Kerala	Thrissur	0.40	No	Apollo Tyres Foundation	CSR00000622
17	Mangrove Project	Ensuring Environmental Sustainability, Ecological Balance	No	Kerala	Kannur	3.32	No	Apollo Tyres Foundation	CSR00000622
18	Maintenance of Community Park at Chalakudy & Kodakara Panchayat	Ensuring Environmental Sustainability, Ecological Balance	No	Kerala	Thrissur	2.35	No	Apollo Tyres Foundation	CSR00000622
19	Blanket distribution to under privileged rural community	Eradication Hunger, Poverty & Malnutrition	No	Delhi	North West Delhi	0.50	No	Taru Foundation	CSR00003420
20	Monthly Ration support for the under privileged people	Eradication Hunger, Poverty & Malnutrition	No	Delhi	North West Delhi	0.55	No	Taru Foundation	CSR00003420
21	Skill building & income generation project for women	Livelihood Enhancement Projects	No	Tamil Nadu	Kancheepuram	1.05	No	Apollo Tyres Foundation	CSR00000622

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Amount spent for the project (in ₹ Million)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
22	Improved Farming Practices for community	Livelihood Enhancement Projects	No	Tamil Nadu	Kancheepuram	1.56	No	Apollo Tyres Foundation	CSR00000622
23	Skill building & income generation project for women	Livelihood Enhancement Projects	No	Andhra Pradesh	Chittoor	0.48	No	Apollo Tyres Foundation	CSR00000622
24	Skill building & income generation project for women	Livelihood Enhancement Projects	No	Kerala	Kottayam	3.99	No	Apollo Tyres Foundation	CSR00000622
25	Drinking Water Project in Mathur Village	Making Available Safe Drinking Water	No	Tamil Nadu	Kancheepuram	1.90	No	Apollo Tyres Foundation	CSR00000622
26	Drinking Water Project in Chittoor District	Making Available Safe Drinking Water	No	Andhra Pradesh	Chittoor	0.20	No	Apollo Tyres Foundation	CSR00000622
27	Computer literacy to Govt. School children	Promoting Education	No	Tamil Nadu	Kancheepuram	0.05	No	Apollo Tyres Foundation	CSR00000622
28	Computer literacy for Govt. School children	Promoting Education	No	Andhra Pradesh	Chittoor	0.20	No	Apollo Tyres Foundation	CSR00000622
29	Education support for 23 under privileged girl child	Promoting Education	No	Uttarakhand	Dehradun	1.73	No	Taru Foundation	CSR00003420
30	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Tripura	West Tripura	2.04	No	Apollo Tyres Foundation	CSR00000622
31	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Uttar Pradesh	Agra	2.38	No	Apollo Tyres Foundation	CSR00000622
32	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Karnataka	Bangalore	2.46	No	Apollo Tyres Foundation	CSR00000622
33	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Tamil Nadu	Chennai	1.91	No	Apollo Tyres Foundation	CSR00000622
34	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Madhya Pradesh	Chhindwara	1.94	No	Apollo Tyres Foundation	CSR00000622

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹ Million)	(7) Mode of implementation – Direct (Yes/No)	(8) Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
35	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Orrisa	Cuttack	2.01	No	Apollo Tyres Foundation	CSR00000622
36	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Delhi	North West Delhi	4.48	No	Apollo Tyres Foundation	CSR00000622
37	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	West Bangal	Murshidabad	1.03	No	Apollo Tyres Foundation	CSR00000622
38	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Assam	Kamrup	2.65	No	Apollo Tyres Foundation	CSR00000622
39	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Madhya Pradesh	Gwalior	1.99	No	Apollo Tyres Foundation	CSR00000622
40	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Telangana	Hyderabad	2.37	No	Apollo Tyres Foundation	CSR00000622
41	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Madhya Pradesh	Indore	2.16	No	Apollo Tyres Foundation	CSR00000622
42	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Rajasthan	Jaipur	2.00	No	Apollo Tyres Foundation	CSR00000622
43	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Punjab	Jalandhar	2.30	No	Apollo Tyres Foundation	CSR00000622
44	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Rajasthan	Jodhpur	1.88	No	Apollo Tyres Foundation	CSR00000622
45	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Telangana	Karimnagar	1.80	No	Apollo Tyres Foundation	CSR00000622

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Amount spent for the project (in ₹ Million)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
46	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	West Bengal	Howrah	1.33	No	Apollo Tyres Foundation	CSR00000622
47	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Punjab	Ludhiana	1.83	No	Apollo Tyres Foundation	CSR00000622
48	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Maharashtra	Thane	2.41	No	Apollo Tyres Foundation	CSR00000622
49	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Gujarat	Kachchh	2.18	No	Apollo Tyres Foundation	CSR00000622
50	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Maharashtra	Nagpur	2.04	No	Apollo Tyres Foundation	CSR00000622
51	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Himachal Pradesh	Solan	1.05	No	Apollo Tyres Foundation	CSR00000622
52	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Tamil Nadu	Namakkal	1.79	No	Apollo Tyres Foundation	CSR00000622
53	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Bihar	Patna	2.18	No	Apollo Tyres Foundation	CSR00000622
54	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Maharashtra	Pune	2.07	No	Apollo Tyres Foundation	CSR00000622
55	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Chhattisgarh	Raipur	1.88	No	Apollo Tyres Foundation	CSR00000622
56	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Jharkhand	Sindri	0.80	No	Apollo Tyres Foundation	CSR00000622

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹ Million)	(7) Mode of implementation – Direct (Yes/No)	(8) Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
57	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Gujarat	Surat	1.06	No	Apollo Tyres Foundation	CSR00000622
58	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Uttar Pradesh	Varanasi	1.83	No	Apollo Tyres Foundation	CSR00000622
59	Healthcare programme for trucking community	Promoting Health Care Including Preventive Health Care	No	Andhra Pradesh	Krishna	2.53	No	Apollo Tyres Foundation	CSR00000622
60	Sanitation project-Toilet construction & Geo Tagging	Promoting Sanitation	No	Tamil Nadu	Kancheepuram	4.45	No	Apollo Tyres Foundation	CSR00000622
61	Sanitation project-Toilet construction & Geo Tagging	Promoting Sanitation	No	Gujarat	Vadodara	0.83	No	Apollo Tyres Foundation	CSR00000622
62	Sanitation project-Toilet construction & Geo Tagging	Promoting Sanitation	No	Andhra Pradesh	Chittoor	3.18	No	Apollo Tyres Foundation	CSR00000622
63	Renovation/ Maintenance Limda Cremation ground	Rural Development	No	Gujarat	Vadodara	1.86	No	Apollo Tyres Foundation	CSR00000622
64	Support to Department of Fire Services	Rural Development	No	Andhra Pradesh	Chittoor	0.68	No	Apollo Tyres Foundation	CSR00000622
65	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Delhi	North West Delhi	6.12	No	Apollo Tyres Foundation	CSR00000622
66	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Tamil Nadu	Kancheepuram	0.17	No	Apollo Tyres Foundation	CSR00000622
67	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Andhra Pradesh	Chittoor	2.06	No	Apollo Tyres Foundation	CSR00000622

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Amount spent for the project (in ₹ Million)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
68	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Kerala	Thrissur	1.05	No	Apollo Tyres Foundation	CSR00000622
69	COVID-19 Relief Work	Disaster management, including relief, rehabilitation and reconstruction activities	No	Tamil Nadu	Chennai	20.00	Yes		
	TOTAL					151.04			

8. (d) Amount spent in Administrative Overheads: ₹ **8.91 Million**

8. (e) Amount spent on Impact Assessment, if applicable: ₹ **3.94 Million**

8. (f) Total Amount spent for the financial year (8b+8c+8d+8e): ₹ **187.17 Million**

8. (g) Excess amount for set off, if any: **NIL**

9. (a) Details of unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹ Million)	Amount spent in the reporting Financial Year (in ₹ Million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial year (in ₹ Million)
				Name of the Fund	Amount (in ₹ Million)	Date of transfer	
1.	FY-1 (31-03-2021)	23.28	23.28				0.00
2.	FY-2 (31-03-2020)	0.00	0.00				0.00
3.	FY-3 (31-03-2019)	0.00	0.00				0.00
	TOTAL	23.28	23.28				0.00

9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration. (in Months)	(6) Total amount allocated for the project (in ₹ Million)	(7) Amount spent on the project in the reporting Financial Year (in ₹ Million)	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹ Million)	(9) Status of the project- Completed /Ongoing
1.	FY31.03.2021_1	Healthcare programme for trucking community	2021	24	25.77	12.76	25.77	Completed
2.	FY31.03.2021_2	TB awareness & prevention programme for trucking community	2021	24	2.14	1.69	2.14	Completed
3.	FY31.03.2021_3	Healthcare programme for trucking community	2021	24	5.21	2.57	5.21	Completed
4.	FY31.03.2021_4	Skill building & income generation project for women	2021	24	10.03	6.26	10.03	Completed
	TOTAL				**43.15**	**23.28**	**43.15**	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): **January 1, 2022**

(b) Amount of CSR spent for creation or acquisition of capital asset: **₹ 14,029.00**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

Entity/ Public Authority/ Beneficiary Name	Address
Apollo Tyres Foundation	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042

(d) Provide details of capital asset(s) created or acquired (including complete address and location of the capital asset)

Details of Capital Assets	Address and location of the capital asset
1 Microtek UPS with battery	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042

11. Specify the reason(s), if the Company has failed to spend 2% of the average net profit as per Section 135 (5):

Not applicable

Place: Gurugram
Date : May 12, 2022

ONKAR KANWAR
Chairman of CSR Committee
DIN: 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN: 00058951

Annexure A

Executive Summary

1. IMPACT ASSESSMENT STUDY: HEALTHCARE FOR TRUCKING COMMUNITY

Scope

- Impact assessment study was conducted at 12 Apollo Healthcare centers across states where around 3048 truckers & 633 Allied population beneficiaries, and 646 non-beneficiaries were interviewed.
- In addition to this, 24 Focused Group Discussions (FGDs) and 22 Individual Detailed Interviews (IDIs) were conducted with beneficiaries and different stakeholders respectively.

Key Findings

Outreach Services

- ATF Peer educators have been among top 3 sources of information about HIV/AIDS & STI after friends/ relatives and Peers/other community members for truckers.
- Awareness about HIV/AIDS transmission and preventive measures among beneficiaries is at least 3-4 percentage points higher than non-beneficiaries and more than 80% beneficiaries are aware about all the important transmission and preventive measures.
- Inconsistent condom use, infected blood transfusions and use of infected needles has been reported by >90% respondents as the main source of HIV/AIDS transmission.

Inter Personal Communication (IPC)

- 44 percent beneficiaries reported that they personally met with an ATF worker. Of these beneficiaries, close to 30% met with an ATF worker quite frequently.
- Around 50% to 70% beneficiaries mentioned that in IPC sessions/meetings Diabetes, HIV/AIDS/STI, Vision Care, TB, Blood Pressure (BP) were discussed.
- 98% respondents found IPC sessions to be useful.
- Around 44% reported seen any Information Education and Communication (IEC) activity and Camp (43%), hoarding poster (15%) and Public Announcement (12%) have been perceived as most effective methods of IEC.

VISION CARE

- Hazy or blurred vision (51%), Severe Sudden eye pain (44%), and recurrent pain in and around the eye (37%) have been reported as the main symptoms of vision related problems. They visited ATF Healthcare center for these vision related problems.
- 48% beneficiaries think that truckers should wear sunglasses when there is excessive sun light while close to 20% think that it's not necessary to wear sunglasses.
- 79% Beneficiaries reported eyes checkup, 63% reported receiving of eye drops, 45% reported receiving of medicine and 41% reported receiving of spectacles when they visited ATF Healthcare Center (ATFHCC)/Eye Camp for their vision related problem.
- 66% beneficiaries satisfied to a large extent and 31 percent beneficiaries satisfied to some extent from the services provided by ATF related to vision care.

TUBERCULOSIS (TB)

Awareness about preventive measures of TB is relatively low among truckers especially about some of the key measures and they are as given below:

- Over 50% of truckers think that TB infected person can spit anywhere.
- >75% of truckers think that a person infected with TB does not need to complete his/her course of treatment if feeling better before completion of the course.
- 55% of truckers think that If somebody is Coughing for three or more weeks continuously, he/she should not be worried as it is common when season changes.
- 60% of truckers think that If someone is diagnosed with TB, he/she should not reveal this to anybody at home or outside

Truckers are well aware about following TB preventive measures:

- >85% of truckers are aware that if the TB bacteria are put into the air when a person with TB disease of the lungs or throat coughs, speaks, or sings. People nearby may breathe in these bacteria and become infected.

- Close to 90% of truckers were aware that TB infected person should cover his/her mouth with a cloth while coughing.
- Over 85% of truckers were aware that one should not take liquor or consume tobacco if diagnosed with TB.
- Around 12-13% of truckers experienced continuous cough for more than 2 weeks and 42 of these truckers went for Sputum test.

DIABETES & HYPERTENSION

- A fairly good percentage of truckers (60%-70%) were aware about early signs of diabetes such as frequent urination, fatigue/tiredness.
- 60%-70% of truckers mentioned that consuming a balanced diet and daily physical exercise can control diabetes to large extent.
- 29% of truckers' beneficiaries and 48% allied beneficiaries informed that they tested diabetes positive. About 60% of truckers and allied beneficiaries got their diabetes test done in ATF Healthcare Center.
- Around 9% of truckers BP was found low and another 10% reported that their BP was high when last checked by the doctor. These figures for allied beneficiaries are 14% and 15% respectively.
- About 50% of truckers and 60% allied beneficiaries got their BP measured in ATF Healthcare center.

ATF HEALTHCARE CENTER

Findings based on actual patients and mystery client experience and observations

- The overall registration process is satisfactory in the clinics. However, 1 out of 5 persons visiting a health clinic is not satisfied from the behaviour of staff. 1 out of 10 persons was not asked to wear a mask before meeting and 1 out of 6 did not sanitize their hands before meeting.
- 63% (71% in case of mystery clients) of the respondents reported presence of somebody other than the Doctor.
- 29% of the mystery clients reported that doctor was not wearing gloves during examination.
- 9% (20% in case of mystery clients) of the respondents reported that they were not examined physically.
- All the respondents got their doubts cleared from the doctor.
- 98% of the respondents confirmed that doctor was wearing mask and gloves at the time of examination.
- 17% of the respondents who went to Optometrist were not examined physically.
- 23% (39% in case of mystery clients) respondents mentioned that Optometrist was not wearing gloves during the examination.
- 8% of the respondents mentioned that the Optometrist did not wear mask during the examination.
- In 65% of the cases, the Optometrist / Doctor recommended spectacles.
- 23% (44% in case of mystery clients) of the respondents were not told the result of the blood test by the Pharmacist.
- 22% of the mystery clients were found overall behavior of Optometrist was not good.
- 15% of the mystery clients confirmed that pharmacist was not wearing gloves while gave medicine.

BRAND PERCEPTION

- 64% of the truckers confirmed that they are using Apollo Tyres currently.
- 22% of truckers mentioned that they shifted to Apollo Tyres while they were using tyre of some other brand earlier.
- Durability has been mentioned by 70% of the truckers as the reason of shifting from an earlier brand to Apollo Tyres.
- Top three perception about Apollo brand by Truckers beneficiaries are:
    - High priced premium product
    - Cares for its customer
    - Superior quality products
- Top three perceptions about Apollo brand by Truckers Non-beneficiaries are
    - High priced premium product
    - Superior quality products
    - Cares for its customer
- Close to 80% of truckers think that ATF is doing work to benefit the common person.
- Top 3 Perceived probable reasons for which Apollo is providing healthcare services to truckers
    - Company wants to improve the health conditions of the truckers
    - Company cares for its customers
    - Company wants to add value to the lives of its customer

2. IMPACT ASSESSMENT STUDY- LIVELIHOOD FOR RURAL WOMEN

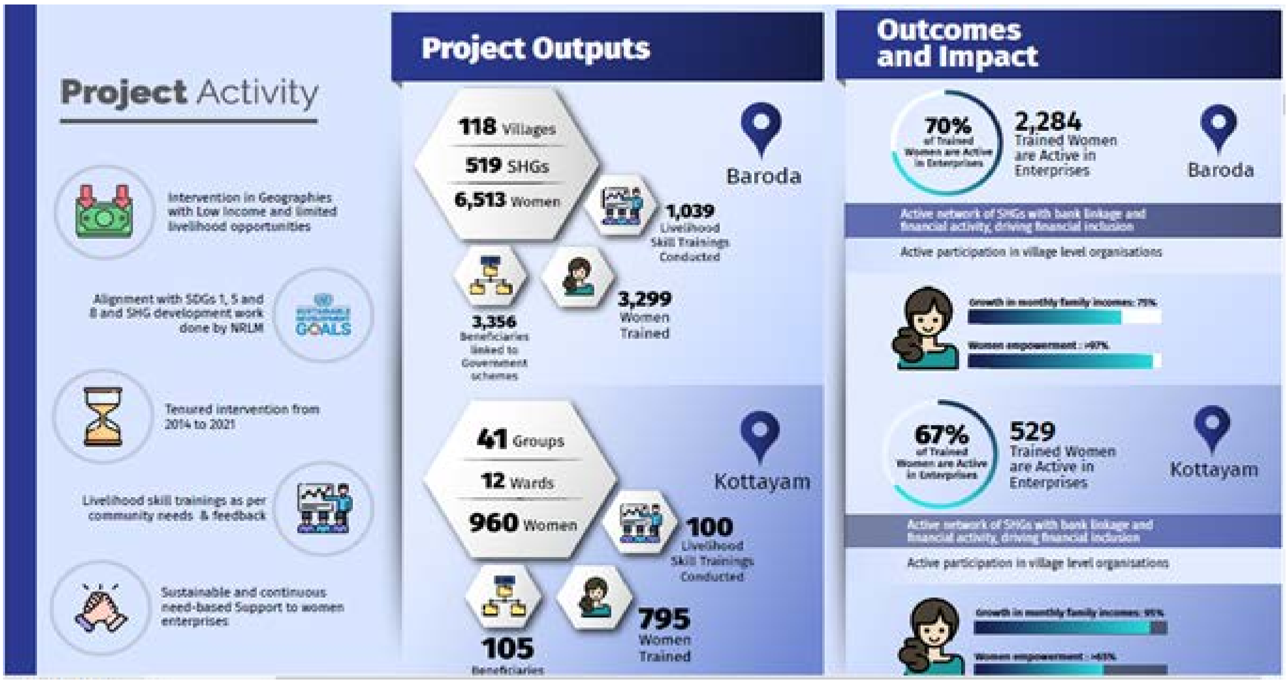
Scope: Impact assessment survey was conducted in the 118 villages of Waghodiya Panchayat, Baroda district, Gujarat and 7 wards of Vazhoor panchayat Kottayam district, Kerala. A purposive sampling approach was employed to conduct in-depth interviews with beneficiaries on the economic and social impact of the programme.

A cluster sampling approach was employed for large scale quantitative interviews for data collection, analyzing the impact, perception, and attitude of the beneficiaries about the programme.

Sample details:

Sample Count	Baroda	Kottayam
Focused Group Discussion (FGDs)	6	2
In-depth Interviews	11	7
Quantitative Data Collection	680	76

Project Output and Impact



Key Findings

- Nearly 70% of trained women are involved in income generation activities and earn over ₹ 5,000 a month
- Nearly 80% of the beneficiaries believed that they participate in decision making matters

3. IMPACT ASSESSMENT STUDY: POTABLE DRINKING WATER (RO) PROJECT

Scope:

The study was conducted at Oragadum village which is located in Thiruporur block, Chennai. The 2011 census estimates that Oragadam has a total of 516 households. Using the Cochran formula for small sample sizes, the requisite number of households to be sampled from Oragadam works out to be 81.

KEY FINDINGS

- All households who consumed RO water also consumed tank water supplied through the piped network.
- According to some, RO water is used regularly by around 50% of households but around 80% of the households would be using it at some point or the other.
- Nearly 52% of the survey participants bought RO water around twice a week while 38% brought it thrice a week.
- The median value of expenditure on RO water as elicited through the survey has been worked out to be ₹ 55 per household per month.
- The qualitative investigations also revealed that most households who consumed RO water recharged for around ₹ 50 per month.
- Against this, the median spends per month on purchasing drinking water before the RO plant was installed was ₹ 225.
- The reason why some people continue to buy canned water when it is obviously far more expensive than RO water is that ₹ 30 per can gets you doorstep delivery, unlike RO water. The 20 litres weight is

considerable, and therefore fetching RO water is almost exclusively done by the adult male of the household.

- Almost every user agreed that the RO water quality is good or very good and 2 in 3 respondents held the opinion that the quality of RO water was consistently good throughout the year. There were some quality issues with the taste when the plant was undergoing maintenance.
- In the 12 months prior to RO plant being installed, there were 4 households (out of the 81) who have had at least one member falling sick due to a stomach infection caused by water borne bacteria. On the other hand, after they had started to consume RO water, not a single adult or child (out of the 273 members in the 81 sampled households) have fallen ill due to water borne infection.
- Two out of three people totally agree to the fact that prior to the establishment of the RO plant, the drinking water that was available in the village was not very healthy for human consumption.
- They also agree that in comparison to the RO water, buying canned water was an expensive affair.
- However, a lot of the people had validated the opinion that the transport of 20L of water from the RO plant to home is a difficult proposition.
- The common opinion also seems to have been the taste and smell of the RO water is definitely better than water from other sources.
- Villagers did agree to the fact that the RO plant has ensured that villagers have access to save drinking water throughout the year.
- A little over half of the survey participants totally agreed that the amount that the house will be spending to buy RO water is value for money while the rest.
- Two out of three respondents admitted that they are extremely grateful to Apollo Tyres for establishing this auto plant in the village.

4. IMPACT ASSESSMENT STUDY: ECO RESTORATION OF PONDS & WATER BODIES

Scope:

The impact assessment study was conducted at three ponds, viz. Nalla Thani Kulam and Sennan Thangal ponds in Sennakkuppam village and Gangai Amman Koil Kulam in Eraiyur village, Sriperambatur taluka Kancheepuram District. Out of 1,650 households the sample was collected from 227 households following the Cochran formula for small size sampling.

KEY FINDINGS

- In current times, close to four out of five survey participants believed that over the next few years, they expect the ground water to be recharged, bringing up the water table in the village wells.
- Close to three out of four survey participants believed that the pathway around their pond offer an ideal spot where villagers, especially the elderly, can take a leisurely walk.
- A little over half the respondents believed that the area around their pond has lot of greenery and shade, nice place to spend some time during the summer months.
- About 45% of the survey participants believed that their pond has become an important part of festivities surrounding the temple that sits on its banks.
- In the Gangai Amman Koil Kulam pond, the local villagers could confirm that these days, cattle and goat can drink the water, and they are given bath there as well.
- Sewage water no longer gets into these ponds and local villagers don't dump their waste there anymore.
- In Nalla Thani Kulum, the excess rain water this year got stored in this pond as it has been dug deeper, so there was no flooding of water in the village.
- In Sennakkuppam, women don't use the pond water because even though the water in the pond has been cleaned, on the other side of the pond there are houses on rent and the waste from the kitchen and the wastewater from washing clothes gets mixed in this water.
- In Eraiyur, there was no maintenance of the ponds, because the panchayat does not have the finances for extra facilities like cleaning the ponds, having tower lights, etc.
- Across both villages, it was confirmed that because of the ponds, there has been an increase in the ground water, and for houses around the pond, there is more water in their wells.
- The water in the Eraiyur pond is used for fishing because the water from the pond is connected to the lake so the fish from the lake come into the pond. The water from the pond is also used for construction purposes using a motor pump. Water is pumped out for watering the plants as well.
- In Eraiyur, current the panchayat president was of the opinion that as they have made a one-time expenditure of ₹ 40,000 to clean the surrounding area of the pond, it would have been better if Apollo had appointed one person to maintain the pond and the area around it.

- While in Eraiyur, the local residents don't usually use the pond water, in Sennakkuppam village, the FGD participants could confirm that the pond water is also used for the temple cleaning and doing the abishek of the temple idols.
- In all three projects, Apollo has built a compound and pathway around the pond and have planted many plants, herbs, and flowering plants in an effort to improve biodiversity.
- In Eraiyur, villagers are very interested in maintaining the pond, but they collectively feel it is the panchayats responsibility, but they will all help if the panchayat seeks it.
- In Sennakkuppam, it is different. Here, the villager are already questioning others if they dirty the ponds. People have been appointed to maintain the pond, for its upkeep and to ensure that it doesn't relapse to the same sad state.
- Across all three ponds, the absolute majority of the participants agreed that the storage capacity of the ponds have increased because of the dredging exercises and now it holds much more rain water.
- Regarding impact on ground water, the past and present panchayat president confirmed that in summer also the borewell water level in the areas around the pond is maintained, which earlier used to become drastically low.
- For drinking, people prefer to use piped water supply which gives them water at their doorstep and of acceptable quality.

ANNEXURE -III

Business Responsibility Report (BRR)

Business Responsibility Report of the Company for the financial year ended on March 31, 2022, pursuant to Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:-

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L25111KL1972PLC002449
2	Name of the Company	APOLLO TYRES LTD
3	Registered address	3rd Floor, Areekal Mansion, Panampilly Nagar, Kochi- 682036 (Kerala)
4	Website	apollotyres.com
5	E-mail id	investors@apollotyres.com
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Tyres manufacturing
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Tyres, Tubes and Flaps
9	Total number of locations where business activity is undertaken by the Company	148 locations
A	Number of International Locations (Provide details of major 5)	Apollo has business activity undertaken in about 112 international locations. The major ones are Netherlands, Hungary, Middle East, Thailand, Singapore and North America. The Company has manufacturing units in Netherlands and Hungary.
B	Number of National Locations	Apollo has business activity carried out in about 36 domestic locations. The manufacturing units are located at Gujarat (Limda), Kerala (Perambra and Kalamassery), Tamil Nadu (SIPCOT Industrial Growth Centre Oragadam, Chennai) and Andhra Pradesh (Chinnapandur).
10	Markets served by the Company – Local/State/ National/International	National and International

Section B: Financial Details of the Company

1. Paid up Capital (INR) ₹ 635.10 million
2. Total Turnover (INR) ₹ 143,068 million
3. Total profit after taxes (INR) ₹ 2,611 million
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) ₹ 187.17 million
5. List of activities in which expenditure in 4 above has been incurred:-

   During the year under review, the Company has carried out activities primarily related to promoting preventive healthcare, ensuring environmental sustainability, livelihood enhancement projects, rural development projects, promoting education and eradication of hunger, poverty & malnutrition.

Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company(s):**

   At present, the BR initiatives have been undertaken at parent Company level.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] :-**

   At present, the BR initiatives have been undertaken at Company level.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of Director/ Director responsible for implementation of the BR Policy/ Policies.

i. DIN Number :- 00058859

ii. Name :- Mr. Sunam Sarkar

iii. Designation :- Director

b) Details of the BR head

S. No.	Particular	Details
1	DIN Number (if applicable)	NA
2	Name	Ms. Seema Thapar
3	Designation	Company Secretary
4	Telephone number	0124-2721000
5	E-mail ID	investors@apollotyres.com

LIST OF PRINCIPLES

Principle 1:	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2:	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3:	Businesses should promote the wellbeing of all employees.
Principle 4:	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5:	Businesses should respect and promote human rights.
Principle 6:	Business should respect, protect, and make efforts to restore the environment.
Principle 7:	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8:	Businesses should support inclusive growth and equitable development.
Principle 9:	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

2 a. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. Do you have a policy /policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2. Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Does the policy conform to any national /international standards? If yes, specify? (50 words)(1)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?(2)	Y	Y	Y	Y	Y	Y	Y	Y	Y
5. Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy?(3)	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Indicate the link for the policy to be viewed online? (4)	Y	Y	Y	Y	Y	Y	Y	Y	Y
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8. Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9. Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10. Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency	Y	Y	Y	Y	Y	Y	Y	Y	Y

(1)The policies are in compliance with applicable national/international laws, rules, regulations, guidelines and standards. The policies are in conformance to the spirit of international standards like ISO 9001, ISO 14001 and ISO 45001.

(2)As per Company practice the policies that are approved by the Board are posted on the website of the Company www.apollotyres.com.

(3)The Business Responsibility(BR) Committee shall oversee the implementation of the Policies.

(4)https://corporate.apollotyres.com/en-in/investors/corporate-governance/?filter=CodesPolicies.

2 b. If the answer to S. No.1 against any principle, is 'No', please explain why: (Tick upto 2 options)- Not Applicable

	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. The Company has not understood the Principles									
2. The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3. The Company does not have financial or manpower resources available for the task									
4. It is planned to be done within next 6 months									
5. It is planned to be done within the next 1 year									
6. Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Business Responsibility (BR) Committee reviews the business performance annually and as and when required.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, the Company publishes Annual Sustainability Report as a part of the Annual Report. From FY17, the BR Report was also part of the Annual Report. Both BR and Sustainability Report are published on the website https://corporate.apollotyres.com/en-in/responsibility/policies-documents.

Section E: Principle-Wise Performance

Principle 1:

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The Company has designed a global "Code of Conduct Policy" ("Code") to conduct its business with honesty and integrity and in compliance with all applicable legal and regulatory requirements. This Code sets out the fundamental standards to be followed by all employees of the Company including Associates, Subsidiaries and Joint Ventures.

The Code is also to act as a deterrent from unethical doings and to promote ethical values and is the manifestation of the Company's commitment to successful operation of the Company's business in the best interest of the shareholders, creditors, employees, other business associates and stakeholders.

The Company has rolled out Code of Conduct mandatory online training for all the employees. The Code of Conduct explicitly guides our people on ethical dealings with external stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the year under review, there were no cases on the violation of the Company's Code of Conduct. During the past financial year, 15 Shareholders Complaints were received and no complaint was pending as on March 31, 2022. All the Complaints were attended and resolved to the satisfaction of the shareholders.

Principle 2:

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

At Apollo Tyres, we follow state of the art and efficient design & manufacturing practices. Our Passenger Car Radial Tyres (PCR) and Truck / Bus Radial Tyres (TBR) are designed to meet all the international norms and are duly certified accordingly. In support to Electric vehicle (EV) development in India and to address the requirement from this fast-emerging market, EV tyre line with a low rolling resistance coefficient (RRc), reduced noise, and better comfort without sacrificing structural durability and wear performance was developed. Several sizes are now available in the EV portfolio to cater to the demand of the upcoming EV vehicle. Under the "Make in India" for the world programme the UHP series Ultrac Vorti I and Ultrac I product lines introduced in the Premium Luxury category, which now have 26 and 14 sizes respectively for high end cars, and earlier these sizes were being imported. To overcome the infra challenges in India, new innovative bead design was developed for TBR to improve the robustness of the tubeless tyre bead area.For the first time in India, developed and established the steel belt design in Back-Hoe radial tyres to improve tyre life, fuel efficiency and driving comfort. In the Premium motor cycle segment, Company has successfully developed and launched the "Centauro" tyres under "Vredestein" brand focusing on Sport Touring (Centauro ST) and Super Sport (Centauro

NS) applications with the successful 0° Steel Radial Technology which covers a wide range of motorcycles from 500 to 1200cc. Prior to the launch of these tyres, customers had to wait for several months to get the tyres because of non-availability of them locally and due to import restrictions. These developments led to huge foreign exchange savings for the country. These tyres also comply with all the relevant International Regulations such as, Conflict Minerals, REACh, PAH, TSCA, ROHS, California Prop65 etc. and also aligned to the requirements of ELV norms. Weight reduction journey of Apollo continues to reduce Raw Material consumption per tyre and also the energy consumption for processing to produce the tyre. Increased Recycled material usage effectively supported the sustainability drive practised by the Company. Further to this, our Company ensured consistent supply of tyres in the market to fill the vacuum created due to import restriction of tyres and thereby saving huge foreign exchange for the Country.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

a) **Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

Comparative Details for FY22 against reference of FY21 on

a. Water consumption per kg of product [Litre/Kg]: PCR & TBR at Chennai manufacturing location dropped by 14% while steam consumption (kg/kg) dropped by 6.8 and 6.5 % for TBR and PCR respectively.

b. Progressive reduction of tyre weight in PCR up to ~8%: by redesigning the product which directly corresponds to reduction in the consumption of Hydrocarbon and thereby resulting in the reduced carbon footprint per tyre.

c. Silica based tyre production for PCR category was ~ 28% which thus reduced the consumption of carbon black, a fossil fuel based reinforcing agent.

d. As step towards sustainability, Recycled material usage increased by 6.5% and expanded to many components beyond Inner liner to reduce virgin material consumption, Introduction of 5phr reclaim rubber in Non-critical compounds itself gave us cost reduction up to ₹ 42 million.

e. Through various VAVE initiatives such as Use of alternate resins in silica compounds, introduction of cost effective Low RRc sidewall compound, construction fine tuning, ~ ₹ 285 million saved.

f. TBR tyre mass reduction done up to 2.4% in tubeless category.

g. Huge savings in energy was obtained by 1 minute reduction in cure cycle of TBR tyres.

h. 'Smart Cure Technology' concept introduced in TBR based on real time heat input and termination of cure cycle and achieve right Cure level for all tyres.

i. 'Split curing Technology' introduced in PCLT for uniform cure for all parts of tyre and improve performance.

j. 'Dynamic Drain Technology' introduced in PCLT to reduce cycle time and save energy.

k. New Curing technology developed to eliminate PCI in OTR tyres. This would save costs in terms of energy, CAPEX and Space.

l. 'Single Pass Mixing Technology' concept developed for PCR/TBR Inner liner & PCR Sidewall compounds and reduced cycle time & saving energy.

m. 'Early Detection system established for TBR Tyre by measuring Green tyre uniformity which resulted in cured tyre rejection.

b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The rolling resistance of the PCR tyres is reduced through the year from 7.0 Kg/T to. 6.3 Kg/T. This translates into reduction of rolling loss and reduced fuel consumption without compromising any other performance.

Usage of efficient techniques for Retreading of Truck tyres to provide Extended life cycle of the tyre body material to 2-3 times, thus avoiding the need for frequent replacement. Retreading is also a green process as it extends the usage life of the tyre significantly.

Improvement of wear life for all tyres ensures improved re-use of the non-consumable part of tyres to a longer period.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

In line with the Company's overall sustainability vision, Apollo Tyres continuously works towards achieving sustainability across its raw material value chain. We aim to achieve so, by adopting sustainable procurement policies and by ensuring the partner's participation in promoting sustainable practices in our core processes.

As a part of Apollo Tyres' Sustainable Procurement framework, the Company has laid-down – Sustainable Procurement Vision, Sustainable Procurement Policy, and Sustainable Procurement Guiding Principles, which are integrated into the overall procurement procedures and the key decision-making activities.

Apollo expects its Business Partners to show concern for social and environmental responsibility as they conduct their business, and it is the Company's endeavour to work jointly with its partners to promote and encourage compliance with Apollo Partnership Pact (APP). The Company is working with the Global Platform for Sustainable Natural Rubber [GPSNR] promoted by the World Business Council on Sustainable Development [WBCSD] to contribute to the improvement of Socio-Economic factors in Natural Rubber supply chain. Natural rubber partners supplying to Apollo Tyres are expected to comply with the Apollo Sustainable Natural Rubber policy (ASNRP). Till date, more than 80% of the upstream partners have signed the APP and ASNRP to pledge their compliance.

Apollo Tyres mandates from its partners to develop their environmental systems in compliance with the requirements of ISO14001 and to get their systems certified by an accredited third party. Currently, most of its partners are ISO 14001 certified, complying with local government laws and regulations. The Company is continuously working on optimizing transportation, logistics and reusable packaging to reduce carbon footprint, promote circular economy and other environmental impacts.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company promotes a policy towards encouraging local procurement from domestic partners in the respective regions as a purchasing principle and in this regard, all other things being equal, the organisation prefers domestic partners because of benefits like proximity to Apollo's plants, lower transit lead times, need to maintain lower inventory and lower carbon footprint.

The Company has initiated and established natural rubber dirt-free centres and provides employment opportunities to the local communities. The Company has also been providing training to the employees in aforesaid centres to enhance their skills and capability. These centres have employed women and trained them in NR grading and provided them livelihood. In this way, the domestic NR is made suitable for critical applications and helps the Company in import substitution.

The Company has initiated partnership program with select partners for training and development activities towards promotion of safe work culture and practices at the partner plant premises. The Company aims to develop & upgrade its raw material partners by educating and encouraging them on measures, to reduce and ultimately eliminate incidents at its workplace which may lead to human injury and illness. The partner assessment for safety culture at workplace includes on-site assessment of the selected partners in a region for safety culture at workplace.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, > 10%). Also, provide details thereof, in about 50 words or so.

Yes, Apollo encourages its Raw Material partners towards reduce, reuse, and recycle concepts in their operations and expects that its partners to run their manufacturing operations in a manner that is protective of the environment.

In this regard, overall recycled rubber usage stands at 1.3 % against total raw material usage in various applications of tyre manufacturing.

Principle 3:

1 **Please Indicate Total number of employees-** 15,979

2 **Please indicate the Total number of employees hired on temporary / contractual / casual basis-** 7,965

3 **Please indicate the Number of permanent women employees-** 97

4 **Please indicate the Number of permanent employees with disabilities-** 18

5 **Do you have an employee association that is recognized by management?**

Yes

6. What percentage of your permanent employees is members of this recognized employee association?

Limda - 70%

Perambra -92%

Chennai - 77%

Kalamassery-93%

Chinnapanduru - NA

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No complaints relating to child labour, forced labour, involuntary labour, sexual harassment has been received during the last financial year ending on March 31, 2022.

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

Chennai

Permanent employees	75%
Permanent women employees	100%
Casual/Temporary/Contractual Employees	100%
Employees with Disabilities	NA

Chinnapanduru

Permanent employees	85%
Permanent women employees	78%
Casual/Temporary/Contractual Employees	97%
Employees with Disabilities	NA

Limda

Permanent employees	72%
Permanent women employees	Not counted
Casual/Temporary/Contractual Employees	97%
Employees with Disabilities	NA

Kalamassery

Permanent employees	80%
Permanent women employees	100%
Casual/Temporary/Contractual Employees	57%
Employees with Disabilities	100%

Perambra

Permanent employees	70%
Permanent women employees	55%
Casual/Temporary/Contractual Employees	92%
Employees with Disabilities	NA

Principle 4:

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes. The organisation has mapped its key stakeholders across its value chain. These are stated below -

a. Employees

b. Customers (OEM & Replacement)

c. Dealers & suppliers

d. Investors & analysts

e. Shareholders

f. Regulatory bodies and

g. Community

Continuous engagement with the stakeholder groups is crucial to the organisation's growth and sustainability.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

Out of the identified stakeholder groups, rural women, and children from the communities around manufacturing locations were identified in vulnerable and marginalised stakeholder category. Another group in this category are the trucking community – which comprise of a significant part amongst the customers. Due to their nomadic lifestyle, they are vulnerable to suffer from healthcare issues.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes, Sustainability and social responsibility are inherent component of organisation's corporate strategy. The CSR initiatives focuses on improving the quality of life of stakeholders by bringing about positive change in their lives.

The strategy is to enable inclusive growth by building on key partnerships and linkages to optimise the existing resources in reaching out to more people. Some of the Company's community engagement programmes addressing these marginalised groups is listed below -

1. Healthcare for Trucking Community
2. Sanitation Programme at manufacturing & transhipment locations
3. Livelihood and income generation for underprivileged rural women
4. Purified RO drinking water initiative for communities around Chennai and Chinnapanduru locations

In addition, the organisation also undertakes philanthropic work through Taru Foundation like –

1) Supporting education for underprivileged girls

2) Monthly ration support to the underprivileged

3) Education support for differently abled children

4) Medicine support to underprivileged section

Principle 5:

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Respect for human rights is fundamental part of the DNA of the Company and the communities in which we operate. In our Company and across our system, we are committed to ensure that people are treated with dignity and respect. The Company promote the awareness and realization of human rights across our value chain and among our stakeholders.

The Company believe in core Apollo Value of "One Family" where every individual is respected and is treated equally, regardless of caste, color, nationality etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company did not receive any Stakeholder Complaint during the past financial year regarding Human Rights.

Principle 6:

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   Policy related to principle 6 is limited to parent Company. Chennai, Kalamassery, Limda, AP & Perambra manufacturing units are ISO 14001:2015 certified. Environmental indicators are part of vendor assessment criteria for upstream suppliers.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, the Company has strategies to address global environmental issues. The Company also has a sustainability statement that covers the aspects of environment conservation and community development. Various sustainability initiatives taken by the Company includes energy management, waste reduction, emission reduction, water management, and biodiversity conservation. Below are the projects to mitigate climate change:-

   a) **Tree plantation and Livelihood Generation Programme**

      Our afforestation project has a two pronged focus on carbon sequestration and livelihood generation for farmers in the water starved areas of Tamil Nadu. This project is being carried out in Kanchipuram, Tiruvannamalai and Tiruvallur districts in Tamil Nadu. Through this project, a total of 350,000 trees have been planted since the inception of this project in 2013. We have been able to sequester over 30,000 tonnes of CO_2 from the plantation project. Additionally, the company has also invested in a Miyawaki Forest development in Gujarat with 10,000 trees in the reporting period which shall further help in mitigating climate change impact.

   b) **Renewable Energy: Use of Biogas**

      Within the Climate change mitigation strategy, we are promoting the use of biogas in villages near our manufacturing location in Limda, Gujarat. Apart from providing an eco-friendly alternative source of energy, the programme offers additional benefits of organic manure from slurry, utilisation of cow dung (which is a solid waste) and savings accruing from fuel replacement from LPG to Biogas. We provide individual household type Biogas units. Since the inception of the project in 2016, a total of 230 units have been installed.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes, environmental aspects & impacts are assessed and reviewed periodically by the management. Organization strive to minimize impact on environment by developing environmental improvement programs and operational control procedures. Chennai, Kalamassery, Limda, Chinnapanduru & Perambra manufacturing units certified for ISO14001: 2015 and environmental risk and controls reviewed by third party auditors.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   No

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

   Yes, combining effective strategy with practical measures is key to achieving successful energy management. We focus on reducing our energy consumption by being energy efficient. There are several initiatives that were undertaken during the reporting period in the Indian Operations which resulted in energy savings of 31,555 GJ. We are continuously making efforts to achieve energy efficiency through improvements in our process design, conversion and retrofitting of equipment and use of energy efficient equipments.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Emissions concentration across all our operating units are under prescribed limit.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   There were no show cause notices issued or pending in the reporting period.

Principle 7:

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.**

   Yes. The Company actively engages with Industry bodies. The major bodies in which the Company is a member are listed below –

a. Confederation of Indian Industry [CII]

b. Federation of Indian Chamber of Commerce and Industry [FICCI]

c. PHD Chamber of Commerce and Industry

d. Society of Indian Automobile Manufacturers

e. Automotive Tyre Manufacturers' Association

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, the Company through various Industry associations, participates in advocating matters for the advancement of the Industry and Public Good. As a member of the Automotive Tyre Manufacturers Association (ATMA), the Company strives to be an active participant in policy making process of ATMA and also is a frequent participant in the meetings with the Government departments to discuss the challenges being faced by the industry in the ever-changing economic environment. Mr. Satish Sharma, President (APMEA) and Whole-time Director of the Company, is the Chairman of ATMA.

The Company has a Public and Regulatory Policy to ensure that the highest standards of business conduct are followed while engaging with aforesaid Trade associations/ Industry bodies.

Principle 8:

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Care for society is one of the core Apollo values and all the CSR initiatives are designed to cater to the need of the community. The CSR initiatives have a clear roadmap that follows the overall vision of the function. The organisation's vision is to create value for its stakeholders by bringing about positive change in their lives through our intervention.

The CSR initiatives are implemented through the registered trust, Apollo Tyres Foundation (ATF).All the CSR initiatives of the organisation are aligned with National Goals and Sustainable Development Goals (SDGs).

Apart from mapping the core initiatives with SDGs, the organisation emphasises on linking the initiative with SDG 17: Partnership for Goals. Our focus is on collaborating with like-minded organisations for project implementation and a wider outreach. The CSR strategy at Apollo Tyres dovetails with the organisation's vision of creating a future where economic growth, social development, environmental conservation, and national interest **go the distance** together.

The organisation has categorised its CSR initiatives in 4 core thematic areas:

1. Healthcare for Trucking Community
2. Solid Waste Management and Sanitation
3. Livelihood for Underprivileged Rural Women
4. Biodiversity Conservation

In addition to the core themes the organisation also conducts some local initiatives in 25-30 km radius of the manufacturing locations. These are Watershed Management and Renewable Energy Proliferation projects.

Further, the organisation also undertakes philanthropic initiatives through Taru Foundation.

True to the core value of One Family, Apollo Tyres is committed towards providing relief support to communities during the crisis. Under disaster relief work, Apollo Tyres organised mass vaccination and testing facility for trucking community to fight against COVID-19. The organisation has vaccinated over 1.41 lakh beneficiaries.

Core CSR Initiatives:

1. Healthcare Programme for Trucking Community

Linked with Sustainable Development Goal (SDG) Goal-3, Good health and wellbeing; preventive healthcare initiative for the trucking community has been one of the major programme run by the organisation. Under this initiative the organisation operates 32 Healthcare Centres (HCC) in the transhipment hubs spanning across 19 Indian states. The programme provides healthcare services such as Prevention and Awareness of HIV-AIDS, Vision Care, Integration of Tuberculosis, and other non-Communicable diseases such as Diabetes, High Blood Pressure, General Treatment facility, Tele medicine consultation facilities.

Services Under Healthcare Programme:

a. HIV-AIDS Awareness and Prevention service:

The trucking community is highly vulnerable to HIV/AIDS due to harsh working conditions, socio-economic inequality, and behavioural issues. To address these deep-rooted problems, Apollo Tyres initiated an HIV awareness and prevention programme in 2001. The programme offers counselling, spreads awareness through Peer Educators and provides testing support through Integrated Counselling and Testing Centres (ICTC), in partnership with State AIDS Control Society (SACS).

Peer Educators (PE) or volunteers play an important role in awareness creation and beneficiary referrals to healthcare centres due to their local connect. So far, the programme has mobilised about 1,021 active PEs across its locations.

In the reporting year total 35,238 people got tested for HIVo. Under this service HIV positive cases are also linked with Anit Retroviral Therapy (ART) facility.

b. Vision Care

Vision impairment is one of the most common yet neglected issues amongst the trucking community. Apollo Tyres has partnered with Essilor India Pvt Ltd (2.5 NVG) to provide regular and affordable vision check-ups for the trucking community under its vision-care programme. Periodic eye check-up camps, spectacles distribution to the affected and cataract treatment at nearby hospitals are also facilitated at transhipment hubs. On World Sight Day, 15 days vision screening campaign was organised for trucking community at all 32 HCCs. Over 22,000 people got their sight tested during the campaign and over 7,700 people received spectacles free of cost.

In the reporting period, total 66,814 people were tested for vision screening out of which 37,407 people were identified with refractive error issues. Over 11,800 people received spectacles.

c. Awareness on Tuberculosis (TB)

Tuberculosis (TB) in India is a major health problem. Apollo Tyres Foundation (ATF) embarked on TB awareness initiative in 2017 for its Trucking Community, given it is coinfection with HIV. To eliminate TB by 2025, ATF joined 'Jan Andolan' for TB-Free India to contribute to India's National TB Elimination Programme. Company's ethos is to formulate partnerships in the programmes. The Company has partnered with USAID, The Union and Central TB Division in creating awareness related to TB. ATF also joined Corporate TB Pledge (CTP) - a joint initiative of Government of India and USAID and mobilised 15 Corporates to join CTP through our Partnership for Action against Tuberculosis campaigns.

The programme offers various services like sputom testing, regular awareness sessions to prevent TB, linking beneficiaries who are found positive with Directly Observed Treatment (DOTs). To provide testing facility at the doorstep, ATF has opened 13 Designatied Microsopy Centres at transhipment hub locations.

To support the government agenda of TB elimination, ATF has organised 4th edition of virtual event Partnership for Action against Tuberculosis (PAcT). Apart from this, a 15 day long campaign Jan Andolan for TB-Free India was also organised at 32 transshipment hub locations.

The objective of the campaign has been to boost identification of cases of TB amongst Trucking Community.

Our TB elimination initiative was lauded by the Ministry of Health and Family Welfare for its outstanding and exclusive work with the Trucking Community.

In the reporting year total 9,672 people were tested for TB, out of which 337 people were identified as TB positive. 80% of the TB positive cases were linked with DOTs treatment facility.

d. Non-Communicable Diseases

Due to lifestyle issues, lack of awareness and access to medical facilities, trucking community is more vulnerable and at higher risk of getting non-communicable diseases. Based on the everyday findings from the Outpatient Department (OPD) at the HCC, Diabetes and High Blood Pressure were identified as two significant health risks that challenge truck drivers. In order to support the drivers, the Company added testing for both the risks. At all the HCCs, diabetes screening and blood pressure check-ups are conducted.

In the reporting year around 48,453 people were screened for diabetes and 48,256 people got the blood pressure checked.

e. General Healthcare and Treatment

Additionally, there are various other generic treatments provided for seasonal cough, flu, stomach dysentery, and other basic First Aid features. The main focus is to have a one-stop health service for beneficiaries.

f. Oral Hygiene

Poor hygiene, especially bad oral hygiene, is a big problem amongst the trucking community. During the field engagement with truck drivers, it was observed that majority of them were indulged in addiction like tobacco consumption and other substance abuse due to various reasons. Poor dental health increases risk of a bacterial infection in the blood stream, which can affect the heart valves.

To address this problem, ATF started an integrated health camp focusing on oral hygiene, in the year 2019. The main aim of the service was to generate awareness on oral health and screening for oral cancer.

g. Mobile Medical Units

In addition to static HCCs, mobile medical units have also been introduced to enhance outreach and ensure service at doorstep. Mobile Medical Unit - the '**Apollo Tyres Health Care Express**' caters to the truckers and allied population and provides its services at the highways, district borders and trucking halt points. The mobile medical units are currently operational at four locations - Delhi, Namakkal (Tamil Nadu), Cuttack (Odisha) and Chhindwara (Madhya Pradesh). It provides basic health check services, in addition to the treatment of STIs, vision screening, providing spectacles at subsidised cost, blood group and blood sugar tests and screening for HIV. The main objective of this service is to provide doorstep healthcare facility for the trucking community.

The Company also organises regular health camps (Sakushal Saarthi) for the benefit of the employees of its fleet owners.

h. Tele Medicine Consultation

During COVID-19 outbreak physical healthcare services were impacted worldwide. In June 2019, ATF initiated Tele Medicine Consultation facility, in partnership with Telerad Foundation, for the trucking community, across all 32 healthcare centres. Under this service, patients could avail online doctor consultation and collect medicines from the centres. In the reporting period total 12,313 people have availed Tele medicine consultation facility.

i. Saarthi COVID Helpline

A COVID consultation helpline service named Saarthi was launched for Trucker Drivers, Helpers, and their family members. It is a joint initiative of Apollo Tyres and Ashok Leyland. The helpline enabled telephonic consultation for COVID treatment, vaccination-related inquiry, and general healthcare service support. Over 2000 people were benefitted from helpline facility.

j. COVID Testing & Vaccination Support

To control the COVID spread, ATF started the screening of COVID-19 at its healthcare centres. This service is aligned with the Government's programme and the frontline staff of the programme play a crucial role in containing the pandemic.

In the reporting period, ATF has organised vaccination drives for trucking community in partnership with the local government. Over 1.41 lakh beneficiaries were vaccinated so far.

Total 13,14,767 people were outreached through healthcare initiative out of which 2,51,257 people have availed the treatment facility through 32 healthcare centres.

2. Solid Waste Management and Sanitation

Aligning with National development agenda and contributing to "Swatch Bharat Abhiyan,"Apollo Tyres launched SPARSH a solid waste management and safe sanitation initiative. ATF has been running various projects on solid waste management and safe sanitation with the objective to promote a healthy and sustainable lifestyle amongst the local communities. This initiative is linked with SDG 6: Clean Water & Sanitation, SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production.

SPARSH stands for

S – Segregate Waste; **P** – Practise Composting; **A** – Awareness Generation; **R** – Reduce, Reuse & Recycle; **S** – Safe Sanitation; **H** – Hygiene for All.

Clean My Transport Nagar (CMTN), Clean My Village (CMV), Sanitation Management and End of Life Tyre Playgrounds are four initiatives under this theme.

The CMTN & CMV programmes are aimed at improving waste management and cleanliness conditions at identified transhipment hubs and villages around manufacturing locations. Basic services like door-to-door waste collection, cleaning of roads/lanes, segregation of waste, composting from wet waste and awareness generation are provided to the community under this initiative.

During the reporting period a total of 1,438 metric tonne (MT) waste was collected. Out of this, around 8% was wet waste. Total 55,151 people benefitted from this initiative. Around 11,212 people were outreached through awareness activities.

Hygiene and sanitation are the basic rights of every individual and imperative for a healthy environment too. To meet this cause and ensuring safe sanitation facility, ATF has undertaken sanitation management project in line with the Clean India campaign. The project has greatly helped communities, especially around our manufacturing locations. The Company has constructed toilet with bathing facilities for underprivileged communities around the manufacturing locations and community toilets in transhipment hubs at Delhi and Agra locations.

In the reporting period 181 new toilets with bathing facilities were constructed at Chennai, Chinnapanduru and Baroda locations, benefitting 724 people. Total 24,000 people have availed the services at the community toilets at Agra and Delhi transhipment hubs.

End of Life Tyres Playground (ELT)

The Company constantly looks for methods and processes that help in greening the product life cycle. Recycling-used tyres is a critical part of this strategy. The End-of-Life Tyres Playgrounds (ELT) is one such application where the Company converts waste tyres into exciting play structures.

In the reporting year 2 End of Life Tyre playgrounds were constructed at Baroda and Chinnapanduru locations. Total 210 waste tyres were used; this shall benefit 985 children.

3. **Livelihood for Underprivileged Women**

The organisation is committed towards working on the targets of Sustainable Development Goal **(SDGs) SDG 1: Poverty, SDG 5-Gender Equality** as it not only supports gender equality, but also helps in the upliftment of the underprivileged communities.

This initiative is also aligned with **SDG8: Decent work and Economic Growth** as it provides income generation opportunity to become self-reliant. To achieve this, the organisation has initiated a Livelihood generation programme, **Navya** for rural women. Programme Navya, targets to improve the situation of the women by providing them income generation opportunities at their doorsteps and sensitising them on gender rights to address the problems related to discrimination.

Women are trained in agriculture and non-agriculture activities. Trained women are further linked with financial institutions for credit support and market linkages are also established to promote the business of the women. Navya also provides linkages with various government schemes.

To promote the livelihood of the rural women, ATF organised the 4th edition of Ek Naam..., a social media campaign and Symposium 2022 (a virtual event). To celebrate International Women's Day ATF felicitated and recognised the outstanding work of 8 Change Agents who are making a difference in their families and also working as catalysts for change.

A fireside chat was also organised with Mrs. Vita Dani, Co-owner of Chennaiyan FC, who shared her journey of breaking the bias in the sports arena. The event was organised in partnership with Alliance Française de Delhi and CSRBOX.

In the reporting year total 792 women were outreached through Self Help Group (SHGs) formation and strengthening activity. Total 2,734 women were trained in different livelihood activities and 986 women started income generation activities to support their families. Total 5,302 women were linked with various Government welfare schemes and have availed benefits worth ₹ 3.70 crores.

4. **Biodiversity Conservation**

Biodiversity Conservation is a global initiative for Apollo Tyres, wherein projects are undertaken in India, Hungary and Netherlands. In India, Mangrove conservation is a key initiative, wherein a Mangrove Conservation project is being implemented in Kannur district, Kerala.

Under this initiative awareness sessions are conducted for the local community for mangrove conservation. For mangrove restoration and conservation periodic plantation activities are conducted in different panchayats of Kannur district.

As part of inculcating environmental awareness, an Environment and Nature Quiz competition was conducted virtually in October 2021, the grand finale of which was held in December. 22 colleges from Andhra Pradesh, Karnataka, Kerala, Maharashtra, and Tamil Nadu participated in the event.

Total 1,230 people were outreached through various awareness activities under Mangrove Conservation initiative.

Climate change poses a fundamental threat to the places, species and people's livelihoods. To address the issue of climate change mitigation afforestation projects are initiated at Tamil Nadu and Gujarat locations. The project also engages with the farmers for providing agriculture interventions for soil productivity enhancement.

Under the afforestation initiative, at Tamil Nadu 3.5 lakh teak trees are being maintained. As per estimates, 24,500 tonnes of CO_2 have been sequestered till March 2022. The project also engages with the farmers for providing agriculture interventions for soil productivity enhancement.

In the reporting year, ATF has initiated Miyawaki afforestation project in Gujarat region. Total 25,000 Sqft. area of land is utilised and 10,000 trees of 84 varieties are planted.

To promote use of renewable energy, the organisation has also installed 231 household biogas units in various villages of Waghodia Taluka, Vadodara. Through this initiative beneficiaries have not only contributed in addressing the climate change but also saved costs associated with purchasing of conventional fuel. Through this project beneficiaries have received additional benefits such as they utilise the slurry of the biogas as compost in their agriculture field which has helped in improving the soil quality and cost saving on fertiliser purchase. Women get more time to spend with family or engage themselves in income generation activity, as they do not need to go out for collecting firewood.

Local Initiatives: In addition to the above four core themes, within the radius of 25-30 kms of our manufacturing locations, various local initiatives are implemented which are based on local stakeholder requirement. Details of such initiatives are:

Access to purified drinking water: The organisation has set up a RO drinking water plant at Orgadam village, Chennai Tamil Nadu and Chinnapanduru village, Chittoor Andhra Pradesh. Through this initiative beneficiaries have access to purified *drinking water. Around 1,550 households and over 6,200 people are availing the drinking water facility.*

Eco restoration of Ponds: The organisation has mapped the condition of water bodies through research study in the communities around the manufacturing locations. Based on the findings the organisation has restored few ponds in Chennai, Limda and Perambra locations. The main objective of this initiative is improving the condition of water bodies, restoring and enhancing the aqua biodiversity. Total 14 ponds, covering area of 3 lakh square feet have been restored by the organisation through pond deepening, desilting, bunding and maintenance activity. Around 1,62,888 people have availed the benefits from the restored ponds

At Baroda location, the organisation also supports government's pond deepening initiative under Sujalaf Sufalam Jal Sanchay Abhiyan (SSJA). SSJA is a Gujarat state government's water conservation programme to deepen water bodies in the state before monsoon. The scheme focuses on deepening of lakes, pond, check dams and rivers by removing silt through public participation utilising the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).

Under this same scheme, ATF has restored 1 pond in Jambuvada village of Waghodia block in Baroda district. This pond deepening project has provided livelihood opportunity to 6,000 beneficiaries under the MGNREGA scheme.

Support to Anganwadis: At Racherla panchayat Chittoor Andhra Pradesh, an Anganwadi was damaged and local panchayat approached the Company for its renovation. Due to damage infrastructure, there were issues like water leakage, seepage etc were reported. The organisation renovated the Anaganwadi centre. Now the Anaganwadi centre' kids have safe access to the centre, especially during monsoon season and pregnant women will get their supplements without any damage and shortage.

Philanthropic Initiatives: The organisation also supports the underprivileged and deprived communities by undertaking philanthropic initiatives through Taru Foundation. The initiative ranges from providing education support to underprivileged girls to providing healthcare facilities to rural people and distributing food items to eradicate hunger and poverty.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

The Company's CSR initiatives are implemented through Apollo Tyres Foundation (ATF) which was registered in 2008. Apollo Tyres Foundation has in-house team of experts and field staff to undertake the CSR activities.

The organisation focuses on collaborating with likeminded organisations, building partnership for wider outreach. Our ethos is to work in partnership and not in silos. Our approach is to maximise outreach through strategic partnerships to avoid duplication of efforts, thereby ensuring optimum utilisation of the available resources.

ATF has established key linkages with government and other support agencies to ensure stronger stakeholder engagement for a sustained value through the programmes.

The organisation has adopted Public Private Partnership (PPP) model for better program deliver and wider outreach. For instance, technical partnership with USAID, The Union & Central TB Division for elimination of TB in Healthcare programme; partnership with Essilor Vision Pvt Ltd for setting up the vision testing facility and affordable spectacles for the trucking community. For tele medicine consultation, ATF has partnered with Telerad Foundation and has introduced teleconsultation facility at 32 Healthcare centres. Other partnerships such as Ashok Leyland, Ambuja Cement Foundation have led to pooling of funds for better services to the beneficiaries.

Under community development, at Kerala location ATF has developed a biodiversity park in collaboration with local panchayat. Under livelihood programme, ATF has partnered with District Rural Development Authority (DRDA) for livelihood training support and government linkage, National Rural Livelihood Mission for credit linkage, Agriculture Universities and Agriculture Training Management Agency (ATMA) for agriculture and livestock development related trainings and others.

Apart from these, linkages with Kudumbshree at Kerala location for creating livelihood opportunities for rural women have been developed. Other partnerships with Alliance Francaise and CSRBOX were introduced for the promotion of livelihood campaign (EK Naam) and rural livelihoods.

3. Have you done any impact assessment of your initiative?

Yes, ATF conducted three impact assessment studies for its Healthcare Programme for Trucking Community, Livelihood for Underprivileged Rural Women and Local Initiatives (Water Conservation Projects). Findings of the impact assessments studies are given below:

Healthcare for Trucking Community:

- Nearly 70 % of truck drivers interviewed, have availed only ATF healthcare services.
- ATF's Peer Educators (volunteers) are one of the top 3 source of receiving information on healthcare services.
- 85% truckers, who were exposed through ATF intervention, aware about ways of HIV transmission.

- Top 3 perception about Apollo brand (1. High priced premium product, 2. Care for its customer, 3. Superior quality product).

Livelihood for Underprivileged Women:

- Nearly 70% of trained women are involved in income generation activities and earn over ₹ 5,000 a month.
- Nearly 80% of the beneficiaries believed that they participate in decision making matters.

Local Initiatives (Water Conservation):

- 80% of the villagers at Chennai location use RO drinking water.
- Households that consume RO water have very little morbidity incidence due to water borne diseases.
- Post pond rejuvenation, beneficiary believed in increase in water level in wells.
- 90% of the respondent said pond water is now used for religious activity .

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Broad Areas of CSR Programs	₹ Million
Ensuring Environmental Sustainability, Ecological Balance	38.08
Eradication Hunger, Poverty & Malnutrition	1.05
Livelihood Enhancement Projects	13.33
Making Available Safe Drinking Water	2.1
Promoting Education	1.98
Promoting Health Care Including Preventive Health Care	77.37
Promoting Sanitation	8.47
Rural Development	2.54
Disaster management, including relief, rehabilitation and reconstruction activities	29.4
Impact Assessment	3.94
Total	**178.26**
Administrative Cost (5% over total expense)	8.91
Grand Total	187.17

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so

Yes, Community is our key stakeholder, and the Company believes that development of the community is possible only through continuous engagement and follow ups.

Under safe sanitation initiative, the organisation has constructed toilet with bathing facilities at Chennai, Chinnapanduru and Limda locations. Total 1,234 toilets with bathing spaces are constructed. Utilisation of the facility across locations is over 97%. This showcases the adoption of safe sanitation practise amongst community people.

Principle 9:

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The Company has a robust system for addressing customer complaints. As on March 31, 2022, there are no customer complaint pending. The total number of legal cases pending are 230 at Pan India level.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

The Company adheres to all legal requirements with respect to product labelling and display of product information. All data as per current laws are available on the tyre sidewall. Product labels are available on PCR Tyres as of now basis current laws in India.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

In various Consumer cases complainants allege about unfair trade practice by Apollo on warranty policies. No indent of such complaint in Competition Commission except two pending CCI cases initiated on the complaint of a dealers' federation i.e. AITDF and Haryana State Transport Undertaking.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Company regularly engages with customers through call center to get their feedback on the resolution provided for complaints registered through various channels to gauge their satisfaction levels. The Company has also empowered dealers with AQS (Apollo Quick Service) App for on the Spot complaint disposition resulting in quick turn around and enhanced satisfaction trends for year under review. The Company expanded its footprint for better and quick customer complaint resolution by empowering partially to selected 8 Tractor OEMs and 1 Car OEM Dealerships. The findings of the feedback study are used to improve existing systems & processes in alignment to organizational goals.

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN: 00058921

Place : Gurugram
Date : May 12, 2022

ANNEXURE -IV

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

Practicing energy management standard (ISO: 50001) all across Apollo plants, which helped to improve & sustain energy performance at work centre and also certified for ISO 50001: 20018 version.

The energy saving projects (energy consumption reduction, improving utility generation efficiency, heat recovery projects, alternated method and automated process) identified in the process of practicing ISO: 50001 are implemented across locations.

Internal and external Energy audits are conducted to improve the energy performance.

Energy Projects & Activities strengthened up:-

- New improvement opportunity identified in utility system (Chilled water, steam & HVAC) and study of distribution network to identify gap & opportunities for improvement.
- Forward planning for optimized usage of energy sources (Direct & Indirect) to control cost.
- Implementation of SCADA system to monitor, analyse & control process side specific consumption.
- Horizontal deployment of identified energy saving projects analysed & reviewed for improving groups energy foot prints.
- Training continued to identify the energy efficiency improvement projects.
- Focused energy review meetings by management.
- Interplant energy efficiency comparison and review by all the plants.

(ii) Steps taken by the Company for utilizing alternate sources of energy

As per Apollo vision to increase the percentage of renewable power contribution and reduction of carbon foot print, 30MW off site solar plant and 5MW hybrid off site power plant is being installed.

14MW on site roof top solar plant also initiated in this year.

Usage of Briquette as a alternate fuel in place of coal is initiated in this year to reduce carbon emission and operational cost.

(iii)The capital investment on energy conversation equipments

This year also continued to identify energy saving projects which can be implemented horizontally all across the location that will improve sustainability and profitability.

- Standard old low efficiency motors replace with IE3/IE4 energy efficient motors.
- Energy efficiency projects identified more efficient usage of utilities.
- Horizontal deployment of energy efficient vacuum pump to be install in all the plants.
- Pilot project implementation of automatic condenser tube cleaning system to improve the chiller energy efficiency.
- Alternate method of cooling tower maintenance by installing SBR system to avoid the auto chemical dosage system and manual cleaning system to maintain the cooling tower efficiency and reduce the operational cost.
- AHU upgradation from single stage to multistage cooling method to improve the chilled water efficiency.
- Alternate method for curing being looked into reduce the water consumption.
- Coal fired boiler reliability improvement to reduce the hot standby of FO boiler to reduce the FO consumption.
- Dedicated special task team appointed to find out the opportunities in direct energy consumption area to optimize the operation cost and also find out the alternate source to reduce the carbon foot print.

B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards Technology absorption

Research and Development is regarded as one of the major pillars of our Company's growth with customer centric product development being the key process. Vision of Apollo's R&D is to support organisational growth through the development of path breaking technology and using them to create products that exceed customer expectations. Apollo's commitment to realizing its vision has led to the development of many innovative products. The year gone by has seen Apollo introducing many winning products into markets. Our Global R&D centres which represent the Company's Intellectual Capital have produced numerous customer centric innovations till date, which helped us to bag prestigious and highly regarded **National IP Awards 2020 of India from the Hon. Minister of Commerce & Industry Shri. Piyush Goyal,** for being the 'Top Indian Company/Organization for Design & Commercialization. Global R&D centre Asia has undertaken and completed many projects in key areas of technology that have a direct bearing on business growth for the Company.

Company believes that in a era of technological disruptions, Collaboration is the key for success in technology development. Apollo's R&D has forged many research collaborations with major Universities and test facilities across the globe. Apollo continues to be a Member with Centire research center of Virginia tech., USA, which provides access to many new avenues in research. Sponsored research through PhD students at various IITs, BITS, MG university & VIT are on-going and the outcomes will benefit the Company to enjoy technological edge over competition. IIT Chennai and Anna University have approved our Global R&D centre to conduct their PhD programmes.

Sustainability is embedded in our value – and we commit ourselves to building a responsible and sustainable business that equally benefits the society. R&D focus on Sustainability will define future growth for our company. As a starting point, we have made a commitment of becoming 'Net Zero' emitter or carbon neutral by Yr 2050. We are also in the process of setting our short-term and mid-term commitments to ensure that we will realize our 2050 promise of 'Net Zero'. As a Company, we have been cognizant of this mammoth issue faced by the world and the tyre industry and have long incorporated 'Sustainability' at the core of our operations. We are part of the Global Platform on Sustainable Natural Rubber and rolled out our Sustainable Natural Rubber policy and working with our partners accordingly. We also introduced the 'Sustainability Awards' to recognise leading work in the area of 'Sustainability' by our partners. Research and Development activities are also focused on this new journey and Sustainable materials (Recycled rubber, carbon and reinforcements) are under development as a replacement for conventional materials. Several New generation reinforcing materials for performance enhancement and weight reduction are developed. Smart fillers are developed to enhance performance of tyre. Bio-based material is synthesised for eco-friendly tyres which makes tyre greener to environment. High end of sophisticated analytical instruments are added to characterize performance enhancement properties of smart material for tyre application. Novel methods are developed for determining the extent of Silanization in silica compounds for improving tyre performance. Several patents filed and research papers published in journals of International repute on related topics. Apollo's long term high value training programmes like Technical Leadership Development Programme(TLDP) helps the company to develop the needed pool of scientists for the future.

Collaborative work with multiple partners & suppliers of the raw materials used across the tyre manufacturing secures the competitive advantage for our Company and increases the engagement in knowledge, expertise, and resource sharing to make better products. While our global R&D centres continue to work on making better and longer lasting tyres with reduced rolling resistance, exploration of new materials and smart mixing methods help to achieve best balance of properties. Advancement in the mixing technology with smart mixing sequence assisted to enhance the performance properties that meet the requirements of premium OEMs such as M&M, MSIL, Hyundai and BMW. Commitments to the mandated requirements by OEMs in compliance with the Corporate Average Fuel Efficiency (CAFÉ) norms created an abrupt increase in the demand of the ultra-low RR tires with optimized tyre performance. We continue to innovate in the areas of material chemistry and physics to develop durable ultra-low RR compound that meets the CAFÉ requirements with remarkable durability and braking performance. Various projects including the use of recyclable materials and weight reduction without sacrificing tyre performance were undertaken as part of the organization's commitment to sustainability. Two product lines have been updated in terms of fuel efficiency as part of the company's efforts to reduce energy use.

Pre-development function of R&D has been consistently reaching new milestones in lowering Rolling resistance and incabin noise levels and the current levels are very much supportive for EVs. Also the research towards interior noise reduction resulted in concepts which can potentially reduce noise across all frequency spectrum through new pattern, material and construction as part of Ultra low noise technology development. The team has also developed Electric vehicle tyre technology with very low lower Rolling resistance along with superior traction and silent ride and this was achieved without compromising on the durability and handling. The team is currently working on technologies to support light weighting, Cavity noise reduction and extended mobility which will be available in products in the near future. Technology has also been developed for puncture proof tyres in farming application. Tyre Simulation department had taken a goal to reduce the New product development time and one action completed in this direction was the democratization of routine simulation steps. This facility is helping design and product development engineers to accelerate design selection and mould development. Further strengthening is happening on vehicle level simulations which will help the company to reduce number of iterations towards product approvals and testing. The department has also digitized the process flow to capture input and output data to support data analytics to avoid duplication of activities. Noise queller and Self Sealant Technology are two new add-on technologies designed for noise reduction and extended mobility. Self-Sealant tyres successfully tested for the puncture sealing capability. Advanced Engineering has developed TPMS and RFID technologies for tyre health monitoring and digital identification of tyres which can potentially support evolving business models. All these developments ensured strict compliance of global regulatory requirements like REACh, PAH, ROHS, TSCA, ELV,SOC, Conflict Minerals, California Prop65, etc.

New design studio was set up for designers and product engineers for conceptualizing, conceiving, designing and prototyping. "Design thinking" is practiced to empathise with customer to understand the pain points and to propose desirable, feasible and viable solutions. In order to reduce product development cycle time, TBR layout automation system was developed jointly with Europe R&D and this process integrated the design and simulation activities and democratized the process for faster output. Faster industrialisation of any design output needs faster mold manufacturing. Through automated drawing method and collaborative working with mould suppliers for speedy manufacturing, 30% reduction in mould manufacturing time achieved for OE projects (2W and PV). This has given an edge to our company over competition for securing key OE projects.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution

Company has emerged as a leader in the Passenger car tyre segment in India. Apterra Cross (5 sizes) series of tyres was developed for the fast-growing compact SUV (CSUV) segment. The company maintained its leadership in the passenger car tyre category by driving more projects for product enhancement, cost reduction, product innovation, and import replacement. The UHP series Ultrac Vorti I and Ultrac I product lines in the Premium Luxury category now have 26 and 14 sizes respectively. In order to address the requirement from a fast-emerging electric vehicle (EV) market, R&D has created a particular EV tyre line with a low rolling resistance coefficient (RRc), reduced noise, and better comfort without sacrificing structural durability and wear performance. Several sizes are now available in the EV portfolio to cater to the demand of the upcoming EV vehicle. Customer enthusiasm for the environment friendly Amazer XP tyre, which was introduced in FY21, led to the addition of 17 sizes to the Amazer XP product line. In the main SUV class, Apterra's HT2 offering was also enlarged by 13%. Following the successful launch of Pinza in the US market, Pinza HT (38 sizes) and Pinza AT were introduced to the product line (41 sizes). The Altrust Grip product range, which was created particularly for the AMA region, now includes two more sizes. When we demonstrated our technological prowess, three development projects, including the one for the 7 series, were obtained from OEMs.

Make in India for the world – In view of the regulatory activism across world, our product range got refreshed to meet all global requirements. TBR segment retained its leadership in the market with new engineered products developed all steel mining tyres which have a significantly better resistance to penetrations leading to breakdown than bias tyres and which enhanced the uptime and operational efficiency. Building up on our focus in fuel efficient tyres, the US range has been expanded to quality Smartway norms. To overcome the infra challenges in India, new innovative bead design was developed to improve the robustness of the tubeless tyre bead area. Partnership with major OEM has been forged for the Electric powertrain introduction in cargo segment through EV specific material technologies in tyres. Next generation coach tyre with low noise and high grip was developed to address the safety and comfort requirement of passenger transport. In order to spearhead the ambitious growth plans, next generation products introduced in all wheel and steer for the domestic market.

Small Commercial Vehicle (SCV) is one of the most dynamic and fast-evolving categories and the company developed small bias tyres 155D12 Bhim (Rib & Lug) to cater to this category, offering unmatched load carrying capability, best-in-class durability with the new HEART platform which also delivered better mileage than other tyres in this segment. These new tyres are aesthetically robust, bigger and stronger making it capable to carry more load, especially for securing market share in the last mile connectivity segment across India. For the first time in India, developed and established the steel belt design in Back-Hoe radial tyres to improve tyre life, fuel efficiency and driving comfort. New product was also developed with higher tread depth with optimized tread pattern in port segment, 18.00-25 for Reach stacker for container handling application aiming to establish CPH concept. New Turf tyres developed for Indian OEM exporting vehicle to European market. In the 2 wheeler segment, the company has successfully developed and launched the "Centauro" tyres under "Vredestein" brand focusing on Sport Touring (Centauro ST) and Super Sport (Centauro NS) applications with the successful 0° Steel Radial Technology of Apollo which covers a wide range of motorcycles from 500cc to 1200cc. Before the launch of these tyres, the customers had to wait for months to get the tyres because of non-availability of them locally and due to import restrictions, which led to high demand for these tyres. Company seized this opportunity, entered into this segment and these tyres are getting accepted well not only in the Indian market, but also in other countries like South Africa, Thailand and middle east Gulf countries. In addition to this, the company is going to put an end to the long wait of the customers who crave for adventure riding with the launch of "Tramplr" series in the upcoming year which suits both on road and off road riding. The company also focuses on the optimization of sustainable materials usage. The company has even planned to extend "Centauro" to the "Trail" segment which suites for High end Adventure Motorcycles of the world with both On road and Off road capabilities. The company has also strategized to cover all ranges of new vehicles not only in the premium segment of High end Motorcycles, but also in the Premium Scooter segments. On the OE space, the company has realized the growth of EV segment and bagged the approval of a major player in the EV segment, "Hero Electric" for which the supply is going on, thanks to the successful development of a EV specific tyre, "Apollo WAV, a tailor made tyre for meeting the performance needs of an electric vehicle. Also a joint development with another prominent EV OEM, "Ampere" is going on and we will soon see their new launch vehicle fitted with Apollo Tyres. Nevertheless, the continual focus on the conventional 2 wheeler OEM's is still going on where the company is keenly working with Bajaj/KTM, HMCL, BMW/TVS, Yamaha and Royal Enfield. The company has already initiated on the expansion of production in 2 wheeler category and new facilities approved for increasing the production upto 30% from FY22.

Company has also focused on the testing and evaluation of the tyres. With the commissioning of the custom designed advanced testing capabilities such as, Force & Moment on Flat trac, High speed Uniformity, Anechoic chamber, dynamic footprint etc., Apollo is now able to further the development of high-performance tyres for the most discerning customers. Key Features are enabled for High speed, camber & torque ramp-up rates– Suitable for development of EV tyres, high-end MC & PV tyres. For the faster development of tyres for different geographies & OEMs , Braking & Traction, Ride & Handling and NVH characterization capabilities were added . These facilities resulted in Significant saving in development cost and time. For premium & luxury vehicles, the major challenges of NVH is now addressed to the best satisfaction as a preferred partner of OEMs with joint evaluation, well supported with objective tyre characteristic data for their simulation. R&D team has also established the usage of remote assistance industrial smart glass for remote tyre inspection in field, plant process audits and supplier evaluations. This is helpful to ensure business continuity during pandemic time with timely decision making and for seamless connect with customer and other stake holders. Global function of process technology also made significant contribution like Smart Cure technology, Split curing technology, Dynamic Drain technology, Single Pass Mixing technology leading to savings in energy, costs and capex .

(iii) In case of imported technology (imported during last 3 years reckoned from the beginning of the financial year)

a) **Details of technology imported-** No Technology was imported during this financial year.

b) **Year of import**- Not Applicable.

c) **Whether the technology been fully absorbed-** We are focusing on the development of our own technology through in house R&D efforts.

d) **If not fully absorbed, areas where absorption has not taken place and reasons therefore.** – The present technology is based on our own R&D efforts.

(iv) Expenditure incurred on Research and Development

	(₹ Million)
a) Capital	35.90
b) Deferred Revenue Expenditure	-
c) Revenue	1,443.74
d) Total	1,479.64
e) Total R&D expenditure as a % turnover	1.03%

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

	(₹ Million)
(i) Foreign Exchange Earnings	
On account of direct - export sales from Apollo Tyres Ltd (FOB value)	21,495.87
On account of royalty from Foreign Subsidiary Companies	83.66
On account of Cross Charge of Management Expenses from Foreign Subsidiary Companies	352.22
On account of Reimbursement of Expenses from Foreign Subsidiary Companies	494.18
(ii) Foreign Exchange outgo (other than CIF value of imports)	3,967.28

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN: 00058921

Place : Gurugram
Date : May 12, 2022

Annexure V

Corporate Governance Report

Apollo Tyres' governance framework enjoins the highest standards of ethical and responsible conduct of business to create value for all stakeholders. It continues to focus on good corporate governance in line with emerging local and global standards. It understands and respects its fiduciary role in the corporate world. Besides adhering to the prescribed corporate governance practices as per Regulation 4(2) read with Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company voluntarily governs itself as per highest standards of ethical and responsible conduct of business in all facets of its operations and in all interactions with its stakeholders including shareholders, employees, consumers, lenders and the community at large.

The prime focus of Companies Act, 2013 (the "Act"), is on shareholders' democracy, higher transparency and more disclosures, E-Governance, investor protection/minority shareholders and on Professionals' enhanced role & accountability. The current annual report of your Company contains all the information and disclosures which are required to be given under Companies Act, 2013 / Listing Regulations.

This report, along with the report on Management Discussion and Analysis and additional shareholders information provides the details of implementation of the corporate governance code by your Company as contained in the Listing Regulations.

1. CORPORATE GOVERNANCE PHILOSOPHY

At Apollo Tyres Ltd ('Apollo"), corporate governance brings direction and control to the affairs of the Company in a fashion that ensures optimum return for stakeholders. Corporate governance is the broad framework which defines the way the Company functions and interacts with its environment. It is in compliance with laws and regulations in each of the markets the Company operates, leading to effective management of the organisation. Moreover, Apollo in its journey towards sustainability is integrating sustainability practices in its corporate governance system which goes beyond compliance.

The Company is guided by a key set of values for all its internal and external interactions.

Simultaneously, in keeping with the best practices, your Company seeks to execute the practices of corporate governance by maintaining strong business fundamentals and by delivering high performance through relentless focus on the following:

(a) Transparency by classifying and explaining the Company's policies and actions to those towards whom it has responsibilities, including its employees. This implies the maximum possible disclosures without hampering the interests of the Company and those of its stakeholders. The Company believes in promotion of ethical values and setting up exemplary standards of ethical behaviour in our conduct towards our business partners, colleagues, shareholders and general public;

(b) Accountability is a key pillar, where there cannot be a compromise in any aspect of accountability and full responsibility, even as the management pursues profitable growth for the Company;

(c) Professionalism ensures that management teams at all levels are qualified for their positions, have a clear understanding of their roles and are capable of exercising their own judgment, keeping in view the Company's interests, without being subject to undue influence from any external or internal pressures;

(d) Trusteeship brings into focus the fiduciary role of the management to align and direct the actions of the organisation towards creating wealth and shareholder's value in the Company's quest to establish a global network, while abiding with global norms and cultures;

(e) As part of Corporate Responsibility, the Company believes in working towards sustainable development - environmental and social. Though the journey on sustainability is recent, it is already a key pillar in its next five year growth journey;

(f) Safeguarding integrity ensures independent verification and truthful presentation of the Company's financial position. For this purpose, the Company has also constituted an Audit Committee which pays particular attention to the financial management process;

(g) Continuous focus on training and development of employees and workers to achieve the overall corporate objectives while ensuring employee integration across national boundaries.

Your Company is open, accessible and consistent with its communication. Apollo Tyres shares a long term perspective and firmly believes that good corporate governance practices underscore its drive towards competitive strength and sustained performance. Thus, overall corporate governance norms have been institutionalised as an enabling and facilitating business process at the Board, Management and at all operational levels.

2. BOARD OF DIRECTORS

At Apollo, we believe that an active, well-informed and independent Board is necessary to ensure highest standards of Corporate Governance. The Board of Directors of Apollo Tyres, being at the core of its Corporate Governance practice, plays the most pivotal role in overseeing how the management serves and protects the long term interests of all our stakeholders.

Apollo's Board consists of an optimal combination of Executive Directors and Independent Directors, representing a judicious mix of professionalism, knowledge and experience. The Directors bring in expertise in the fields of strategy, management, human resource development, legal, finance and economics, among others. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

(a) **Composition of Board:** The size and composition of the Board meet the requirements of Regulation 17(1) of Listing Regulations. The Company's Board of Directors consists of 14 Executive and Non-Executive Directors, including leading professionals in their respective fields. The following is the percentage of Executive and Non-Executive Directors of the Company as on March 31, 2022:

Category of Directors	No. of Directors	% of Total no. of Directors
Executive	3	21
Non-Executive (including Independent Directors)	11	79
Total	**14**	**100**

The constitution of the Board and attendance record of Directors as on March 31, 2022 are given below:

Name/ Designation of Director	Executive/ Non-Executive/ Independent	No. of positions held in Other Companies			Directorship in listed Companies		No. of Board Meetings Attended [3]	Attendance at last AGM
		Board[1]	Committee[2] Member	Committee[2] Chairman	Name of the Company	Position Held		
Mr. Onkar Kanwar Chairman & Managing Director	Promoter – Executive	3	-	1	PTL Enterprises Ltd. Artemis Medicare ServicesLtd.	Chairman Chairman	5	Yes
Mr. Neeraj Kanwar Vice Chairman & Managing Director	Executive	2	3	-	PTL Enterprises Ltd. Artemis Medicare Services Ltd.	NED NED	5	Yes
Mr. Akshay Chudasama	Non-Executive Independent	1	1	-	Bata India Ltd.	ID	5	Yes
Ms. Anjali Bansal (Resigned w.e.f. September 13, 2021)	Non-Executive Independent	5	4	-	The Tata Power Co Ltd. Voltas Ltd. Siemens Ltd. Piramal Enterprises Ltd.	ID ID ID ID	1	No
Gen. Bikram Singh (Retd.)	Non-Executive Independent	-	-	-	None	-	5	Yes
Mr. Francesco Gori	Non-Executive Non-Independent	-	-	-	None	-	5	Yes
Mr. Francesco Crispino	Non-Executive Independent	-	-	-	None	-	5	No

Name/ Designation of Director	Executive/ Non-Executive/ Independent	No. of positions held in Other Companies			Directorship in listed Companies		No. of Board Meetings Attended [3]	Attendance at last AGM
		Board[1]	Committee[2] Member	Committee[2] Chairman	Name of the Company	Position Held		
Ms. Lakshmi Puri (Appointed w.e.f. October 29, 2021)	Non-Executive Independent	-	-	-	-	-	3	NA
Ms. Pallavi Shroff	Non-Executive Independent	4	2	-	One 97 Communications Ltd.	ID	3	Yes
					Asian Paints Ltd.	ID		
					Inter Globe Aviation Ltd.	ID		
					PVR Ltd.	ID		
Mr. Robert Steinmetz	Non-Executive Non-Independent	-	-	-	None	-	5	Yes
Mr. Satish Sharma	Executive	-	-	-	None	-	5	Yes
Mr. Sunam Sarkar	Non-Executive Non-Independent	-	-	-	None	-	5	Yes
Mr. Vikram S. Mehta	Non-Executive Independent	5	6	1	Colgate Palmolive I Ltd.	ID	5	Yes
					Mahindra & Mahindra Ltd.	ID		
					HT Media Ltd.	ID		
					L & T Ltd.	ID		
					Jubilant Foodworks Ltd.	ID		
Mr. Vinod Rai	Non-Executive Independent	3	1	-	-	-	5	Yes
Mr. Vishal Mahadevia	Non-Executive Non-Independent	1	-	-	IDFC First Bank Ltd.	Non-ID	5	Yes

[1]This includes Directorships held in Public Ltd. Companies and Subsidiaries of Public Ltd. Companies and excludes Directorships in Private Ltd. Companies, Section 8 Companies and Overseas Companies.

[2]For the purpose of Committees of Board of Directors, only Audit and Stakeholders' Relationship Committees in other Public Ltd. Companies and Subsidiaries of Public Ltd. Companies are considered.

[3]During FY22, 5 (five) Board Meetings were held.

None of the Directors of your Company is a member of more than 10 Committees or is the Chairman of more than 5 Committees across all the Companies in which he/ she is a Director.

Ms. Pallavi Shroff and Mr. Akshay Chudasama are Managing Partners of M/s. Shardul Amarchand Mangaldas & Co., Solicitors and Advocates on record, to whom the Company has paid fee of ₹ 3.21 million during FY22 for professional advice rendered by the firm in which they are interested. The Board has determined that such payment in the context of overall expenditure by the Company is not significant and does not affect their independence.

As required under Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors was held on February 15, 2022. The Independent Directors at the meeting, inter alia, reviewed the following:-

- Performance of Non-Independent Directors and Board as a whole;
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

In addition to formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors to discuss the issues and concerns, if any.

(b) **Performance evaluation of Independent Directors**

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

For annual performance evaluation, the Company has formulated a questionnaire to assist in evaluation of the performance based on criteria such as value addition to discussions and decisions, attendance in Board Meetings, effective contribution to Board Meetings etc. Every Director has to give rating for each question on the scale of 1 to 5, 1 being Unacceptable and 5 being Exceptionally Good. On the basis of the response to the questionnaire, a matrix reflecting the ratings was formulated.

(c) **Board Functioning & Procedure:** Apollo Tyres' Board is committed to ensure good governance through a style of functioning that is self-governing. The members of the Board always have complete liberty to express their opinion and decisions are taken on the basis of consensus arrived at after detailed discussions. They are also free to bring up any matter for discussion at the Board Meetings.

Apollo Tyres' Board meets at least once in every quarter to discuss and review the quarterly results and other items of agenda, including the information required to be placed before the Board, as required under Regulation 17(7) read with Part A, Schedule II of the Listing Regulations and additional meetings are held as and when required. The meeting dates are usually finalized well before the beginning of the year. The Chairman/Vice Chairman of the Board, Chief Financial Officer and the Company Secretary discuss the items to be included in the agenda and the detailed agenda, management reports and other explanatory statements are circulated well in advance of the meeting. Senior Management officials are called to provide additional inputs on the matters being discussed by the Board/ Committee. Overseas operating subsidiaries are represented through President of respective regions who make detailed presentations about working of their respective Companies.

Paperless Board Meetings: With a view to leverage technology and reducing paper consumption, the Company has adopted a web-based application for transmitting Board/Committee Agenda. The Directors of the Company receive the Agenda in electronic form through this application, which can be accessed through Browsers or iPads. The application meets high standards of security and integrity that is required for storage and transmission of Board/Committee Agenda in electronic form.

Post Meeting follow up procedure: The Board has an effective post meeting follow up procedure. Items arising out of previous Board Meeting and their follow up action report are placed at the immediately succeeding meeting for information of the Board.

(d) **Information placed before the Board of Directors**

The Board has complete access to all the information available within the Company. The following information, inter-alia, is provided periodically by the management to the Board for its review:

- Quarterly/ Half yearly/ Yearly financial results (consolidated & standalone) and items arising out of Annual Accounts.
- Proceedings of various Committees of the Board (on quarterly basis).
- Minutes of the Subsidiaries (on quarterly basis).
- Internal/External Audit findings & recommendations (on quarterly basis).
- Report on Share Capital Audit (on quarterly basis).
- Secretarial Audit Report (on Annual basis).
- Related Parties Transactions (on quarterly basis).
- Information on Cost Audit (on Annual basis).
- Compliance certificates on applicable laws of ATL & its Subsidiaries (on quarterly basis).
- Compliance Reports, Investors Complaints, Corporate Governance, Transfer/ Transmission/ Demat of shares (on quarterly basis).
- Foreign Exchange exposure & steps taken to limit the risk (on quarterly basis).
- Material legal cases (on quarterly basis).
- Investment/deployment of funds & borrowings (on quarterly basis).

- Annual Report (on Annual basis).
- Capital and Revenue Budgets (on Annual basis).
- Overall business scenario, operations of the Company (on quarterly basis).
- Growth & Expansion plans at various operations, capital spent, business/financial justification and time frame (as and when required).
- Sales Forecast, Margin outlook etc. (on quarterly basis).
- Banking facilities and its utilization (on quarterly basis).
- Review of Material Events and Transactions (on quarterly basis).
- Global growth plans (as and when required).
- Codes and Policies (as and when required).
- Investment in Subsidiary Companies & providing guarantee etc.(as and when required).
- Update on statutory compliance requirements and implementation process (as and when required).
- Details on Labour Relations covering the Plants (on quarterly basis).
- Statement of all significant transactions and arrangements entered into by the Subsidiary Companies (on quarterly basis).
- Noting of Report on Health & Safety (on quarterly basis).
- Disclosure of interest/ declaration of independence/ declaration u/s 164 received from Directors (on Annual Basis).
- Fixation of Statutory Responsibilities/ Grant of Power of Attorney (as and required).
- Operation of Bank Accounts (as and required).
- Re-appointment of Secretarial Auditor (on Annual Basis).
- Group Organogram (on Quarterly Basis).
- Details on Dividend (on Annual Basis).
- Details on Issue and Listing of Commercial paper (as and when required)
- Presentation on repayment schedule & financial covenants (as and when required).

The Chairman, Vice Chairman, CFO and Company Secretary keep the members of the Board informed about any material development/business update through various modes viz. emails, letters, telecon etc. from time to time.

(e) **Core Skills /Expertise/ Competencies available with the Board**

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified/ available with the Board for the effective functioning of the Company:

- Leadership / Operational experience.
- Legal Expertise.
- Expertise in Strategy, Human Resource Development and Administration.
- Building effective Sales and Marketing strategies.
- Expertise in International Tyre Business and Technical Operations.
- Expertise in sourcing of Raw Materials, IT and Business Operations.
- Expertise in Auditing, Banking, Finance, Economics and Corporate Governance.
- Expertise in Manufacturing, Projects and R&D.
- Expertise in Investment Banking and Private Equity Investments.

While all the Board members possess the skills identified, their area of core expertise is given below:

S. No.	Name of Director	Expertise/ Skills
1.	Mr. Onkar Kanwar	Leadership/ Operational experience, expert in Strategy, Tyre Business and Management.
2.	Mr. Neeraj Kanwar	Leadership/ Operational experience, expert in Strategy, Tyre Business and Management.
3.	Mr. Akshay Chudasama	A lawyer, specialized in Mergers and Acquisitions, Joint Ventures, Cross Border Investments, Private Equity etc.
4.	Gen. Bikram Singh (Retd.)	Former Chief of Indian Army and an expert in Administration and Strategy.
5.	Mr. Francesco Gori	Expert in the field of International Strategy, Product Development & Management, Sales and Marketing.

S. No.	Name of Director	Expertise/ Skills
6.	Mr. Francesco Crispino	Expert in the field of Investment Banking and Corporate Law.
7	Ms. Lakshmi Puri	Expert in Economics, Foreign Affairs and International Trade and Development.
8.	Ms. Pallavi Shroff	A lawyer, with an expertise in ad-hoc arbitrations and institutional arbitrations and handling legal disputes.
9.	Mr. Robert Steinmetz	Expert in International Tyre Business and Technical Operations.
10.	Mr. Sunam Sarkar	Expert in sourcing of Raw Materials, HR, IT, Sustainability, Business Operations and Corporate Strategy.
11.	Mr. Satish Sharma	Expert in the field of key functions like manufacturing, sales and marketing, projects and R&D.
12.	Mr. Vikram S. Mehta	Expert in the field of Sales/ Marketing, Strategy and Management.
13.	Mr. Vinod Rai	Ex-Comptroller and Auditor General of India. Expert in Audit, Banking, Finance and Corporate Governance.
14.	Mr. Vishal Mahadevia	Expert in the field on Finance, Economics and Private Equity Investments.

(f) **Relationship amongst Directors:** Mr. Neeraj Kanwar, Vice Chairman & Managing Director is the son of Mr. Onkar Kanwar, Chairman & Managing Director. None of the other Directors are related to each other.

(g) **Profile of the Chairman & Managing Director:** As the Chairman of Apollo Tyres Ltd, Mr. Onkar Kanwar is the chief architect of the Company's vision and value-driven business strategy. Under his able leadership, Apollo became a professionally managed and a globally recognised tyre manufacturer. As a visionary entrepreneur, he plays a critical role in the articulation of Company's business philosophy.

Modernisation, excellence and quality are his guiding principles. Registered in 1972, Apollo Tyres under his guidance transformed itself from an Indian manufacturer of commercial vehicle tyres, to a global entity with a full-fledged product portfolio. Mr. Onkar Kanwar is highly regarded for his constant emphasis on bettering the lives of people, be it employees, customers, business partners, shareholders or any other stakeholder and responsiveness to change and continuous learning.

He is the Past President of the Federation of Indian Chambers of Commerce and Industry (FICCI) and a former Chairman of the Automotive Tyre Manufacturers' Association. Currently, he is the Chairman of BRICS Business Council, India.

Mr. Onkar Kanwar has a keen interest in the field of education and health care. Artemis Health Sciences, promoted by him, is an enterprise focusing on state-of-the-art medical care and runs a cutting edge multi-specialty medical facility which focuses on holistic treatment. An initiative close to his heart is Apollo Tyres' HIV-AIDS awareness and prevention programme for the commercial vehicle driver community, implemented through Apollo Tyres Foundation's Health Care centres located in large transshipment hubs across India.

A Science and Administration graduate from the University of California, Mr. Onkar Kanwar is a widely travelled individual. He devotes a large part of his time to reading and is passionate about learning modern management practices and their successful application in business.

He has been conferred with 'Ernst & Young Entrepreneur of the Year Award – Manufacturing' for the year 2012. He has recently been awarded with Hungarian 'Order of Merit', and Government of Japan's 'Order of Rising Sun, Gold and Silver Star'.

Profile of the Vice Chairman & Managing Director: As the Vice Chairman & Managing Director of Apollo Tyres, Mr. Neeraj Kanwar plays a pivotal role in Apollo's journey towards becoming one of the most admired automotive tyre brands. Mr. Neeraj Kanwar has pioneered key initiatives in enhancing the competitiveness of the Company's Operations and Products across the Board. He is responsible for crafting Apollo's growth story taking the Company from US$450 million to US$2 billion within a 5-year time span. Under his able leadership, Apollo acquired Dunlop Tyres International in South Africa and Zimbabwe in 2006, Vredestein Banden B V in the Netherlands in 2009, and the setting up of a Greenfield facility in Hungary, thereby transforming itself into a Company with operations across geographies.

Mr. Neeraj Kanwar began his career with Apollo Tyres as Manager, Product & Strategic Planning, where he played a crucial role in creating a bridge between the two key functions of Manufacturing and Marketing. In 1998, he joined the Board of Directors and was promoted to Chief, Manufacturing and Strategic Planning. His people management skills helped him bring overarching changes in Industrial Relations, upgradation of technology and benchmarking on product and efficiency parameters.

In 2002, he took over as the Chief Operating Officer of the organisation, wherein he introduced value-driven process improvements in Human Resources and Information Technology. Mr. Neeraj Kanwar was appointed as Joint Managing Director in 2006 and elevated to Vice Chairman in 2008, and soon after took over as the Managing Director in 2009 for his initiatives in establishing the Company in the global arena.

As a business leader, Mr. Neeraj Kanwar is associated with leading industry associations and was recently the Chairman of the Automotive Tyre Manufacturer's Association, India.

Mr. Neeraj Kanwar is a people-centric leader and believes in empowering employees to undertake effective and efficient decisions at all times. Within Apollo, he is known for his affable management style, and combine work with liberal doses of fun.

An engineering graduate from Lehigh University in Pennsylvania, USA, Mr. Neeraj Kanwar is an avid sportsperson. He prefers to spend his leisure time with his family or playing tennis, swimming and travelling.

(h) **No. & Dates of Board Meetings held:** During the FY22, 5 (five) Board Meetings were held on May 12, 2021, August 4, 2021, October 29, 2021, February 2, 2022 and March 29, 2022. The gap between any two meetings never exceeded 120 days as per the requirements of Regulation 17(2) of the Listing Regulations.

(i) **Statutory Compliance of Laws:** The Board periodically reviews the compliance report of the laws applicable to the Company as well as steps taken by the Company to rectify the instances of non-compliance, if any.

(j) **Recommendation of Committees:** During the FY22, the Board has accepted all the recommendations of the Committees.

(k) **Compliance by Independent Directors:** In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

(l) **Independent Director Databank Registration:** Pursuant to a notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), all the Independent Directors, subject to the guidelines prescribed by the MCA, were required to register online with the Indian Institute of Corporate Affairs (IICA) within the stipulated time for inclusion of their names in the Independent Directors Databank. Accordingly, all our Independent Directors have completed the registration with the Independent Directors Databank.

(m) **Resignation by Independent Director:** During the year, Ms. Anjali Bansal (DIN: 00207746), Independent Director had tendered her resignation as an Independent Director of the Company with effect from end of the business hours of September 13, 2021, due to other preoccupations. She has also confirmed that there is no other material reason(s) for her resignation other than what is disclosed in the resignation letter.

(n) **Total fee paid to Statutory Auditors on consolidated basis:** An amount of ₹ 13.25 million was paid/ payable to Statutory Auditors (excluding out of pocket expenses) for all services provided to the Company and its Subsidiaries during FY22, on a consolidated basis and all entities in the network firm/ network entity of which the Statutory Auditor is a part.

3. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensuring accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

(a) Composition & Terms of Reference of Committee

The Board of Directors constituted an Audit Committee in the year 1992. The powers, role and terms of reference of the Audit Committee cover the areas as contemplated under Regulation 18 of Listing Regulations and Section 177 of the Act.

The Audit Committee comprises of four Directors viz. Mr. Vinod Rai, Mr. Akshay Chudasama, Mr. Robert Steinmetz and Ms. Pallavi Shroff, with two-thirds of the members as Independent Directors. Mr. Vinod Rai, Independent Director, acts as the Chairman of the Committee. All the members are financially literate and possess the requisite financial/business acumen to specifically look into the internal controls and audit procedures. Members have discussions with the Statutory Auditors during the meetings of the Committee and the quarterly/half-yearly and annual audited financials of the Company are reviewed by the Audit Committee before consideration and approval by the Board of Directors. The Committee also reviews Internal Control Systems and IT systems.

As per Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act, the Audit Committee has been entrusted with the following responsibilities:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- Reviewing matters required to be included in the Director's Responsibility Statement to be included

in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- Reviewing changes, if any, in accounting policies and practices and reasons for the same;
- Reviewing major accounting entries involving estimates based on the exercise of judgment by management;
- Reviewing significant adjustments made in the financial statements arising out of audit findings;
- Reviewing compliance with listing and other legal requirements relating to financial statements;
- Reviewing disclosure of any related party transactions;
- Reviewing modified opinion(s) in the draft audit report;
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Review of the functioning of Whistle Blower Mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate;
- Review of investments made by the unlisted Subsidiary;
- Reviewing the utilisation of loans and/or advances from/investment by the Holding Company in the Subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the Subsidiary, whichever is lower including existing loans/ advances/investments;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- Review of Management Discussion and Analysis of financial condition and results of operations;
- Review statement of significant related party transactions submitted by Management;
- Review of management letters/letters of internal control weaknesses issued by the statutory auditors;
- Review of internal audit reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the internal auditor;
- Review of statement of deviations, if any:-

  a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

  b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Chairman of the Audit Committee has confirmed to the Board that the Audit Committee during the year under review has complied with all the roles assigned to it pursuant to the Act and Listing Regulations.

(b) Meetings of Audit Committee and attendance of members during the year

During the FY22, 4 (four) Audit Committee Meetings were held on May 11, 2021, August 3, 2021, October 28, 2021 and February 1, 2022.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Vinod Rai	Chairman	Non-Executive Independent	4
Mr. Akshay Chudasama	Member	Non-Executive Independent	4
Ms. Pallavi Shroff	Member	Non-Executive Independent	4
Mr. Robert Steinmetz	Member	Non-Executive Non-Independent	4

In addition to the members of the Audit Committee, these meetings were attended by Vice Chairman & Managing Director, Chief Financial Officer, President (APMEA), President (Europe), Group Head (Corporate Accounts & Taxation), Internal Auditor, Cost Auditor and Statutory Auditor of the Company, wherever necessary, and those executives of the Company who were considered necessary for providing inputs to the Committee.

The Company Secretary acts as Secretary of the Committee.

The Chairman of the Audit Committee, Mr. Vinod Rai, was present at the Annual General Meeting of the Company held on July 23, 2021.

The Committee invites the Directors who are not the members of the Committee, to attend the meeting as an invitee.

(c) Role of Internal Auditor

The Company has a well-established and independent Internal Audit function, which provides assurance to the management, on design and operating effectiveness of internal controls and systems, as well as suggest improvements to systems and processes. Internal Audit assesses and promotes strong ethics and values within the organisation and facilitates maintaining and monitoring the internal control environment. Internal Audit responsibilities encompass all locations, operating entities and geographies of the Company, in which all aspect of business, viz. operational, financial, information systems and regulatory compliances are reviewed periodically.

The Internal Audit has a well laid down internal audit methodology, which emphasis on risk based internal audits using data analytics. The Internal Audit prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits, covering all the locations, operations and geographies of the Company. The audit plan for the year is reviewed and approved by the Audit Committee at the beginning of each financial year.

The Internal Auditor reports to both, the Chairman and the Audit Committee of the Company. On quarterly basis, the Internal Auditor reports to the Audit Committee, the key internal audit findings, and action plan agreed with the management, the status of audits vis-à-vis the approved annual audit plan and status of open audit issues. Direct reporting to the Chairman and the Audit Committee establishes Internal Audit as a function independent from the business.

(d) Subsidiary Companies

The Company does not have any material non-listed Indian Subsidiary Company. However, the Company has 5 material non-listed overseas Subsidiaries.

The Audit Committee of the Company reviews the financial statements, in particular the investments made by all unlisted overseas Subsidiary Companies. Significant issues pertaining to Subsidiary Companies are also discussed at Audit Committee meetings. A summarised statement of important matters reflecting all significant transactions and arrangements entered into by the Subsidiary Companies, included in the minutes of the above overseas Subsidiary Companies are placed before the Board of Directors of the Company and are duly noted by it. The performance of all its Subsidiaries is also reviewed by the Board periodically.

The Company has a Policy for determining material Subsidiaries and the same is available on website of the Company. Refer link:https://corporate.apollotyres.com/investors/corporate-governance/

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Constitution and Composition of the Committee

The Board of Directors had constituted a Remuneration Committee in the year 2003. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Listing Regulations and Section 178 of the Act. The Nomination and Remuneration Committee comprises of three members which are Non-Executive Independent Directors viz. Mr. Vinod Rai, Mr. Akshay Chudasama and Ms. Pallavi Shroff. Mr. Vinod Rai is the Chairman of the Committee.

The Nomination and Remuneration Committee has devised a policy on Board diversity in terms with the requirement under Regulation 19 of Listing Regulations.

The Company Secretary acts as the Secretary of the Committee.

(b) Brief description of the Terms of Reference

The Nomination and Remuneration Committee has been entrusted with the responsibilities to review and grant annual increments, vary and/or modify the terms and conditions of appointment/re-appointment including remuneration and perquisites, commission etc. payable to Managing Directors within the overall ceiling of remuneration as approved by the members.

The Committee in its meeting held on May 15, 2014, had noted the following terms of reference pursuant to Section 178 of the Act & Regulation 19(4) read with Part D Schedule II of Listing Regulations:-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and Other Employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To see that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- To see that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To see that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

(c) Policy for appointment and remuneration

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The salient features of the aforesaid policy is given as below:

1. Criteria for Appointment of Director and Senior Management

The Committee shall consider the following factors for identifying the persons who are qualified to becoming Director and who can be appointed in Senior Management:

1.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or at Senior Management level and recommend to the Board his/her appointment.

1.2 A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.

1.3 An Independent Director shall mainly possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

1.4 The Company may appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years subject to the approval of shareholders by passing a special resolution. The explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

1.5 The Company should ensure that the person so appointed as Director/Independent Director/Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force.

1.6 The Director/Independent Director/Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, or under Listing Regulations, or any other enactment for the time being in force.

1.7 Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and/or as specified in Regulation 16(b) & 25 of Listing Regulations.

The term "Senior Management" means the officers/ personnel of the Company who are members of its core management team excluding Board of Directors, comprising of all members of management one level below the Chief Executive Officer/Managing Director/ Whole Time Director/ Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate(s).

2. Criteria for Determining Positive Attributes & Independence of Directors

Criteria for determining positive attributes:

The Committee shall consider the following factors for determining positive attributes of Directors (including Independent Directors):

2.1 Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.

2.2 Actively update their knowledge and skills with the latest developments in the Tyre/ Automobile industry, market conditions and applicable legal provisions.

2.3 Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.

2.4 To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.

2.5 Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.

2.6 To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.

Criteria for determining Independence:

The Independent Director shall qualify the criteria of independence mentioned in Section 149(6) of the Companies Act, 2013 and rules related thereto and in Regulation 16(b) & 25 of Listing Regulations.

3. Remuneration of Directors, Key Managerial Personnel (KMP) and Other Employees

On the appointment or re-appointment of Managing Director, Whole-time Director and KMPs, the Committee will recommend to the Board for their approval, the remuneration to be paid to them. The Committee shall recommend to the Board, all remuneration to be paid to the Senior Management Personnel. The remuneration to all other employees shall be as per HR policy of the Company.

The annual increment of remuneration for Managing Director/Whole-time Directors shall be made on the basis of the resolution approved by the shareholders. The annual increment in Salary of KMP (other than Managing Director/Whole-time Directors), Senior Management Personnel shall be recommended by the Committee to the Board. The annual increment in Salary for all other employees shall be made as per HR policy of the Company.

The level and composition of remuneration as determined by the Committee shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully.

The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3.1 General

3.1.1 Nomination and Remuneration Committee shall recommend to the Board for its approval, the remuneration, including the commission based on the net profits of the Company for the Non-Executive Directors and Whole-time Director and other Executive Directors. The remuneration shall be subject to the prior/post approval of the shareholders of the Company.

3.2 Remuneration to Whole-time/Executive/ Managing Director

3.2.1 Fixed pay:

The Whole-time Director shall be eligible for remuneration as may be approved by the shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus and quantum of perquisites including employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors and Non-Executive Directors including Independent Directors exclusive of sitting fees, in accordance with the provisions of the Companies Act, 2013 read with Schedule V.

Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the approval required under the Act, he/she shall refund such sums to the Company, within two years or such lesser period as may be allowed by the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the Company by special resolution within two years from the date the sum becomes refundable.

Remuneration to Non- Executive Independent/ Non- Independent Director:

Sitting Fees:

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed One lakh per meeting of the Board or Committee. The quantum of sitting fees will be determined as per the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors of the Company. Further, the boarding and lodging expenses shall be reimbursed to the Directors.

Commission:

The profit-linked Commission shall be paid within the monetary limit approved by the Board/Shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act.

Stock Options:

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company. Only such employees of the Company and its Subsidiaries as approved by the Nomination and Remuneration Committee will be granted ESOPs.

Criteria of making payments to Non- Executive Directors is disseminated on the website and same can be viewed at: https://corporate.apollotyres.com/investors/corporate-governance/

Remuneration to KMP, Senior Management Personnel and Other Employees

The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and/or as may be approved by the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

This Remuneration Policy shall apply to all future/continuing employment/engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board.

(d) Meetings of Nomination and Remuneration Committee and Attendance of members during the year

During FY22, 3 (three) Nomination and Remuneration Committee Meetings were held on May 11, 2021, May 25, 2021 and October 28, 2021.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Vinod Rai	Chairman	Non-Executive Independent	3
Mr. Akshay Chudasama	Member	Non-Executive Independent	3
Ms. Pallavi Shroff	Member	Non-Executive Independent	2

(e) Payment of remuneration/sitting fee to the Directors etc.

The details of remuneration paid to Directors during FY22 are given below.

(i) Executive Directors/CFO/Company Secretary:

(₹ million)

Particulars	Mr. Onkar Kanwar, Managing Director	Mr.Neeraj Kanwar, Managing Director	Mr. Satish Sharma, Whole-time Director
Salary	45.00	39.48	29.39
Contribution to PF/ Superannuation/ Gratuity	14.31	12.56	9.35
Commission/ Performance Bonus	18.24	17.71	19.88
Perquisites	62.59	52.87	30.97
Total Remuneration	**140.14**	**122.62**	**89.58**
Stock Option	N.A.	N.A.	N.A.
Service contracts, notice period, severance fees	N.A.	N.A.	N.A.

As per Section 198 of the Companies Act, 2013, Net Profit of the Company is amounting to ₹ 3,845.81 million.

(₹ million)

Particulars	Mr. Gaurav Kumar, Chief Financial Officer	Ms. Seema Thapar, Company Secretary
Salary	18.51	2.61
Contribution to PF/ Superannuation/ Gratuity	5.00	0.71
Commission/ Performance Bonus	22.00	2.17
Perquisites	36.22	4.62
Total Remuneration	**81.73**	**10.11**
Stock Option	N.A.	N.A.
Service contracts, notice period, severance fees	N.A.	N.A.

Disclosure pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended:

1) Managing Director(s)/Whole-time Director are entitled to performance linked incentive in the form of commission / bonus, as a variable component, as approved by the members.

2) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY22 is as follows: Mr. Onkar Kanwar - 128, Mr. Neeraj Kanwar - 112 and Mr. Satish Sharma - 82.

3) The percentage decrease in the remuneration of Mr. Onkar Kanwar and Mr. Neeraj Kanwar for FY22 is 67% over FY21 which is due to reduction in profits.

The percentage increase in the remuneration of Mr. Satish Sharma is 31% for FY22 over the previous financial year. The increase in remuneration is within the limits approved by Shareholders.

The percentage increase in the remuneration of Mr. Gaurav Kumar, Chief Financial Officer is 73% during FY22 over previous financial year. The increase is mainly due to benchmarking of salary as per industry standards. The percentage increase in the remuneration of Ms. Seema Thapar, Company Secretary, is 31% during FY22 over the previous financial year.

The amount of total commission provided to Non-Executive Directors in FY22 is ₹38 million against ₹45 million paid in the FY21.

The ratios of remuneration of Non-Executive Directors to median remuneration of employees are as under:-

Name of Director	Remuneration for FY22 (₹Million)	% increase in remuneration (commission) during FY22	Ratio to median remuneration of employees
Mr. Akshay Chudasama	4.28	-14	3.91
Ms. Anjali Bansal	1.95	NA	NA
Gen. Bikram Singh (Retd.)	4.28	-14	3.91
Mr. Francesco Gori	4.28	-14	3.91
Ms. Lakshmi Puri	1.81	NA	NA
Ms. Pallavi Shroff	4.28	-14	3.91
Mr. Robert Steinmetz	4.28	-14	3.91
Mr. Sunam Sarkar	4.28	-14	3.91
Mr. Vikram S. Mehta	4.28	-14	3.91
Mr. Vinod Rai	4.28	-14	3.91

4) The percentage increase in the median remuneration of employees is 13 %.

5) The total number of employees of Company as on March 31, 2022, were 15,979 out of which 8,014 were permanent employees on the rolls of the Company.

6) The average percentage increase in the salaries of employees other than the managerial personnel is 20% in FY22 over FY21. Average increase in the remuneration of the employees other than the Managerial Personnel is in line with the industry practice and is within the normal range.

7) Remuneration paid to the Directors is in accordance with the remuneration policy of the Company.

ii) Non-Executive Directors:

Sitting fees and commission paid/to be paid to the Non-Executive Directors is in pursuance of the resolution passed by the Board.

Name of Director	Sitting fee (₹ Million)	Commission provided for FY22 (₹ Million)	No. of Shares held as on March 31, 2022
Mr. Akshay Chudasama	0.63	4.28	-
Ms. Anjali Bansal	0.08	1.95	-
Gen. Bikram Singh (Retd)	0.34	4.28	-
Mr. Francesco Gori	0.37	4.28	-
Mr. Francesco Crispino*	NIL	NIL	-
Ms. Lakshmi Puri	0.18	1.81	
Ms. Pallavi Shroff	0.44	4.28	-
Mr. Robert Steinmetz	0.57	4.28	-
Mr. Sunam Sarkar	0.52	4.28	-
Mr. Vikram S. Mehta	0.40	4.28	6,000
Mr. Vinod Rai	0.60	4.28	-
Mr. Vishal Mahadevia*	NIL	NIL	

* Mr. Francesco Crispino and Mr. Vishal Mahadevia, Directors had surrendered the sitting fees and commission payable to them as Non-Executive Directors during the year.

An amount of ₹ 38 million be paid and disbursed as commission, amongst the Directors of the Company (other than Managing Directors and Whole-time Director) equally in proportion to their tenure of Directorship for the financial year ended March 31, 2022.

No convertible instruments of the Company were outstanding as on March 31, 2022.

Save as otherwise provided in this report, apart from receiving Directors Remuneration, none of the Non-Executive Directors has any pecuniary relationships or transactions vis-a-vis the Company

4. Directors and Officers Liability Insurance (D&O)

As per the provisions of the Act, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

5. Stakeholders Relationship Committee

Stakeholders Relationship Committee oversees, inter-alia, redressal of shareholder and Investor grievances, transfer/ transmission of Shares, non-receipt of dividend declared, dematerialistaion/ rematerialisation of shares and other related matters. The roles and responsibilities of the Stakeholders Relationship Committee as prescribed under the Act and Listing Regulations are mentioned under the terms of reference of the Committee.

(a) Constitution and Composition of the Committee

The present Stakeholders Relationship Committee comprises of three Directors viz. Mr. Onkar Kanwar, Mr. Sunam Sarkar and Mr. Akshay Chudasama. Mr. Sunam Sarkar, Non-Executive Non-Independent Director, acts as the Chairman of the Committee.

Pursuant to Regulation 6 of Listing Regulations, Ms. Seema Thapar, Company Secretary, acts as the Compliance Officer of the Company and Secretary to the Committee.

(b) Terms of reference

This Committee has been formed with a view to undertake the following: -

- Approval of transmission of shares/debentures issued by the Company, issue of duplicate certificates and certificates after split/consolidation/replacement.
- Looking into the redressal of shareholders' and investors' complaints and other areas of investor services.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends,

issue of new/ duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(c) Meetings of Stakeholders Relationship Committee and attendance of members during the year

During FY22, 1(one) meeting of the Stakeholders Relationship Committee was held on May 11, 2021.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Onkar Kanwar	Member	Executive	1
Mr. Sunam Sarkar	Chairman	Non-Executive Non-Independent	1
Mr. Akshay Chudasama	Member	Non-Executive Independent	1

(d) No. of shareholders' complaints received

During FY22, the Company received 15 complaints. As on date, no complaints are pending other than those, which are under litigation, disputes or court orders. All other complaints were attended and resolved to the satisfaction of the shareholders. Also there were no pending complaints at the beginning of the FY22.

All other complaints were attended and resolved to the satisfaction of the shareholders.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

(a) A brief outline of the Company's CSR Policy

The Company is committed to incorporating policies, systems and approaches to achieve its positive impact growth objectives. Deeply inherent in our vision statement are the principles of sustainability. The CSR approach stems from our vision statement focusing on "continuously enhancing stakeholder value", which includes the larger society and environment in which the Company operates.

The CSR philosophy of the Company rests on the principle of sustainability and self-reliance. It also embeds a dimension of philanthropy. At the core of Apollo's responsibility belief is stakeholder engagement. Consequently, all the projects the Company has link to its stakeholders, the issues they face and the issues organization has identified to support on philanthropy front.

(b) Composition of CSR Committee

The Board of Directors had constituted a Corporate Social Responsibility Committee in the year 2014. The present Corporate Social Responsibility Committee comprises of following three Directors viz. Mr. Onkar Kanwar, Mr. Sunam Sarkar and General Bikram Singh (Retd.). Mr. Onkar Kanwar acts as the Chairman of the Committee.

(c) Meeting of CSR Committee and attendance of members during the year

During FY22, 2(two) meetings of CSR Committee were held on May 11, 2021 and February 2, 2022.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Onkar Kanwar	Chairman	Executive	2
Ms. Anjali Bansal (Resigned w.e.f. September 13, 2021)	Member	Non-Executive Independent	1
Mr. Sunam Sarkar	Member	Non-Executive Non-Independent	2
Gen. Bikram Singh (Retd.)	Member	Non-Executive Independent	2

Your Company has also laid down a CSR Policy in order to execute its various CSR Initiatives.

The Company Secretary acts as the Secretary to the Committee.

7. BUSINESS RESPONSIBILITY & SUSTAINABILITY (BRS) COMMITTEE

The Listing Regulations mandates the top 1000 listed Companies by market capitalisation to provide Business Responsibility Report ("BR Report") in their Annual Report describing the initiatives taken by the Company from an environmental, social and governance perspective in the format specified by the SEBI.

The Company follows following nine core principles as prescribed by SEBI and the entire BR Report is based on actions taken by the Company for the adoption of these principles:

i. Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

ii. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

iii. Businesses should promote the wellbeing of all employees.

iv. Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

v. Businesses should respect and promote human rights.

vi. Business should respect, protect, and make efforts to restore the environment.

vii. Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

viii. Businesses should support inclusive growth and equitable development.

ix. Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The Board of Directors, at its meeting held on May 10, 2016, had constituted a "Business Responsibility Committee" and at its meeting held on October 29, 2021, renamed the Committee to "Business Responsibility and Sustainability Committee" (BRS) in view of the enhanced roles of the Committee.

(a) Composition of BRS Committee

The BRS Committee comprises of four Directors viz. Mr. Onkar Kanwar, Mr. Neeraj Kanwar, Mr. Sunam Sarkar and Mr. Akshay Chudasama. Mr. Onkar Kanwar acts as the Chairman of the Committee.

(b) Meeting of BRS Committee and attendance of members during the year

During FY22, a meeting of BR Committee was held on May 12, 2021.

Name of Director	Designation	Category of Director	No. of meetings attended
Mr. Onkar Kanwar	Chairman	Executive	1
Mr. Neeraj Kanwar	Member	Executive	1
Mr. Sunam Sarkar	Member	Non-Executive Non-Independent	1
Mr. Akshay Chudasama	Member	Non-Executive Non-Independent	1

The Company Secretary acts as the Secretary to the Committee.

8. RISK MANAGEMENT COMMITTEE

The Board at its meeting held on February 5, 2019, had constituted a Risk Management Committee (RMC) of the Board comprising of Directors and Senior Executives of the Company.

During FY22, 4 (four) meetings of RMC were held on May 11, 2021, August 3, 2021, October 28, 2021 and February 1, 2022.

Name of Director / Official	Designation	Category of Director / Official	No. of meetings attended
Mr. Sunam Sarkar	Chairman	Non-Executive Non-Independent	4
Mr. Francesco Gori	Member	Non- Executive Non-Independent	4
Mr. Robert Steinmetz	Member	Non-Executive Non-Independent	4
Mr. Satish Sharma	Member	Executive	4
Mr. Vikram S. Mehta	Member	Non-Executive Independent	4
Mr. Benoit Rivallant	Member	President (Europe)	4
Mr. Gaurav Kumar	Member	Chief Financial Officer	4

Ms. Seema Thapar, Company Secretary, acts as Secretary to the Committee.

The roles and responsibilities of the Risk Management Committee are as follows:-

- Develop and maintain Risk Management charter and policies.
- Advise business units and corporate functions on risk initiatives.
- Spearhead Risk Management initiative within the Company.
- Monitor emerging issues and share best practices.

- Improve Risk Management techniques and enhances awareness.
- Set standards for risk documentation and monitoring.
- Recommend training programs for relevant official with specific Risk Management responsibilities.
- Assess and manage risk for Company as a whole at global level.
- Review and approve the Risk Register prepared by the Chief Risk Officers.
- Any other role or responsibility as may be delegated by the Board of Directors from time to time.

In addition to the above, the Committee also adheres to the roles and responsibilities as specified in Clause C of Part D under Schedule II of Listing Regulations.

The Chairman of the Risk Management Committee makes the presentation before the Board on the major high risks of APMEA, Europe Region and Corporate Functions.

9. CEO/CFO CERTIFICATION

The Chairman & Managing Director and CFO have submitted certificate, in terms of Regulation 17(8) read with Part B of Schedule II of Listing Regulations, to the Board.

10. GENERAL BODY MEETINGS

(a) The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue	Special Resolution Passed
2020-21	July 23, 2021	03:00 PM	Through Video Conference	1) Authorization for Private Placement of NCDs 2) Remuneration of Mr. Satish Sharma, Whole-time Director
2019-20	August 20, 2020	03:10 PM	Through Video Conference	Re-appointment of Gen. Bikram Singh (Retd.) (DIN: 07259060) as an Independent Director.
2018-19	July 31, 2019	10:00 AM	Kerala Fine Arts Theatre, Fine Arts Avenue, Foreshore Road, Ernakulam, Kochi (Kerala)	1) Appointment of Mr. Robert Steinmetz (DIN: 00178792) as a Director. 2) Re-appointment of Mr. Akshay Chudasama (DIN: 00010630) as an Independent Director. 3) Re-appointment of Mr. Vikram S. Mehta (DIN: 00041197) as an Independent Director. 4) Authorization for Private Placement of NCDs

(b) Resolution passed last year through Postal Ballot:

Resolution passed during FY22: Pursuant to Section 110 of the Companies Act, 2013, read with the Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company had conducted the following voting through Postal Ballot (Including Electronic Voting) and sent the Postal Ballot Notice to members. The following resolutions were passed through Postal Ballot:-

Resolution passed on December 19, 2021

Last Date of Dispatch of Postal Ballot Notice	Ordinary/ Special Resolution	Item approved by the shareholders
November 19, 2021	Ordinary Resolution	Appointment of Ms. Lakshmi Puri (DIN: 09329003) as a Non-Executive Independent Director.

Voting Pattern of the resolution passed through Postal Ballot, is as follows:

Appointment of Ms Lakshmi Puri (DIN:09329003) as a Independent Director- As an Ordinary Resolution

Particulars	Remote e-Voting
Total number of Valid Votes	50,83,45,663
Votes cast in favour of the Resolution	50,83,18,420
Votes cast against the Resolution	27,243
Number of Invalid Votes	-

(c) No Special Resolution was passed through Postal Ballot during FY22.

(d) Mr. P.P. Zibi Jose, Practicing Company Secretary, was appointed as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.

(e) Procedure for Postal Ballot: Where a Company is required or decides to pass any resolution by way of Postal Ballot, it shall send a notice to all the shareholders, along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a Postal Ballot because Postal Ballot means voting by post or through electronic means within a period of thirty days from the date of dispatch of the notice. However, during FY22, the Company has not sent the physical Ballot Paper due to relaxation provided by Ministry of Corporate Affairs. Your Company has followed the aforesaid procedure stipulated in the Companies Act, 2013 and has carried out Postal Ballot for the item mentioned above.

(f) As on date of this report, your Company does not propose to pass any Special Resolution for the time being by way of Postal Ballot

11) DISCLOSURES

(a) Related Party Transactions

In Compliance with Section 188 of the Companies Act, 2013, Regulation 23 of Listing Regulations and rules as applicable, the Company has framed a Policy on Related Party Transactions including policy on materiality of related party transactions. The policy is to regulate transactions between the Company and its related parties based on the laws and regulations applicable to the Company. The policy had become effective from October 1, 2014.

Further, there is no transaction of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company.

During the year, no transaction of material nature has been entered into by the Company with its Promoters, the Directors or the Management, their subsidiary or relatives etc. that may have a potential conflict with the interests of the Company. Related Parties transactions with them as required under Indian Accounting Standard (Ind AS-24) are furnished under Notes on Accounts attached with the financial statements for the year ended March 31, 2022.

(b) Disclosure of accounting treatment

There has not been any change in accounting policies of the Company during the year.

(c) Risk Management

The Company has a well laid out Risk Management Policy, covering the process of identifying, assessing, mitigating, reporting and reviewing critical risks impacting the achievement of Company's objectives. There is an ongoing process to track the evolution of risks and delivery of mitigating action plans. During the year under review, the risk assessment and mitigation procedures are periodically updated to the Board through the Audit Committee.

The Company has formed Internal Risk Committees (IRCs), which review risk registers for Asia Pacific Middle East Africa (APMEA) including India, Europe region and Corporate Functions including United States (US) region headed by President (APMEA), President (Europe) and Chief Financial Officer as Chairman of the respective Committees and represented by the functional heads as Chief Risk Officers. The Committees review each risk on a quarterly basis and evaluate its impact and plans for mitigation. Few cross-functioning teams have been formed to share the common risks between dependent functions to avoid overlap of risks. The risks duly aligned with the organisation objectives, documented in the form of risk register are placed before Risk Management Committee. The Risk Management Committee of the Company reviews the risks of APMEA, Europe and US region, corporate functions and provides its directions to the management, if any.

In the opinion of the Board, there has been no identified element of risk that may threaten the existence of the Company.

(d) Compliance by the Company

The Company has materially complied with the requirements of the SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or any other statutory authority except the penalty imposed by Competition Commission of India, as mentioned in Board's Report, against which the Company has proceeded with an appeal against the judgement and sought stay on the order before the National Company Law Appellate Tribunal. The Company has developed an integrated compliance dashboard which provides reasonable assurance to the Management and the

Board of Directors regarding effectiveness of timely compliances. All the Compliances applicable to the Company have been captured in the Dashboard and are mapped amongst the respective users. The timelines are fixed based on the legal requirement and the system is aligned in such a manner that it alerts the users on a timely manner.

The Company in order to further strengthen its compliance reporting and management system for its overseas subsidiaries, had also rolled out a Global Regulatory Compliance System ("Compliance Management System/Tool").

The Compliance Dashboard captures the compliances applicable to the Company at Indian level as well as the international laws applicable to the overseas subsidiaries. The Compliance dashboard also covers the compliances relating to the codes and policies.

The dashboard has been documented to provide a comprehensive view of:

- applicable laws to the Company;
- key control points;
- allocation of responsibilities.

(e) Transfer of Unclaimed/ Undelivered Shares

In terms with the provisions of Regulation 39(4) read with Schedule VI of Listing Regulations, the unclaimed/ undelivered shares lying in the possession of the Company are required to be dematerialised and transferred into a "Unclaimed Suspense Account" held by the Company. The status of unclaimed shares as on March 31, 2022 lying in "Unclaimed Suspense Account"/"Transferred to IEPFA Account" is as under:-

Particulars	No. of Shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year, i.e. April 1, 2021	Nil	Nil
Shares transferred from NSDL after Rectification on September 3, 2021	19	4,404
Number of shareholders to whom shares were transferred from suspense account during the year	1	500
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, i.e. March 31, 2022	18	3,904

In terms of Section 124(6) of the Companies Act, 2013 ("Act") read with Rule 6 of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ("Rules"), members whose dividend amount has not been paid or claimed for seven consecutive years or more, shares held by them shall be credited to the DEMAT Account of the Investor Education and Protection Fund Authority (IEPFA). During FY21, 3,130 shares held by aforesaid members, were transferred to the DEMAT Account of IEPFA constituted in accordance with the Rules, on December 28, 2020. Further, 4404 shares were reversed by the IEPFA on September 3, 2021. 500 shares were released from Apollo Tyres Ltd - Unclaimed suspense account on September 7, 2021. As on March 31, 2022, 3904 shares are appearing in the Apollo Tyres Ltd- Unclaimed suspense account.

The unclaimed or unpaid dividend which have already been transferred and the shares which are transferred, can be claimed back by the shareholders from IEPFA by following the procedure given on its website i.e. http://iepf.gov.in/IEPFA/refund.html.

Nodal Officer:- Pursuant to Rule 7(2A) of the IEPF Rules, Ms. Seema Thapar, Company Secretary & Compliance Officer, is appointed as Nodal Officer of the Company.

(f) Disclosure in terms of Regulation 34(3) read with Schedule V Part C of Listing Regulations.

There are no inter-se relationships between the Board members except Mr. Onkar Kanwar and Mr. Neeraj Kanwar being father and son.

12) MEANS OF COMMUNICATION

- As per Regulation 47(1)(b) of the Listing Regulations, an extract of the detailed format of Quarterly/Annual Financial Results is filed with the Stock Exchanges under Regulation 33 of the Listing Regulations. The results in prescribed format are published in the Newspapers viz. Financial Express (National Daily) and Kerala Kaumudi (Regional Daily). The Quarterly/Annual Financial Results are also available on the Company's website and Stock Exchange websites www.nseindia.com and www.bseindia.com.

- All material information about the Company is promptly sent to the stock exchanges and the Company regularly updates the media and investor community about its financial as well as other organisational developments.

- The transcript of the Analyst/Investor Conference Call is posted on the website of the Company.

- In view of the continuing pandemic scenario and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its Circular No.

14/2020 (dated April 8, 2020), Circular No.17/2020 (dated April 13, 2020) Circular No. 20/2020 (dated May 5, 2020), Circular No. 02/2021 (dated January 13, 2021), and Circular No. 2/2022 (dated May 5, 2022) and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 (dated May 12, 2020), Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 (dated January 15, 2021) and SEBI/HO/CFD/CMD2/CIR/P/2022 (dated May 13, 2022), directed the Companies to send the Annual Report by e-mail to all the Members of the Company except to those Members who request for hard copy. Therefore, the Annual Report for FY22 and Notice of the AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars. The Annual Report containing, inter-alia, Notice of Annual General Meeting, Audited Financial Statement, Consolidated Financial Statement, Board's Report, Management Discussion and Analysis, Corporate Governance Report, Auditors' Report and other important information are also displayed on the Company's website (www.apollotyres.com).

- NSE Electronic Application Processing System (NEAPS)- is a web-based application designed by NSE for Corporates. All periodical and other compliance filings are filed electronically on NEAPS. All the announcements are filed with NSE through the recently launched digital portal of NSE.
- BSE Listing Centre (Listing Centre)- BSE's Listing Centre is a web-based application designed for corporates. All periodical and other compliance related filings are filed electronically on the listing centre.
- SEBI Complaints Redress System (SCORES): The investors' complaints are also being processed through the centralised web-based complaint redressal system. The salient features of SCORES are availability of centralised database of the complaints and uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints. In its efforts to improve ease of doing business, SEBI has launched a mobile app "SEBI SCORES", making it easier for investors to lodge their grievances with SEBI, as they can now access SCORES at their convenience of a smart phone.
- Investor Relations (IR)- Your Company continuously strives for excellence in its IR engagement with International and Domestic investors. Structured conference calls and periodic investor/analyst interactions, quarterly earnings calls and analyst meets were organised during the year. Your Company always believes in leading from the front with emerging best practices in IR and building a relationship of mutual understanding with investor/analysts.

13) GENERAL SHAREHOLDER INFORMATION

(a) Registered Office

3rd Floor
Areekal Mansion,
Panampilly Nagar,
Kochi- 682036, Kerala, India
Ph:-91 484 4012046, 4012047
Fax: 91 484 4012048

(b) Annual General Meeting (AGM):

The ensuing AGM of the Company will be held on Monday July 11, 2022, at 3:00 PM through video conferencing or other audio visual means. Notice of the ensuing AGM is separately provided along with the Annual Report.

(c) Financial Calendar for FY23

Quarter	Period ending	Date / Period
First quarter	June 30, 2022	On or before August 14, 2022
Second quarter/ half yearly	September 30, 2022	On or before November 14, 2022
Third quarter	December 31, 2022	On or before February 14, 2023
Fourth quarter/ year	March 31, 2023	On or before May 30, 2023

(d) Trading window closure

The trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

(e) Dividend Payment

The dividend of ₹ 3.25 per equity share for the FY22, subject to approval from shareholders, has been recommended by the Board of Directors. The same shall be paid on or before 30 days from the date of AGM.

(f) Unclaimed Dividends

In terms of Section 124(5) of the Companies Act, 2013 ("Act") if a member does not claim the dividend amount for a consecutive period of seven years or more, the unclaimed amount shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

During the year, the Company had transferred ₹ 32,87,925/- lying unclaimed in Unpaid Dividend Account in respect of Dividend for the year 2013-14 to the said Fund on September 6, 2021.

(g) Listing at Stock Exchanges

1. National Stock Exchange of India Ltd
   Exchange Plaza,
   Bandra Kurla Complex,
   Bandra (E),
   Mumbai-400 051
   T: +91 22 26598100-14
   F: +91 22 26598237-38
   E: cmlist@nse.co.in

2 . BSE Ltd
   Phiroje Jeejeebhoy Towers,
   1st Floor, Dalal Street
   Mumbai 400 001
   T: +91 22 22721233/34
   F: 91 22 22721919/3027
   E: corp.relations@bseindia.com

The annual listing fee for FY22 has been paid to all the aforesaid stock exchanges.

(h) Stock Code

BSE Ltd.	500877
National Stock Exchange of India Ltd.	APOLLOTYRE

(i) Stock Market Price Data for FY22:

The Company's share price on NSE and Nifty Index

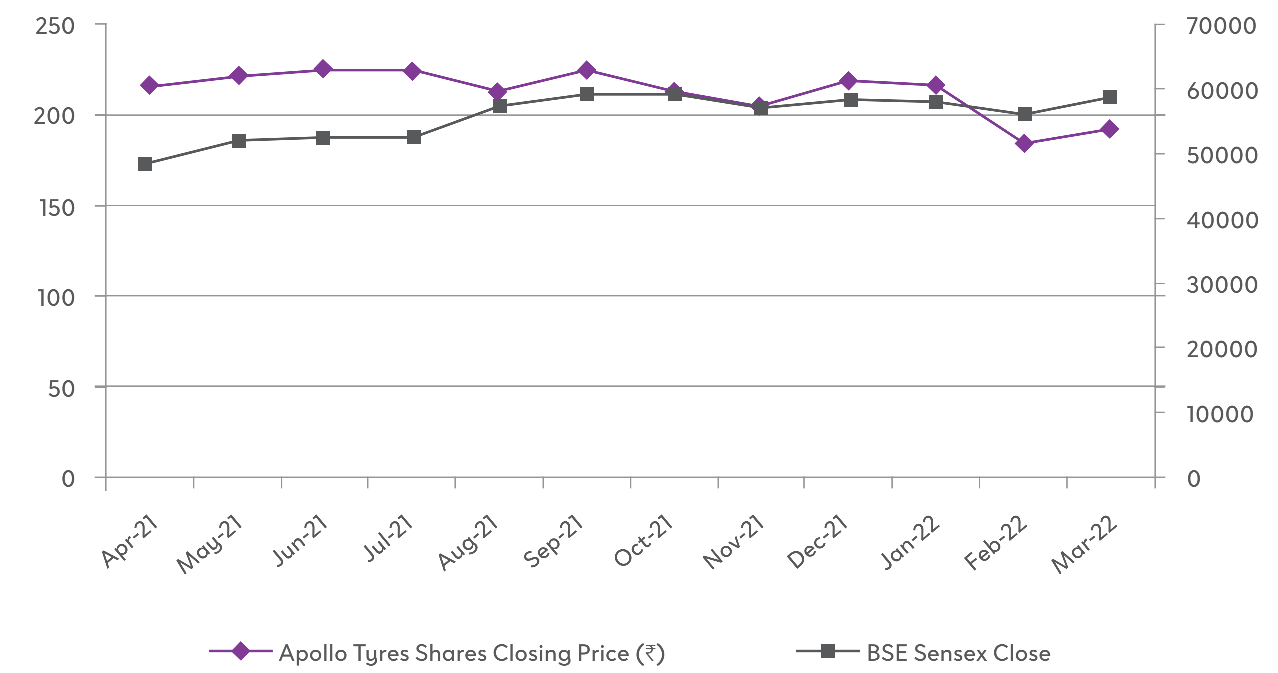
Month	NSE			Nifty Index	
	High (₹)	Low (₹)	Volume (in million)	High (₹)	Low (₹)
April, 2021	236.90	198.55	139.24	15,044.35	14,151.40
May, 2021	228.70	204.55	160.12	15,606.35	14,416.25
June, 2021	243.00	218.50	113.56	15,915.65	15,450.90
July, 2021	241.00	215.60	88.93	15,962.25	15,513.45
August, 2021	231.95	203.35	82.8	17,153.50	15,834.65
September, 2021	239.85	213.05	85.48	17,947.65	17,055.05
October, 2021	250.00	208.10	87.5	18,604.45	17,452.90
November, 2021	237.00	200.80	57.82	18,210.15	16,782.40
December, 2021	221.10	197.80	44.73	17,639.50	16,410.20
January, 2022	245.00	205.50	60.12	18,350.95	16,836.80
February, 2022	230.50	176.45	85.73	17,794.60	16,203.25
March, 2022	194.90	165.25	79.29	17,559.80	15,671.45

Apollo Tyres Shares Closing Price (₹) vis-à-vis NSE Nifty Close

The Company's share price on BSE and Sensex

Month	BSE			SENSEX	
	High (₹)	Low (₹)	Volume (in million)	High (₹)	Low (₹)
April,2021	237.15	198.20	7.39	50,375.77	47,204.50
May,2021	228.55	204.70	9.05	52,013.22	48,028.07
June,2021	243.00	218.50	6.12	53,126.73	51,450.58
July,2021	240.95	215.55	5.19	53,290.81	51,802.73
August,2021	232.00	203.45	4.97	57,625.26	52,804.08
September,2021	239.75	212.55	4.86	60,412.32	57,263.90
October,2021	250.00	208.25	5.43	62,245.43	58,551.14
November,2021	236.95	200.85	4.00	61,036.56	56,382.93
December,2021	222.05	197.85	2.55	59,203.37	55,132.68
January,2022	245.00	205.60	3.25	61,475.15	56,409.63
February,2022	230.40	176.65	5.11	59,618.51	54,383.20
March,2022	194.80	165.40	4.13	58,890.92	52,260.82

Apollo Tyres Shares Closing Price (₹) vis-à-vis BSE Sensex Close



(j) Shares Traded during April 1, 2021 to March 31, 2022

Particulars	BSE	NSE
No.of shares traded (in million)	63.86	1,085.32
Highest Share Price (in ₹)	250.00	250.00
Lowest Share Price (in ₹)	165.40	165.25
Closing Share Price (as on March 31, 2022)	191.10	191.00
Market Capitalisation (as on March 31, 2022) (₹ in million)	121,367.79	121,304.28

(k) Elimination of Duplicate Mailing

The shareholders who are holding physical shares in more than one folio in identical name, or in joint holder's name in similar order, may send the Share Certificate(s), along with request for consolidation of holding in one folio, to avoid mailing of multiple annual reports.

(l) Share Transfer System

SEBI has mandated that, effective April 1, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. The communication, inter alia, contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

As per the requirement of Regulation 40(9) & 61(4) of Listing Regulations, the Company has obtained the yearly certificates from the Company Secretary in practice for due compliance of share transfer formalities.

(m) Distribution of Shareholding

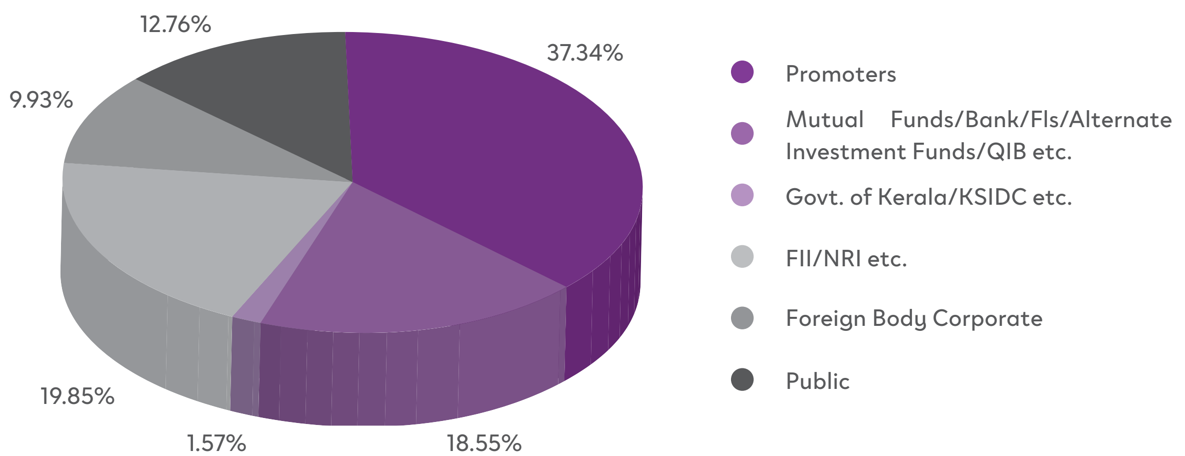
The following is the distribution of shareholding of equity shares of the Company as on March 31, 2022:-

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of shareholding
UPTO 5000	332,170	99.68	48,520,536	7.64
5001 - 10000	521	0.16	3,839,995	0.60
10001 - 20000	194	0.06	2,825,966	0.44
20001 - 30000	76	0.02	1,910,890	0.30
30001 - 40000	36	0.01	1,266,634	0.20
40001 - 50000	23	0.01	1,049,505	0.17
50001 – 100000	47	0.01	3,403,001	0.54
100001 AND ABOVE	179	0.05	572,284,419	90.11
Grand Total	**333,246**	**100.00**	**635,100,946**	**100.00**

The Promoter and Promoter group hold 237.17 million shares constituting 37.34% of the share capital of the Company as on March 31, 2022.

Categories of shareholders as on March 31, 2022

Category	No. of shares	%age
Promoters	237,165,403	37.34
Mutual Funds/Bank/Fis/Alternate Investment Fund/QIB Etc.	117,801,900	18.55
Govt. Of Kerala/KSIDC etc.	10,001,500	1.57
FII/NRI etc.	126,036,618	19.85
FOREIGN BODY CORPORATE	63,050,966	9.93
Public	81,044,559	12.76
Total	**635,100,946**	**100.00**



(n) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

The Company Secretary in practice conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchanges, where the Company's shares are listed and also placed before the Board.

(o) Dematerialisation of Shares and Liquidity

The equity shares of the Company are being traded under compulsorily demat form as per SEBI notification. The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE438A01022.

As on March 31, 2022, 98.78% of the share capital stands dematerialised. BSE and NSE have permitted trading of Apollo Tyres' share into future and option (F&O) segment w.e.f. February 19, 2010.

(p) Share Transfer/Demat Registry work

With effect from April 1, 2021, all permitted share transfers/Transmission/demat are being processed by the following Registrar and Transfer Agent :-

KFin Technologies Limited
Selenium, Plot No. 31 & 32, Tower-B,
Serilingampally, Nanakramguda,
Financial District, Hyderabad-500032,
State of Telangana
Tel No. 040 67162222; Fax No. 040 23001153
Toll Free Number: 1800 309 4001
Email: einward.ris@kfintech.com
Website: https://kfintech.com/

(q) Share Transfer Department

All communications regarding change of address for shares held in physical form, dividend etc. should be sent at the Company's RTA Office at:-

KFin Technologies Limited
Selenium, Plot No. 31 & 32, Tower-B,
Serilingampally, Nanakramguda,
Financial District, Hyderabad-500032,
State of Telangana
Tel No. 040 67162222; Fax No. 040 23001153
Toll Free Number: 1800 309 4001
Email: einward.ris@kfintech.com
Website: https://kfintech.com/

(r) ECS Mandate

All shareholders are requested to update their bank account details with their respective depositories urgently. This would facilitate transfer of dividend directly to the bank account of the shareholders.

(s) Participation & Voting at AGM

Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020, 02/2021, 02/2022 issued by the Ministry of Corporate Affairs and Circular numbers SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022 issued by SEBI, the 49th AGM of the Company will be held through video-conferencing and the detailed instructions for participation and voting at the meeting is available in the notice of the 49th AGM.

Register e-mail address

To contribute towards greener environment, the Company proposes to send documents like shareholders meeting notice/other notices, audited financial statements board's report, auditors' report or any other document, to members in electronic form at the e-mail address provided by them and/or available to the Company by the Depositories.

Members who have not yet registered their e-mail address (including those who wish to change their already registered e-mail address) may get the same registered/updated either with their depository participants or by writing to the Registrar & Transfer Agent of the Company.

(t) Plant Location:

1. Perambra, P O Chalakudy,
   Trichur 680 689, Kerala
2. Limda, Taluka Waghodia,
   Dist. Vadodara 391 760, Gujarat
3. SIPCOT Industrial Growth Centre,
   Oragadam, Chennai, Tamil Nadu
4. Kalamassery,
   Alwaye,
   Kerala – 683 104
5. Chinnapandur Village,
   Varadaiahpalem Mandal, Near Sricity,
   Chitoor District- 517541
   Andhra Pradesh
6. Ir. Schiffstraat 370,
   7547 RD Enschede, The Netherlands

7. H-3212 Gyöngyöshalász,
Road no.: 3210, Plot no.: 0106, Hungary

(u) Address for correspondence

for share transfer/demat of shares, payment of dividend and any other query relating to shares.

KFin Technologies Limited

Selenium, Plot No. 31 & 32, Tower-B,
Serilingampally, Nanakramguda,
Financial District, Hyderabad-500032,
State of Telangana
Tel No. 040 67162222; Fax No. 040 23001153
Toll Free Number: 1800 309 4001
Email: einward.ris@kfintech.com
Website: https://kfintech.com/

(v) As on March 31, 2022, there were no outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

(w) Adoption of mandatory and discretionary requirements of Corporate Governance as specified in Regulations 17 to 27 and Regulation 34(3) read with Schedule V (C) of the Listing Regulations

The Company has complied with all mandatory requirements of corporate governance with respect to Regulations 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of Listing Regulations. Furthermore, the Company has complied with the requirements of the Schedule V of SEBI Listing Regulations in connection with disclosures in this report.

CG Compliances

Particulars	Regulation	Compliance Status (Yes/No/NA)
Independent Director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	YES
Board composition	17(1), 17(1A) & 17(1B)	YES
Meeting of Board of Directors	17(2)	YES
Quorum of Board meeting	17(2A)	YES
Review of Compliance Reports	17(3)	YES
Plans for orderly succession for appointments	17(4)	YES
Code of Conduct	17(5)	YES
Fees/Compensation	17(6)	YES
Minimum Information	17(7)	YES
Compliance Certificate	17(8)	YES
Risk Assessment & Management	17(9)	YES
Performance Evaluation of Independent Directors	17(10)	YES
Recommendation of Board	17(11)	YES
Maximum number of Directorships	17A	YES
Composition of Audit Committee	18(1)	YES
Meeting of Audit Committee	18(2)	YES
Composition of Nomination & Remuneration Committee	19(1) & (2)	YES
Quorum of Nomination and Remuneration Committee meeting	19(2A)	YES
Meeting of Nomination and Remuneration Committee	19(3A)	YES
Composition of Stakeholder Relationship Committee	20(1), 20(2) & 20(2A)	YES
Meeting of Stakeholders Relationship Committee	20(3A)	YES
Composition and role of Risk Management Committee	21(1),(2),(3),(4)	YES
Meeting of Risk Management Committee	21(3A)	YES
Vigil Mechanism	22	YES
Policy for related party Transaction	23(1), (1A), (5), (6), (7) & (8)	YES
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	YES
Approval for material related party transactions	23(4)	YES
Disclosure of related party transactions on consolidated basis	23(9)	YES
Composition of Board of Directors of unlisted material Subsidiary	24(1)	YES

Particulars	Regulation	Compliance Status (Yes/No/NA)
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	YES
Annual Secretarial Compliance Report	24(A)	YES
Alternate Director to Independent Director	25(1)	N.A.
Maximum Tenure	25(2)	YES
Meeting of Independent Directors	25(3) & (4)	YES
Familiarization of Independent Directors	25(7)	YES
Declaration from Independent Director	25(8) & (9)	YES
D & O Insurance for Independent Directors	25(10)	YES
Memberships in Committees	26(1)	YES
Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	26(3)	YES
Disclosure of Shareholding by Non-Executive Directors	26(4)	YES
Policy with respect to Obligations of Directors and Senior Management	26(2) & 26(5)	YES

The Company has adopted following discretionary requirements of Regulation 27 read with Schedule II Part E of the Listing Regulations:-

Modified Opinion(s) in audit report

The Company is in the regime of financial statements with unmodified audit opinion.

Reporting of internal auditor

The internal auditor is reporting directly to the Audit Committee.

(x) As on March 31, 2022, our shares were not suspended from trading.

(y) Commodity price risk or foreign exchange risk and hedging activities during the FY22.

The Company enters into a variety of derivative financial instruments like options, forwards & futures contract and currency & interest rate swaps, to hedge foreign exchange rate risk and interest rate risk. The hedging is done as per the Board approved policy. The Company, at all the times, comply with all the RBI hedging guidelines that are prescribed from time to time.

The Company's exchange rate risk arises mainly from import (of raw material and capital items) and export (of finished goods) and follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Company, the Company uses the above mentioned derivative instruments to manage its exposure.

The Company's interest rate risk arises as the Company borrows funds at both fixed and floating interest rates. Some amount of this risk is managed by the Company through maintaining an appropriate mix of fixed and floating rate borrowings and also through an appropriate amount of interest rate swaps, especially, to hedge the floating rate borrowings to fixed one.

Exposure of the Company to various commodities:

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Natural Rubber	₹ 3,191 crores	1,79,000 MT	Nil	Nil	Nil	Nil	Nil

*This data is based on NR Consumption as per YMR 48

The Company manages the Natural Rubber Supply Chain through a stringent process of Supplier Selection, Regular Supplier Assessment and Vendor Development initiatives. The Risk management methodology uses a combination of Contract Purchases and Spot Buying as per the Production Plans. The Company follows the approach of sourcing from multiple regions and locations to offset the impact of any region specific disruptions. The Company manages the grade mix of Natural Rubber in line with the production requirements at its manufacturing locations. Multiple Vendor Sourcing Policy is followed to broad base the supplier portfolio resulting in diversification and Risk Mitigation.

(z) **Loans and advances in the nature of loans to firms/ companies in which Directors are interested:** Please refer details under disclosure of related party transactions in notes forming part of the financial statements.

14) ADDITIONAL INFORMATION

(a) Investor Relations Section

The Investors Relations Section is located at the Corporate Office of the Company.

Contact person	:	Ms. Seema Thapar, Compliance Officer
Time	:	10:00 AM to 6:00 PM on all working days of the Company (except Saturdays and Sundays)
T:	:	+91 124 2721000
F:	:	+91 124 2383351
E:	:	investors@apollotyres.com

(b) Bankers

Axis Bank Ltd.
Bank of India
BNP Paribas
Citibank N.A.
Federal Bank
HDFC Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
Kotak Mahindra Bank Ltd.
Mizuho Bank Ltd.
Standard Chartered Bank
State Bank of India
Sumitomo Mitsui Banking Corporation
The Bank of Nova Scotia
The Hongkong and Shanghai Banking Corporation Limited
Union Bank of India
RBL Bank Ltd.

(c) Credit Rating

During the year, the following rating agencies, rated our bank facilities and other debt programs as under:-

i) On May 28, 2021, CRISIL has reaffirmed the following rating:

Long-Term Rating: CRISIL AA+/Stable (Includes Loan-Term Loan, Fund Based Banking Facilities like Cash Credit etc.)

Short-Term Rating: CRISIL A1+ (Commercial Paper, Non-Fund Based Banking Facilities like Letter Of Credit etc.)

ii) On March 2, 2022, India Ratings and Research (Ind-Ra) has reaffirmed the following rating:

Long-Term Rating: IND AA+/Stable (Includes Loan-Term Loan, Fund Based Banking Facilities like Cash Credit etc.)

Short-Term Rating: IND A1+ (Commercial Paper, Non-Fund Based Banking Facilities like Letter Of Credit etc.)

(d) Auditors

M/s. Walker Chandiok & Co LLP, Chartered Accountants.

(e) Cost Auditors

M/s. N.P. Gopalakrishnan & Co., Cost Accountants.

With reference to the General Circular No. 15/2011 – 52/5/CAB-2011 dated April 11, 2011, issued by the Government of India, Ministry of Corporate Affairs, Cost Audit Branch, New Delhi, following are the details of Cost Auditor and filing of cost audit report with Central Government:

Particulars of the Cost Auditor	Details of Cost Audit Report filed for the period ended March 31, 2021
Mr.N.P.Sukumaran (M No.4503) Apartment No.311, 4th Floor, D.D.Vyapar Bhawan, K.P.Vallon Road, Kadavanthra P O, Kochi - 682 020(Kerala) E-mail : npgco@gmail.com	Filing date: October 1, 2021

(f) Code of Conduct for Prevention of Insider Trading

In compliance with the SEBI regulations on prevention of insider trading, the Company has formulated a comprehensive Code of Conduct for 'Prevention of Insider Trading' in the securities of the Company. This Code of Conduct is applicable to Promoters, Directors, Chiefs, Vice President/ Group Heads, Heads and such other employees of the Company and others who are expected to have access to unpublished price sensitive information.

The Board at its meeting held on May 12, 2015, has approved the Code of Conduct for Prevention of Insider Trading, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from May 15, 2015.

The Code of Conduct lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of the Company, and cautioning them of consequences of violations. The Company Secretary of the Company is the Compliance Officer.

Pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, which was effective from April 1, 2019, the existing Code of Conduct to Regulate, Monitor and Report Trading by Insiders was amended to align with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018.

The Company has put in place, all the systems and procedures to ensure the compliances of Insider Trading Regulations. The Company has an "Insider Trading Tool" which acts as the structured digital database of the designated persons/ insiders.

During FY22, the Company had conducted several awareness sessions on insider trading for the Designated persons.

(g) Code of Conduct for Directors and Senior Management

The Board of Directors of Apollo Tyres Ltd. has laid down a code of business conduct called "The Code of Conduct for Directors and Senior Management". The Code envisages that Board of Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and keep themselves informed about the development in the industry in which the Company is involved and the legal requirements to be fulfilled.

The Code is applicable to all the Directors and Senior Management of the Company. The Company Secretary of the Company is the Compliance Officer.

Declaration Affirming Compliance of provisions of the Code of Conduct

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the Senior Management Personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the financial year ended March 31, 2022.

ONKAR KANWAR
Chairman & Managing Director

(h) Whistle Blower Policy/Vigil Mechanism

Apollo Tyres Ltd. believes in the conduct of its business affair in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In order to inculcate accountability and transparency in its business conduct, the Company has been constantly reviewing its existing systems and procedures. Your Company has approved a Whistle Blower Policy which will enable all employees, Directors and other stakeholders to raise their genuine concerns internally in a responsible and effective manner if and when they discover information which they believe shows serious malpractice or irregularity within the Company and/or to report to the management instances of unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct or Ethics Policy. The Audit Committee of the Company periodically reviews the functioning of whistle blower mechanism.

In terms with the policy, an Internal Grievance Redressal Committee (IC) has been constituted by the Company, which is headed by the Chairman of the Audit Committee of the Board. Company Secretary of the Company acts as an Ombudsman who, on receipt of complaint, examines the possible intentions and genuineness of the disclosure in advance before referring it to the IC for investigations. The IC, after investigation, submits a report to the Audit Committee.

No personnel of the Company has been denied access to the Audit Committee.

No complaint under whistle blower policy has been received during FY22.

(i) Code of Practices and Procedures for Fair Disclosure

The Board at its meeting held on May 12, 2015, has approved the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from May 15, 2015.

The Code lays down broad standards of compliance and ethics, as required by Listing Regulations and other applicable SEBI regulations. The Code is required to be complied in respect of all corporate disclosures in respect of the Company and/or its Subsidiary Companies, including Overseas Subsidiaries.

The Company Secretary of the Company is the Compliance Officer.

Pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which was effective from April 1, 2019, the existing Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information was amended to align with the SEBI (Prohibition of Insider Trading) Amendment

Regulations, 2018. The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information was approved/ratified by the Board on May 9, 2019.

The Board has also approved/ratified the Policy and Procedure for reporting and inquiry in case of leak or suspected leak of unpublished price sensitive information as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

(j) Policy to prevent and deal with sexual harassment

The Company is an equal employment opportunity employer and is committed to creating a healthy and productive work environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company believes that an act of sexual harassment results in the violation of the fundamental rights. Such acts violate the right to equality, right to life and to live with dignity and right to practice any profession or to carry on any occupation, trade or business, which also includes a right to have a safe and healthy work environment free from sexual harassment.

In keeping with its belief and in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereof, the Company adopts the policy to prevent and deal with sexual harassment at the workplace. The Company is committed to provide to all employees who are present at the workplace, a work environment free from sexual harassment, intimidation and exploitation.

Status of the Complaint received relating to Sexual harrassment during FY22:-

Particulars	No. of Complaints
Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	N.A.
Number of complaints pending as on end of the financial year	N.A.

The Company conduct, from time to time, the awareness sessions on prevention of sexual harassment at workplace for its employees.

(k) Familiarisation Programme for Independent Directors

The Company has adopted a familiarisation programme for Independent Directors with an objective of making the Independent Directors of the Company accustomed with the business and operations of the Company through various structured oriented programme. The familiarisation programme also intends to update the Directors on a regular basis on any significant changes therein so as to be in a position to take well informed and timely decision.

The details of familiarisation programme imparted to Independent Directors during FY22 are available on the website of the Company. The weblink is https://staticcdn.apollotyres.com/CMSOriginal/3984/details-of-familiarisation-programme-fy22.pdf

(l) Succession Policy

In terms with the Nomination & Remuneration Policy of the Company, the Nomination & Remuneration Committee reviews the succession policy from time to time and assists the Board to ensure that the plans are in place for succession for appointments to the Board and to Senior Management.

(m) Shareholders Satisfaction Survey

An online survey is posted on the Company's website at https://s3.eu-central-1.amazonaws.com/apolloproducts/3985/shareholder-satisfaction-survey.pdf.

Shareholders who have not yet participated in the survey can go to the above link and take part in the survey and provide us their valuable feedback.

(n) Integrated Reporting

The Company being one of the top 500 Companies in the Country in terms of market capitalization, has adopted Integrated Reporting describing initiatives undertaken by the Company for enhancing stakeholders' value in the long term. The report on Integrated Reporting is provided in a separate section forming part of this Annual Report.

(o) Industrial Relations

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

(p) Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy in compliance of Regulations 43A of Listing Regulations which inter-alia specifies the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend. Dividend Distribution Policy is available on the website of the Company.

Refer link: https://corporate.apollotyres.com/investors/corporate-governance/

The dividend declared in last five years are as follows:

Period	Dividend (%)
FY22*	325
FY21	350
FY20	300
FY19	325
FY18	300
FY17	300

* The Board of Directors at its meeting held on May 12, 2022 had recommended a Dividend of ₹ 3.25 (325%) per share on Equity Share Capital of the Company having face value of ₹ 1/- each.

(q) Global Code of Conduct

The Company has designed a global "Code of Conduct Policy" ("Code") to conduct its business with honesty and integrity and in compliance with all applicable legal and regulatory requirements. This Code sets out the fundamental standards to be followed by all employees of the Company including Associates, Subsidiaries and Joint Ventures. The Company has rolled out mandatory online training for all the employees for successful implementation of the Code.

(r) Governance of Subsidiary Companies

The Company has a well-established corporate governance framework to create sound governance practices and promote best practices for its various Subsidiaries in multiple jurisdictions across the world. The Company ensures that the governance of Subsidiaries especially the material Subsidiaries reflect the same values, ethics, controls and processes as being followed at the parent Company level.

The Company maintains close relationship with the Subsidiaries Board and regularly review and encourage regular feedback on the operation of subsidiary governance framework. The Company follows a fair, transparent and ethical governance practices for its overseas Subsidiaries which is essential for achieving long term corporate goals and to enhance stakeholder's value.

(s) Personal Data Protection And Privacy Program

We have analysed the regulations, their applicability and impact on our organization and have a roadmap to ensure we address any gaps which require remediation to ensure compliance. We have updated our policies and various processes to ensure compliance to the EU GDPR requirements.

(t) Declaration by Independent Directors under sub-section (6) of Section 149 & Regulation 16(1)(b) of the Listing Regulations

During FY22, the Company received declaration in terms of the provisions of Section 149(6) & 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations, from the following Independent Directors viz. Mr. Akshay Chudasama, Ms. Anjali Bansal, Gen. Bikram Singh (Retd.), Mr. Francesco Crispino, Ms. Lakshmi Puri, Ms. Pallavi Shroff, Mr. Vinod Rai and Mr. Vikram S. Mehta.

(u) Name of the Debenture Trustee

Vistra ITCL (India) Limited
The IL&FS Financial Centre,
Plot C- 22, G Block, 7th Floor
Bandra Kurla Complex
Bandra (East), Mumbai - 400 051
Tel No. (022) 26533535
Fax No. (022) 26533297

(v) Web link for various documents

The following documents/information are linked with the website of the Company, i.e. www.apollotyres.com:-

Particulars	Web link
Familiarization programme for Independent Directors	https://corporate.apollotyres.com/investors/corporate-governance/
Policy for determining 'material' subsidiaries	https://corporate.apollotyres.com/investors/corporate-governance/
Policy on Related Party Transactions	https://corporate.apollotyres.com/investors/corporate-governance/
CSR policy	https://corporate.apollotyres.com/investors/corporate-governance/
Code of Conduct for Directors and Senior Management	https://corporate.apollotyres.com/investors/corporate-governance/
Whistle Blower Policy/Vigil Mechanism	https://corporate.apollotyres.com/investors/corporate-governance/
Policy on preservation and archival of documents	https://corporate.apollotyres.com/investors/corporate-governance/
Policy on determination of materiality of events or information	https://corporate.apollotyres.com/investors/corporate-governance/
Code of Practices and Procedures for Fair Disclosure of UPSI	https://corporate.apollotyres.com/investors/corporate-governance/

(w) Details of Utilisation of funds raised through CCPS

Particulars of the funds raised through CCPS	(₹ in million)
Utilized for capex and operations	10,800

(x) Certificate from Practicing Company Secretary

The Company has received a certificate from M/s. PI & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority.

The Certificate is attached as Annexure A to the Corporate Governance Report.

Declaration Affirming Compliance of Whistle Blower Policy

To the best of my knowledge and belief, I hereby affirm that no personnel of the Company has been denied access to the Audit committee during FY22.

For and on behalf of the Board of Directors

Place: Gurugram
Date: May 12, 2022

ONKAR KANWAR
Chairman & Managing Director
DIN: 00058921

Certificate of Non-Disqualification of Directors

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

To,
The Members of
APOLLO TYRES LIMITED
3rd Floor, Areekal Mansion, Panampilly Nagar
Kochi, Ernakulam, Kerala-682036

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of APOLLO TYRES LIMITED having CIN: L25111KL1972PLC002449 and having registered office at Apollo Tyres Limited, 3rd Floor, Areekal Mansion, Panampilly Nagar, Kochi, Ernakulam, Kerala-682036 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	DIN	Name of Director	Date of appointment in Company
1.	00058921	Mr. Onkar Kanwar	03/06/1982
2.	00058951	Mr. Neeraj Singh Kanwar	28/05/1999
3.	00010630	Mr. Akshaykumar Narendrasinhji Chudasama	11/11/2013
4.	00041197	Mr. Vikram Singh Mehta	06/02/2013
5.	00058859	Mr. Sunam Sarkar	28/01/2004
6.	00178792	Mr. Robert Friedrich Johannes Adolf Steinmetz	10/09/1999
7.	00013580	Ms. Pallavi Shardul Shroff	15/05/2014
8.	07259060	Mr. Bikram Singh	11/08/2015
9.	07413105	Mr. Francesco Gori	09/02/2016
10.	00041867	Mr. Vinod Rai	09/02/2016
11.	07527148	Mr. Satish Sharma	01/04/2019
12.	00935998	Mr. Francesco Crispino	03/07/2020
13.	01035771	Mr. Vishal Kashyap Mahadevia	21/08/2020
14.	09329003	Ms. Lakshmi Puri	29/10/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **PI & Associates**
Company Secretaries

Ankit Singhi
Partner
FCS No.: 11685
C P No.: 16274
PR: 1498/2021
UDIN: F011685D000294858

Date: May 12, 2022
Place: New Delhi

Independent Auditor's Certificate on Corporate Governance

To the Members of Apollo Tyres Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 04 August 2021.

2. We have examined the compliance of conditions of corporate governance by Apollo Tyres Limited ('the Company') for the year ended on 31 March 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2022.

   We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Neeraj Goel
Partner
Membership No. 099514
UDIN: 22099514AIVHJQ4852

Place: Gurugram
Date: 12 May 2022

CEO and CFO Certificate

[Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors
Apollo Tyres Ltd.
No. 7, Apollo House,
Institutional Area, Sector- 32,
Gurugram, Haryana -122001

We hereby certify that :-

a) We have reviewed the financial statements including the cash flow statement of the Company for the year ended as on March 31, 2022 and that to the best of our knowledge and belief :

   i these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii these statements including cash flow statement present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors. Further, no deficiencies have been observed in design or operation of such internal controls for the period covered by this report.

d) During the period under review, no significant changes were observed in the internal controls over financial reporting and accounting policies of the Company. Furthermore, no instance of fraud found by management or employees having a significant role in the Company's internal control system over financial reporting.

For **Apollo Tyres Ltd**

(Onkar Kanwar)
Chairman & Managing Director

(Gaurav Kumar)
Chief Financial Officer

Date : May 4, 2022

Independent Auditor's Report

To the Members of Apollo Tyres Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Apollo Tyres Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit procedures addressed the key audit matter
A. Provision for sales related obligations As at 31 March 2022, the Company carries provisions for sales related obligations amounting to ₹ 1,482.86 million (Refer note C6). Such provision is recognised based on past trends, frequency, expected cost of obligations, management estimates regarding possible future incidences and appropriate discount rates for non-current portion of the obligations. These estimates require high degree of management judgement with respect to the underlying assumptions, thus giving rise to inherent subjectivity in determining the amounts to be recorded in the financial statements. Considering the materiality of the above matter to the financial statements, complexities and judgement involved, and the significant auditor attention required to test such management's judgement, we have identified this as a key audit matter for current year audit.	Our audit procedures included, but were not limited to the following: a) Obtained an understanding from the management with respect to process and controls followed by the Company to ensure appropriateness of recognition, measurement and completeness of the sales related obligations; b) Tested the management's computation of sales related obligations by evaluating the reasonability of the key assumptions, reviewing the contractual terms, comparing the assumptions to historical data and analysing the expected costs of incidences; c) Traced the inputs used in the computations, to the relevant accounting records, including discussions with the relevant management personnel and tested the arithmetical accuracy of the computation; d) Compared the amounts recognized as provision in the past years with the corresponding settlements and assessed whether the aggregate provisions recognized as at the current year-end were sufficient to cover expected costs in light of known and expected incidences;

Key audit matter	How our audit procedures addressed the key audit matter
	e) Performed sensitivity analysis on the management's computation by evaluating the impact of change on the obligation by changing certain key assumptions such as discount rates used; and f) Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the standalone financial statements.
B. Litigations and claims: provisions and contingent liabilities As included under Note C15 (a) [contingent liability note] and Note C6 [Provision for contingencies note] to the standalone financial statements, the Company is involved in direct and indirect tax litigations ('litigations') amounting to ₹ 2882.46 million that are pending with various tax authorities. Whether a liability is recognised or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments. These include assumptions relating to the likelihood and/or timing of the cash outflows from the business and the interpretation of local laws and pending assessments at various levels of the statute. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognised or disclosed in the standalone financial statements, is inherently subjective. The amounts involved are potentially significant and due to the range of possible outcomes and considerable uncertainty around the various claims the determination of the need for creating a provision in the financial statements is inherently subjective and therefore is considered to be a key audit matter in the current year.	Our procedures included, but were not limited to, the following: a) Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof; b) Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts; c) Performed substantive procedures including tracing from underlying documents / communications from the tax authorities and re-computation of the amounts involved; d) Assessed management's conclusions through discussions held with their in house tax experts and understanding precedents in similar cases; e) Obtained and evaluated the independent confirmations from the consultants representing the Company before the various authorities; f) Engaged auditor's experts, who obtained an understanding of the current status of the litigations, conducted discussions with the management, reviewed independent legal advice received by the Company, if any and considered relevant legal provisions and available precedents to validate the conclusions made by the management; and g) Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the standalone financial statements.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance and Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so so.

9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid and provided remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us

        i. the Company, as detailed in note C15 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;

        ii. the Company has made provision as at 31 March 2022, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company other than INR 5.70 million (31 March 2021: INR 4.86 million) pertaining to amount of dividend which has not been transferred as per the orders/ instructions dated 14 June 2001 of the Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992;

iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. As stated in note C23 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 22099514AIVHSU3731

Place: Gurugram
Date: 12 May 2022

Annexure I

Annexure I referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of Apollo Tyres Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (including right of use assets).

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment (including right of use assets) under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment (including right of use assets) were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties are held in the name of the Company, except for certain lands included under the head 'Capital work in progress', (admeasuring 8,836,150 square feet and carrying a cost of Rs. 297.70 million), the title deeds to which, according to the information and explanation given to us, are yet to be transferred in the name of the Company as explained in Note B1 to the standalone financial statements. Immovable properties in the nature of land whose title deeds have been pledged as security for loans are held in the name of the Company, which is verified from confirmations directly received by us from lenders. In respect of immovable properties in the nature of land and building that have been taken on lease and disclosed under the head right-of-use assets in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee as per the agreements.

(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has a working capital limit in excess of Rs. 50 million sanctioned by banks or financial institutions based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and financial institutions and such statements are in agreement with the books of account of the Company for the respective periods.

(iii) (a) The Company has provided loans to others during the year. The details of the same are given below:

(₹ million)

Particulars	Loans
Aggregate amount granted/provided during the year - Others	47.09
Balance outstanding as at balance sheet date out of the above cases - Others	18.27

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments/receipts of principal are regular. Further, no interest is receivable on such loans.

(d) There is no overdue amount in respect of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans.

(f) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ million)	Amount paid under Protest (₹ million)	Period to which the amount relates	Forum where dispute is pending
Sales Tax Act applicable to various states	Sales tax	203.51	78.37	1992-93 to 2020-21	Various appellate authorities/ Revenue board/ High Court
Central Excise Act, 1944/ Customs Act, 1962	Excise duty, Custom duty and additional excise duty	599.75	20.69	2002-03 to 2017-18	Various appellate authorities/ Supreme Court
Finance Act, 1994	Service tax	545.39	37.63	2004-05 to 2017-18	Various appellate authorities
Income-tax Act, 1961	Income tax	1,670.51	232.10	1990-91 to 2015-16	Various appellate authorities/ High Court

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks or financial institution and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

(xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company.

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 22099514AIVHSU3731

Place: Gurugram
Date: 12 May 2022

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Apollo Tyres Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (' the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements..

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 22099514AIVHSU3731

Place: Gurugram
Date: 12 May 2022

Balance Sheet

as on March 31, 2022

₹ Million

	Notes	As on March 31, 2022	As on March 31, 2021
A ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	B1	112,630.93	96,720.48
(b) Capital work-in-progress	C28	5,480.36	10,299.55
(c) Right of use assets	C5	5,223.37	5,244.92
(d) Intangible assets	B1	439.00	375.95
(e) Financial assets			
i. Investments	B2	24,239.90	24,097.21
ii. Other financial assets	B3	3,940.46	3,688.30
(f) Other non-current assets	B4	336.11	2,232.35
Total non-current assets		**152,290.13**	**142,658.76**
2. Current assets			
(a) Inventories	B5	24,638.92	20,766.00
(b) Financial assets			
i. Investments	B6	4,506.06	900.68
ii. Trade receivables	B7	9,959.83	7,320.36
iii. Cash and cash equivalents	B8	3,154.06	2,258.12
iv. Bank balances other than (iii) above	B9	2,100.20	11,744.38
v. Other financial assets	B10	1,280.09	2,896.99
(c) Other current assets	B11	2,296.03	3,089.19
Total current assets		**47,935.19**	**48,975.72**
TOTAL ASSETS (1+2)		**200,225.32**	**191,634.48**
B EQUITY AND LIABILITIES			
1. Equity			
(a) Share capital	B12	635.10	635.10
(b) Other equity		94,549.64	94,090.51
Total equity		**95,184.74**	**94,725.61**
Liabilities			
2. Non-current liabilities			
(a) Financial liabilities			
i. Borrowings	B13	35,310.10	36,604.31
ii. Lease liabilities	C5	4,666.99	4,651.60
iii. Other financial liabilities	B14	–	30.72
(b) Provisions	B15	490.44	494.75
(c) Deferred tax liabilities (net)	C7(ii)	7,053.34	6,733.74
(d) Other non-current liabilities	B16	6,057.37	5,104.79
Total non-current liabilities		**53,578.24**	**53,619.91**
3. Current Liabilities			
(a) Financial liabilities			
i. Borrowings	B17	8,552.79	6,860.99
ii. Lease liabilities	C5	849.36	699.47
iii. Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	C26	713.73	629.03
- Total outstanding dues of creditors other than micro enterprises and small enterprises	B18	27,129.40	18,663.55
iv. Other financial liabilities	B19	9,645.67	11,613.26
(b) Other current liabilities	B20	2,179.76	2,191.42
(c) Provisions	B21	1,947.76	1,923.37
(d) Current tax liabilities (net)	B22	443.87	707.87
Total current liabilities		**51,462.34**	**43,288.96**
TOTAL EQUITY AND LIABILITIES (1+2+3)		**200,225.32**	**191,634.48**

See accompanying notes forming part of the financial statements
In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Neeraj Goel
Partner
Membership No. 099514

Gurugram
May 12, 2022

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Statement of Profit and Loss

for the year ended March 31, 2022

₹ Million

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
1. Revenue from operations:			
Sales		143,067.87	113,545.12
Other operating income	B23	3,426.17	3,788.89
		146,494.04	**117,334.01**
2. Other income	B24	1,268.96	1,215.23
3. Total income (1 +2)		**147,763.00**	**118,549.24**
4. Expenses :			
(a) Cost of materials consumed	B25	94,937.71	62,383.17
(b) Purchase of stock-in-trade	B25	8,465.86	6,948.31
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	B26	(3,484.45)	69.15
(d) Employee benefits expense	B25	10,240.18	9,109.01
(e) Finance costs	B27	3,821.56	3,794.14
(f) Depreciation and amortisation expense	B1	8,239.13	7,133.77
(g) Other expenses	B25	22,026.81	18,481.14
Total expenses		**144,246.80**	**107,918.69**
5. Profit before exceptional items and tax (3 - 4)		3,516.20	10,630.55
6. Exceptional items	C32	12.68	110.16
7. Profit before tax (5 - 6)		**3,503.52**	**10,520.39**
8. Tax expense:	C7		
(a) Current tax expense		611.59	1,904.39
(b) Deferred tax		281.29	1,387.79
Total		**892.88**	**3,292.18**
9. Net profit for the year (7 - 8)		**2,610.64**	**7,228.21**
10. Other comprehensive income			
I i. Items that will not be reclassified to profit or loss			
a. Remeasurements of the defined benefit plans		(41.71)	69.68
ii. Income tax		14.58	(24.35)
		(27.13)	**45.33**
II i. Items that may be reclassified to profit or loss			
a. Effective portion of (loss) on designated portion of hedging instruments in a cash flow hedge		151.36	25.51
ii. Income tax		(52.89)	(8.91)
		98.47	**16.60**
Other comprehensive income (I + II)		71.34	61.93
Total comprehensive income for the year (9 + 10)		**2,681.98**	**7,290.14**
Earnings per share (of Re 1 each)	C35		
(a) Basic (₹)		4.11	11.72
(b) Diluted (₹)		4.11	11.72

See accompanying notes forming part of the financial statements

In terms of our report attached

For **Walker Chandiok & Co LLP**
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Firm's Registration No. 001076N/N500013

Neeraj Goel
Partner
Membership No. 099514

Gurugram
May 12, 2022

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DIN 00058921

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Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Statement of Changes in Equity

for the year ended March 31, 2022

Other Equity

₹ Million

	Reserves and surplus								Items of other comprehensive income		Total
	Securities premium	General reserve	Capital reserve on AMHPL merger	Debenture redemption reserve	Capital subsidy	Capital redemption reserve	Capital reserve on forefeiture of shares	Retained earnings	Effective portion of cash flow hedge	Revaluation surplus	
Balance as on March 31, 2020	**20,866.72**	**15,006.63**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**38,065.61**	**(113.91)**	**31.22**	**76,349.42**
Profit for the year								7,228.21			7,228.21
Effective portion of cash flow hedge (net)									16.60		16.60
Remeasurements of the defined benefit plans (net)								45.33			45.33
Total comprehensive income for the year								**7,273.54**	**16.60**		**7,290.14**
Transfer from retained earnings		1,000.00						(1,000.00)			-
Transaction with owners in their capacity as owners											
Share premium on issue of shares, net (refer note C31)	10,450.95										10,450.95
Balance as on March 31, 2021	**31,317.67**	**16,006.63**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**44,339.15**	**(97.31)**	**31.22**	**94,090.51**
Profit for the year								2,610.64			2,610.64
Effective portion of cash flow hedge (net)									98.47		98.47
Remeasurements of the defined benefit plans (net)								(27.13)			(27.13)
Total comprehensive income for the year								**2,583.51**	**98.47**		**2,681.98**
Transfer from retained earnings		1,000.00						(1,000.00)			-
Transaction with owners in their capacity as owners											
Payment of dividend (Rs. 3.50 per share)								(2,222.85)			(2,222.85)
Balance as on March 31, 2022	**31,317.67**	**17,006.63**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**43,699.81**	**1.16**	**31.22**	**94,549.64**

In terms of our report attached
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Gurugram
May 12, 2022

For and on behalf of the Board of Directors

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DIN 00058921

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DIN 00058951

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Director
DIN 00041867

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Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Cash Flow Statement

for the year ended March 31, 2022

₹ Million

			Year ended March 31, 2022		Year ended March 31, 2021
A	CASH FLOW FROM OPERATING ACTIVITIES				
(i)	**Profit before tax**		3,503.52		10,520.39
Add:	**Adjustments for:**				
	Depreciation and amortisation expenses	8,239.13		7,133.77	
	(Profit) on sale of property, plant and equipment (net)	(81.39)		(20.34)	
	Dividend from current investments	(24.15)		(2.88)	
	Unwinding of deferred income	(1,540.68)		(1,572.57)	
	Finance cost	3,821.56		3,794.14	
	Interest income	(396.60)		(816.20)	
	Unrealised (gain) on foreign exchange fluctuations	(132.66)	**9,885.21**	(175.19)	**8,340.73**
(ii)	**Operating profit before working capital changes**		**13,388.73**		**18,861.12**
	Changes in working capital				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	(3,872.92)		(2,683.49)	
	Trade receivables	(2,573.34)		(2,872.41)	
	Other financial assets (current and non-current)	1,421.88		(3,809.44)	
	Other assets (current and non-current)	761.04	**(4,263.34)**	482.15	**(8,883.19)**
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade payables	8,617.08		3,363.49	
	Other financial liabilities (current and non-current)	(470.32)		2,186.59	
	Other liabilities (current and non-current)	24.69		1,051.99	
	Provisions (current and non-current)	20.08	**8,191.53**	112.89	**6,714.96**
(iii)	**Cash generated from operations**		**17,316.92**		**16,692.89**
Less:	Income taxes paid (net of refund)		875.59		1,756.03
	Net cash generated from operating activities		**16,441.33**		**14,936.86**
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of property, plant and equipment and intangible assets	(15,598.87)		(9,825.83)	
	Proceeds from sale of property, plant and equipment and intangible assets	231.97		105.93	
	Investments in mutual funds, net	(3,605.38)		(900.00)	
	Non-current investment matured /(made), net	0.77		(0.24)	
	Investment in subsidiary company	(49.00)		(1.00)	
	Investment in associate company	(93.30)		–	
	Maturity of / (Investments) in fixed deposits, net	9,650.00		(11,650.00)	
	Dividends received from current investments	24.15		2.88	
	Interest received	475.28		662.46	
	Net cash used in investing activities		**(8,964.38)**		**(21,605.80)**

Cash Flow Statement (Contd..)

for the year ended March 31, 2022

₹ Million

		Year ended March 31, 2022		Year ended March 31, 2021	
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from issue of compulsory convertible preference shares	–		10,800.00	
	Proceeds from non-current borrowings	14,000.00		10,750.00	
	Repayment of non-current borrowings	(14,599.08)		(589.04)	
	Proceeds from/ (Repayment) of Current borrowings (net) (excluding current maturities of non-current borrowings)	1,000.00		(10,180.00)	
	Payment of dividend	(2,222.85)		–	
	Payment of lease liabilities	(1,340.64)		(1,269.98)	
	Finance charges paid	(3,417.77)		(2,844.34)	
	Net cash (used in) / generated from financing activities		(6,580.34)		6,666.64
	Net increase/ (decrease) in cash and cash equivalents		896.61		(2.30)
	Cash and cash equivalents as at the beginning of the year		2,258.12		2,256.26
Less:	Cash credits as at the beginning of the year		4.85		0.69
	Adjusted cash and cash equivalents as at beginning of the year		2,253.27		2,255.57
	Cash and cash equivalents as at the end of the year		3,154.06		2,258.12
Less:	Cash credits as at the end of the year		4.18		4.85
	Adjusted cash and cash equivalents as at the end of the year		3,149.88		2,253.27

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Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

A. Notes

Forming Part Of The Financial Statements

1 Corporate information

The principal business activity of Apollo Tyres Limited ('the Company') is manufacturing and sale of automotive tyres. The Company started its operations in 1972 with its first manufacturing plant at Perambra in Kerala.

The Company's largest operations are in India and comprises five tyre manufacturing plants, two located in Cochin and one each at Vadodara, Chennai and Andhra Pradesh and various sales and marketing offices spread across the country. The Company's European subsidiaries Apollo Vredestein BV ('AVBV') and Apollo Tyres (Hungary) Kft. have a manufacturing plant in the Netherlands and Hungary respectively and has sales and marketing subsidiaries all over Europe. The Company also has sales and marketing subsidiaries in Middle East, Africa and ASEAN region.

2 RECENT ACCOUNTING PRONOUNCEMENTS

2.1 Amended standards adopted by the Company

Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond June 30, 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before June 30, 2022 from June 30, 2021. The amendment applies to annual reporting periods beginning on or after April 1, 2021.

These amendments had no impact on the financial statements of the Company.

2.2 Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") vide its notification dated March 23, 2022 has notified Companies (Indian Accounting Standards) Amendment Rules, 2022 to further amend the Companies (Indian Accounting Standards) Rules, 2015. Amendments have been made to the following standards.

Amendment to Ind AS 16, Property, Plant and Equipment

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use.

Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Amendment to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments listed above will be effective on or after April 1, 2022 and are not expected to significantly affect the current or future periods.

3 Basis of accounting and preparation of financial statements

3.1 Statement of Compliance

The financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The financial statements are presented in Indian Rupee ('INR'), which is also the functional currency of the Company.

The financial statements for the year ended March 31, 2022 were authorised and approved for issue by the Board of Directors on May 12, 2022.

3.2 Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on above basis, except for share-based payment transactions that are within the scope of Ind AS 102 - Share Based Payment, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below:

3.3 Business Combinations

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a Company.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method.

The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

(iv) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

3.4 Inventories

Inventories are valued at the lower of cost and estimated net realizable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work in progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

In case of raw materials, stores and spares and traded goods, cost (net of tax credits wherever applicable) is determined on a moving weighted average basis, and, in case of work in progress and finished goods, cost is determined on a First In First Out basis.

3.5 Taxation

Income tax expense recognised in Standalone Statement of Profit and Loss comprised the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable income tax laws of India. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset is created by way of a credit to the Standalone Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and Deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.6 Property, plant and equipment ('PPE')

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. For qualifying assets, borrowing costs are capitalised in accordance with Ind AS 23 - Borrowing costs. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment are capitalised at costs relating to the acquisition and installation (net of tax credits wherever applicable) and include finance cost on borrowed funds attributable to acquisition of qualifying fixed assets for the period up to the date when the asset is ready for its intended use, and adjustments arising from foreign exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Other incidental expenditure attributable to bringing the fixed assets to their working condition for intended use are capitalized. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Assets held under leases are depreciated over their expected lease term on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

The estimated useful life considered for the assets are as under.

Category of assets	Number of years
Building	5 - 60
Plant and equipment	3 - 25
Electrical installations	1 - 10
Furniture and fixtures	4 - 10
Vehicles	4 - 10
Office equipment	4 - 10

Leasehold land / Improvements thereon are amortized over the primary period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.7 Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

The intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Derecognition of intangible assets

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

The useful life considered for the intangible assets are as under:

Category of Assets	Number of years
Computer Software	3-6

3.8 Revenue recognition

In accordance with Ind AS 115, the Company recognises the amount as revenue from contracts with customers, which is received for the transfer of promised goods to customers in exchange for those goods. The relevant point in time or period of time is the transfer of control of the goods (control approach). The Company recognises revenue at point in time. Revenue is reduced for customer returns, taxes on sales, estimated rebates and other similar allowances. To determine when to recognise revenue and at what amount, the five-step model is applied. By applying the five-step model distinct performance obligations are identified. The transaction price is determined and allocated to the performance obligations according to the requirements of Ind AS 115. Performance obligations are deemed to have been met when the control of goods is transferred to the customer, i.e., generally when the goods have been delivered to the customer.

Revenues for services are recognised when the service rendered has been completed."

3.9 Other income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Royalty income is recognised on accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

3.10 Employee benefits

Employee benefits include wages and salaries, provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined Benefit Plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are recognised directly in the other comprehensive income in the period in which they arise. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. net interest expense or income; and

c. re-measurement

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Other current and non-current employee benefits

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.11 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received.

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the Statement of Profit and Loss on a systematic basis over the expected useful life of the related assets.

Government grants related to the income are deferred and recognized in the Statement of Profit and Loss as an income in the period in which related obligations are met.

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations, and when reasonable assurance to receive such revenue is established.

Export incentives earned in the year of exports are netted off from cost of raw material imported.

3.12 Foreign currency transactions and translations

Foreign currency transactions are recorded at rates of exchange prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the rate of exchange prevailing at the year-end. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in which they arise except for:

a. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

b. exchange differences on transactions entered into in order to hedge certain foreign currency risks; and

c. exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the Statement of Profit and Loss on repayment of the monetary items.

According to Appendix B of Ind AS 21 “Foreign currency transactions and advance consideration”, purchase or sale transactions must be translated at the exchange rate prevailing on the date the asset or liability is initially recognized. In practice, this is usually the date on which the advance payment is paid or received. In the case of multiple advances, the exchange rate must be determined for each payment and collection transaction.

3.13 Employee share based payments

Stock appreciation rights (Phantom stock units) are granted to employees under the Cash-settled Employee Share-based Payment Plan (Phantom Stock Plan).

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in the Statement of Profit and Loss.

3.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. Other finance costs includes interest on other contractual obligations.

3.15 Leases

The Company as lessee

The Company's lease asset classes primarily consist of leases for Building and Plant and Machinery. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset, (2) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a Right of use (ROU) asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. For short-term leases and low value leases, the Company recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight -line basis over the shorter of the lease term and the useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are re measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance sheet and the payment of principal portion of lease liabilities has been classified as financing cash flows.

The weighted average incremental borrowing rate applied to lease liabilities is 8% p.a.

3.16 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

3.17 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.18 Provisions and contingencies

A provision is recognized when the Company has a present obligation (legal / constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for the expected cost of sales related obligations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

3.19 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Statement of Profit and Loss.

3.20 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.20.1 Classification of financial asset

a. Loans and receivable

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for investments that are designated as at FVTPL on initial recognition):

i. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the Statement of Profit and Loss and is included in the 'Other Income' line item.

b. Assets available for sale

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ('FVTOCI') (except for investments that are designated as at FVTPL on initial recognition):"

i. the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

c. **Assets held for trading**

A financial asset is held for trading if:

i. it has been acquired principally for the purpose of selling it in the near term; or

ii. on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

iii. it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in the Statement of Profit and Loss when the right to receive the dividends is established and it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

d. **Financial assets at fair value through profit and loss ('FVTPL')**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Debt instrument that do not meet the amortised cost criteria or fair value through other comprehensive income criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the fair value through other comprehensive income criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

3.20.2 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial assets, and financials guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instruments.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the

Company again measures the loss allowance based on 12- month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from contracts with customers, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Credit impaired balances are disclosed under provision for doubtful debts.

3.20.3 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and Loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.20.4 Foreign Exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Statement of Profit and Loss except for those which are designated as hedging instruments in hedging relationship.

3.21 Financial liabilities and equity instruments

3.21.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.21.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3.21.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company are measured in accordance with the specific accounting policies set out below.

3.21.3.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

i. it has been incurred principally for the purpose of repurchasing it in the near term; or

ii. on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

iii. it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

i. such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

ii. the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the company is provided internally on that basis; or

iii. it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 - Financial Instruments permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss.

3.21.3.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.21.3.3 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at:

i amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments; and

ii. amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies of Ind AS 115, Revenue from Contracts with Customers.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the 'Other Income' line item.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Statement of Profit and Loss.

3.21.3.4 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

3.22 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including options, foreign exchange forward contracts and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

3.23 Hedge Accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair Value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, and is included in the 'Other income'/ 'Other expense' line item. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit and Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non -financial asset or non-financial liability.

In cases where the designated hedging instruments are options and forward contracts, the Company has an option, for each designation, to designate on an instrument only the changes in intrinsic value of the options and spot element of forward contracts respectively as hedges. In such cases, the time value of the options is accounted based on the type of hedged item which those options hedge.

In case of transaction related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity, i.e., Reserve for time value of options and forward elements of forward contracts in hedging relationship. This separate component is removed and directly included in the initial cost or other carrying amount of the asset or the liability (i.e., not as a reclassification adjustment thus not affecting other comprehensive income) if the hedged item subsequently results in recognition of a non-financial asset or a non-financial liability. In other cases, the amount accumulated is reclassified to the Statement of Profit and Loss as a reclassification adjustment in the same period in which the hedged expected future cash flows affect the Statement of Profit and Loss.

In case of time-period related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity, i.e., Reserve for time value of options and forward elements of forward contracts in hedging relationship. The time value of options at the date of designation of the options in the hedging relationships is amortised on a systematic and rational basis over the period during which the options' intrinsic value could affect the Statement of Profit and Loss. This is done as a reclassification adjustment and hence affects other comprehensive income.

In cases where only the spot element of the forward contracts is designated in a hedging relationship and the forward element of the forward contract is not designated, the Company makes the choice for each designation whether to recognise the changes in forward element of fair value of the forward contracts in the Statement of Profit and Loss or to account for this element similar to the time value of an option.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

3.24 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term balances, as defined above, net of outstanding cash credits as they are considered an integral part of the Company's cash management. The cash flow statement is prepared using indirect method.

3.25 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirements of Schedule III of the Act unless otherwise stated.

3.26 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make certain judgements and estimates that may effect the application of accounting policies, reported amounts and related disclosures.

These judgments and estimates may have an impact on the assets and liabilities, disclosure of contingent liabilities at the date of the financial statements, and income and expense items for the period under review. Actual results may differ from these judgements and estimates.

All assumptions, expectations and forecasts that are used as a basis for judgments and estimates in the financial statements represent as accurately an outlook as possible for the Company. These judgements and estimates only represent the interpretation of the Company as of the dates on which they were prepared.

Important judgments and estimates relate largely to provisions, pensions, tangible and intangible assets (lives, residual values and impairment), deferred tax assets and liabilities and valuation of financial instruments.

B. Notes

Forming Part Of The Financial Statements

B1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS AS ON MARCH 31, 2022

₹ Million

Description of assets	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
	As on April 1, 2021	Additions	Disposals	As on March 31, 2022	As on April 1, 2021	Depreciation / amortisation expense	Eliminated on disposal of assets	As on March 31, 2022	As on March 31, 2022	As on March 31, 2021
A. Property, plant and equipment - owned unless otherwise stated										
Land:										
Freehold land	144.64	–	–	144.64	–	–	–	–	144.64	144.64
Leasehold land *	196.15	1.33	–	197.48	27.04	2.19 (a)	–	29.23	168.25	169.11
Buildings	22,204.31	2,417.39 (b)	116.28	24,505.42 (d)	4,442.59	877.02	20.31	5,299.30	19,206.12 (d)	17,761.72
Plant and equipment **	108,122.33	19,420.78 (b)	121.06	127,422.05	32,801.97	5,348.72	106.96	38,043.73	89,378.32	75,320.36
Electrical installations	3,692.21	569.16 (b)	1.05	4,260.32	1,869.51	303.21	1.05	2,171.67	2,088.65	1,822.70
Furniture and fixtures	2,366.75	274.99 (b)	8.04	2,633.70	1,724.74	216.18	8.04	1,932.88	700.82	642.01
Vehicles	952.44	361.90 (b)	149.73	1,164.61	413.14	132.38	109.22	436.30	728.31	539.30
Office equipment	874.01	28.33 (b)	2.47	899.87	553.37	133.15	2.47	684.05	215.82	320.64
Total tangible assets	**138,552.84**	**23,073.88**	**398.63**	**161,228.09**	**41,832.36**	**7,012.85**	**248.05**	**48,597.16**	**112,630.93**	**96,720.48**
B. Intangible assets:										
Computer software	1,033.39	199.25 (b)	–	1,232.64	657.44	136.20	–	793.64	439.00	375.95
TOTAL (A + B)	**139,586.23**	**23,273.13 (c)**	**398.63**	**162,460.73**	**42,489.80**	**7,149.05**	**248.05**	**49,390.80**	**113,069.93**	**97,096.43**

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS AS ON MARCH 31, 2021

₹ Million

	Description of assets	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
		As on April 1, 2020	Additions	Disposals	As on March 31, 2021	As on April 1, 2020	Depreciation / amortisation expense	Eliminated on disposal of assets	As on March 31, 2021	As on March 31, 2021	As on March 31, 2020
A	**Property, plant and equipment - owned unless otherwise stated**										
	Land:										
	Freehold land	144.64	–	–	144.64	–	–	–	–	144.64	144.64
	Leasehold land *	196.09	0.06	–	196.15	24.85	2.19 (a)	–	27.04	169.11	171.24
	Buildings	19,751.70	2,528.45 (b)	75.84	22,204.31 (d)	3,779.98	674.25	11.64	4,442.59	17,761.72 (d)	15,971.72
	Plant and equipment **	94,806.97	13,355.80 (b)	40.44	1,08,122.33	28,230.85	4,584.70	13.58	32,801.97	75,320.36	66,576.12
	Electrical installations	3,161.18	531.03 (b)	–	3,692.21	1,612.30	257.21	–	1,869.51	1,822.70	1,548.88
	Furniture and fixtures	2,438.33	67.69 (b)	139.27	2,366.75	1,535.50	217.56	28.32	1,724.74	642.01	902.83
	Vehicles	879.07	112.16 (b)	38.79	952.44	311.78	121.02	19.66	413.14	539.30	567.29
	Office equipment	852.96	21.17 (b)	0.12	874.01	413.85	139.64	0.12	553.37	320.64	439.11
	Total tangible assets	**122,230.94**	**16,616.36**	**294.46**	**138,552.84**	**35,909.11**	**5,996.57**	**73.32**	**41,832.36**	**96,720.48**	**86,321.83**
B	**Intangible assets:**										
	Computer software	874.91	158.48 (b)	–	1,033.39	554.55	102.89	–	657.44	375.95	320.36
	TOTAL (A + B)	**123,105.85**	**16,774.84 (c)**	**294.46**	**139,586.23**	**36,463.66**	**6,099.46**	**73.32**	**42,489.80**	**97,096.43**	**86,642.19**

B1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS AS ON MARCH 31, 2022 (Contd..)

DEPRECIATION AND AMORTISATION EXPENSE

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Property, plant and equipment	7,012.85	5,996.57
Right-to-use assets	1,090.08	1,034.31
Other intangible assets	136.20	102.89
Total	**8,239.13**	**7,133.77**

* Leasehold land is net of ₹ **5.39 Million** (₹ 5.39 Million) subleased to Classic Industries and Exports Limited (formerly known as Classic Auto Tubes Ltd.), a Company in which directors are interested since the year ended 2009-10.

** Plant and equipment include jointly owned assets with gross book value of ₹ **311.28 Million** (₹ 311.28 Million) and net book value of ₹ **200.55 Million** (₹ 213.09 Million) which represents 50% ownership in the asset.

(a) Represents proportionate lease premium ₹ **2.19 Million** (₹ 2.19 Million) amortised.

(b) Buildings include ₹ **15.61 Million** (₹ 0.24 Million), plant and equipment include ₹ **16.08 Million** (₹ 292.12 Million), electrical installations include **Nil** (₹ 0.05 Million), furniture and fixtures include ₹ **0.80 Million** (Nil), vehicles include **Nil** (₹ 93.35 Million) and computer software include ₹ **3.41 Million** (₹ 18.13 Million) relating to research and development (refer note C14).

(c) Includes directly attributable expenses capitalised to the extent of ₹ **293.41 Million** (₹ 508.51 Million) including ₹ **13.33 Million** (₹ 15.39 Million) capitalised from CWIP of previous year and borrowing cost capitalised to the extent of ₹ **442.12 Million** (₹ 992.16 Million) including **Nil** (₹ 72.24 Million) capitalised from CWIP of previous year.

(d) Buildings include buildings constructed on leasehold land with gross book value of ₹ **13,488.13 Million** (₹ 13,311.18 Million) and net book value of ₹ **9,325.37 Million** (₹ 9,628.78 Million).

(e) Carrying amount of tangible assets are pledged as security for liabilities (refer note B13 (a)).

(f) Capital work-in-progress includes land of ₹ **297.70 Million** (₹ 297.70 Million) acquired by the Company and is in the process of getting the title deeds transferred to its name.

FINANCIAL ASSETS (NON-CURRENT)

B2 INVESTMENTS

₹ Million

		As on March 31, 2022	As on March 31, 2021
I	**At fair value through profit and loss**		
A	**Quoted investments** *		
	Investment in equity instruments:		
	16,394 (16,394) equity shares of ₹ 10/- each in Bharat Gears Limited - fully paid up	2.36	1.20
B	**Unquoted investments** **		
	Investment in equity instruments:		
	Other companies:		
	312,000 (312,000) equity shares of ₹ 10 each in Green Infra Wind Power Projects Limited - fully paid up	3.12	3.12
	2,256,000 (2,256,000) equity shares of ₹ 30 each in Suryadev Alloys and Power Private Limited - fully paid up	67.68	67.68
	217,100 (284,000) equity shares of ₹ 11.50 each in OPG Power Generation Private Limited - fully paid up	2.50	3.27
		73.30	74.07
	Investments carried at fair value through profit and loss	75.66	75.27
II	**At cost**		
	Unquoted investments **		
(a)	**Investment in equity instruments:**		
	Subsidiary companies:		
	50,001 (50,001) equity shares of EUR 0.72 each in Apollo Tyres (Green Field) B. V. - fully paid up	2.74	2.74
	5,000,000 (100,000) equity shares of ₹ 10 each in Apollo Tyres Centre of Excellence Limited - fully paid up	50.00	1.00
	Associate company:		
	3,334 (3,334) equity shares of ₹ 10 each in KT Telematic Solutions Private Limited - fully paid up	45.01	45.01
	1,166,250 (Nil) equity shares of ₹ 10 each in CSE Deccan Private Limited - fully paid up	93.30	-
(b)	**Investment in membership interest:**		
	Apollo Tyres Co-operatief U.A. - wholly owned subsidiary	23,973.19	23,973.19
	Investments carried at cost	24,164.24	24,021.94
		24,239.90	24,097.21

*	Aggregate amount of quoted investments at cost	0.36	0.36
	Aggregate amount of quoted investments at market value	2.36	1.20
**	Aggregate amount of unquoted investments at cost	24,237.54	24,096.01

B3 OTHER FINANCIAL ASSETS

₹ Million

	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Employee advances - salary loan	19.06	19.36
Security deposits	229.75	208.52
Security deposits to related parties (refer note C20)	307.97	278.97
Security deposits with statutory authorities	372.42	394.12
Investment promotion subsidy receivable (refer note C8(a))	1,956.66	1,811.72
Derivative assets measured at fair value (refer note C10)	1,054.60	975.61
	3,940.46	**3,688.30**

NON-FINANCIAL ASSETS (NON-CURRENT)

B4 OTHER NON - CURRENT ASSETS

₹ Million

	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Capital advances	138.27	2,050.08
Capital advances to related parties (refer note C20)	194.27	152.44
	332.54	**2,202.52**
Statutory balances recoverable	2.58	2.58
Others [refer note C10 {f(1)}]	0.99	27.25
	336.11	**2,232.35**

CURRENT ASSETS

B5 INVENTORIES

₹ Million

	As on March 31, 2022	As on March 31, 2021
(valued at lower of cost and net realizable value)		
(i) Raw materials		
- In hand	8,574.19	8,031.27
- In transit	701.50	1,090.03
	9,275.69	**9,121.30**
(ii) Work-in-progress *	1,706.10	1,663.64
(iii) Finished goods		
- In hand	9,714.94	7,036.10
- In transit	930.74	598.21
	10,645.68	**7,634.31**
(iv)Stock-in-trade		
- In hand	1,427.84	1,003.69
- In transit	23.87	17.40
	1,451.71	**1,021.09**
(v) Stores and spares	1,559.74	1,325.66
	24,638.92	**20,766.00**

* Work-in-progress consists of only automotive tyres.

FINANCIAL ASSETS (CURRENT)

B6 INVESTMENTS

₹ Million

	As on March 31, 2022	As on March 31, 2021
At fair value through profit and loss:		
Quoted investments *		
Investment in mutual funds	4,506.06	900.68
	4,506.06	**900.68**

*** Mutual Funds**	Number of Units	Amount in (₹ Million)	Number of Units	Amount in (₹ Million)
Aditya Birla Sun Life Overnight Fund - Growth Option, Direct Plan	435,319.86	500.48	359,616.37	400.23
Axis Overnight Fund - Growth Option, Direct Plan	445,290.88	500.44	460,008.44	500.45
Kotak Overnight Fund - Growth Option, Direct Plan	442,051.36	501.20	-	-
HDFC Overnight Fund - Direct Plan Growth option	1,58,363.19	500.02	-	-
ICICI Prudential Overnight Fund - Growth Option, Direct Plan	4,365,688.39	500.34	-	-
IDFC Overnight Fund Growth Option, Direct Plan	4,41,380.74	500.43	-	-
Nippon India Overnight Fund - Growth Option, Direct Plan	4,404,201.29	502.60	-	-
SBI Overnight Fund Growth Option, Direct Plan	144,486.08	500.12	-	-
UTI Overnight Fund - Growth Option, Direct Plan	1,71,971.79	500.43	-	-
	11,008,753.58	**4,506.06**	**819,624.81**	**900.68**
Aggregate amount of quoted investments at cost		4,500.00		900.00
Aggregate amount of quoted investments at market value		4,506.06		900.68

B7 TRADE RECEIVABLES (refer note C27)

₹ Million

	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Considered good *	9,959.83	7,320.36
Considered doubtful	24.40	24.40
	9,984.23	**7,344.76**
Provision for loss allowance	(24.40)	(24.40)
	9,959.83	**7,320.36**

* Includes balances with related parties (refer note C20)

B8 CASH AND CASH EQUIVALENTS

₹ Million

	As on March 31, 2022	As on March 31, 2021
(i) Balances with banks:		
Current accounts	1,854.50	904.19
Other deposit accounts		
- original maturity of 3 months or less	351.00	500.99
(ii) Cheques on hand / remittances in transit	946.78	851.13
(iii) Cash on hand	1.78	1.81
	3,154.06	**2,258.12**

B9 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ Million

	As on March 31, 2022	As on March 31, 2021
Unpaid dividend accounts *	100.19	94.37
Deposits with maturity exceeding 3 months but less than 12 months	2,000.01	11,650.01
	2,100.20	**11,744.38**

* These balances are not available for use by the Company and corresponding balance is disclosed as unclaimed dividend in note B19.

B10 OTHER FINANCIAL ASSETS

₹ Million

	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Employee advances	61.72	70.94
Derivative assets measured at fair value (refer note C10)	87.29	31.75
Investment promotion subsidy receivable	1,056.02	2,640.56
Interest accrued on deposits	75.06	153.74
	1,280.09	**2,896.99**

NON-FINANCIAL ASSETS (CURRENT)

B11 OTHER CURRENT ASSETS

₹ Million

	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
a. Trade advances- considered good	367.95	491.84
Doubtful advances	20.56	20.56
Provision for doubtful advances	(20.56)	(20.56)
	367.95	**491.84**
b. Advances given to related parties (refer note C20)	670.64	564.68
c. Employee advances	64.28	52.32
d. Export obligations - advance licence benefit	481.35	304.73
e. Export incentives recoverable	120.54	109.93
f. Balance with statutory authorities	309.04	1,290.36
g. Gratuity (refer note C9)	32.57	–
h. Prepaid expenses	249.66	275.33
	2,296.03	**3,089.19**

B12 SHARE CAPITAL

₹ Million

	As on March 31, 2022	As on March 31, 2021
(a) Authorised		
750,000,000 Nos. (750,000,000 Nos.) equity shares of Re.1 each	750.00	750.00
150,000,000 Nos. (150,000,000 Nos.) cumulative redeemable preference shares of ₹100 each	15,000.00	15,000.00
	15,750.00	**15,750.00**
(b) Issued, subscribed, called and fully paid up		
Equity shares of Re 1 each:		
635,100,946 Nos. (635,100,946 Nos.) equity shares	635.10	635.10
	635.10	**635.10**

(c) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

	As on March 31, 2022		As on March 31, 2021	
	Number of shares	Amount in ₹ Million	Number of shares	Amount in ₹ Million
Opening balance	635,100,946	635.10	572,049,980	572.05
Add: Conversion of compulsory convertible preference shares into equity shares (refer note C31)	–	–	63,050,966	63.05
Closing balance	**635,100,946**	**635.10**	**635,100,946**	**635.10**

(d) Details of shareholders holding more than 5% of the paid up equity share capital of the Company with voting rights *

Name of the Shareholder	As on March 31, 2022		As on March 31, 2021	
	Number of shares	%age	Number of shares	%age
Sunrays Properties and Investment Company Private Limited	126,593,324	19.93%	128,393,784	20.22%
Emerald Sage Investment Ltd.	63,050,966	9.93%	63,050,966	9.93%
White IRIS Investment Ltd.	51,054,445	8.04%	51,054,445	8.04%
HDFC Trustee Company Ltd. - A/C its various Fund	52,765,288	8.31%	42,931,147	6.76%
Osiatic Consultants & Investments Pvt.Ltd.	39,041,880	6.15%	39,041,880	6.15%
Apollo Finance Limited	37,528,872	5.91%	37,528,872	5.91%

* As per the records of the Company including its register of member.

B12 SHARE CAPITAL (Contd..)

Shares held by promoters at the end of the year		March 31, 2022			March 31, 2021		
S No.	Promoter / Promoter Group	Number of shares	% of total shares	% change during the year (wrt total shares as at the beginning of the year)	Number of shares	% of total shares	% change during the year (wrt total shares as at the beginning of the year)
1	Onkar Kanwar	100,000	0.02%	-	100,000	0.02%	-
2	Raaja R S Kanwar	200,880	0.03%	-	200,880	0.03%	-
3	Taru Kanwar	12,250	-	-	12,250	-	-
4	Sunrays Properties and Investment Company Private Limited	126,593,324	19.93%	(0.28%)	128,393,784	20.22%	14.50%
5	Osiatic Consultants & Investments Pvt.Ltd.	39,041,880	6.15%	-	39,041,880	6.15%	6.15%
6	Apollo Finance Limited	37,528,872	5.91%	-	37,528,872	5.91%	(0.35%)
7	Classic Industries & Exports Ltd.	17,903,505	2.82%	(0.04%)	18,183,505	2.86%	0.42%
8	PTL Enterprises Ltd.	10,557,732	1.66%	0.35%	8,292,700	1.31%	0.76%
9	Amit Dyechem Pvt. Ltd.	1,574,595	0.25%	-	1,574,595	0.25%	-
10	Apollo International Ltd.	984,485	0.16%	-	984,485	0.16%	-
11	Global Capital Ltd.	1,000	-	-	1,000	-	(0.57%)
12	Shalini Kanwar Chand	1,977,000	0.31%	-	1,977,000	0.31%	-
13	Neeraj Kanwar	671,380	0.11%	-	671,380	0.11%	-
14	Simran Kanwar	18,500	-	-	18,500	0.00%	-
15	Motlay Finance Pvt Ltd.	-	-	-	-	-	(2.67%)
16	Sacred Heart Investment Co. Pvt Ltd.	-	-	-	-	-	(3.85%)
17	Ganga Kaveri Credit & Holdings Pvt. Ltd.	-	-	-	-	-	(1.21%)
18	Indus Valley Investment & Finance Pvt. Ltd.	-	-	-	-	-	(0.80%)
19	Kenstar Investment & Finance Pvt. Ltd.	-	-	-	-	-	(0.29%)
20	Neeraj Consultants Pvt Ltd.	-	-	-	-	-	(11.62%)
		237,165,403	**37.34%**	**0.03%**	**236,980,831**	**37.31%**	**0.47%**

(f) The rights, preferences and restrictions attached to equity shares of the Company

The Company has only one class of issued shares referred to as equity shares having a par value of Re. 1 each. The holder of equity shares are entitled to one vote per share.

(g) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(h) Over the period of five years immediately preceding March 31, 2022 and March 31, 2021, neither any bonus shares were issued nor any shares were allotted for consideration other than cash. Further, no shares were bought back during the said period.

NON - CURRENT LIABILITIES

B13 BORROWINGS

₹ Million

	As on March 31, 2022	As on March 31, 2021
Measured at amortised cost		
Secured *		
(i) Debentures	17,122.07	19,661.18
(ii) Term loans		
From banks:		
External commercial borrowings (ECB)	4,785.93	6,920.67
Foreign currency non-resident term loan	–	462.72
Rupee term loan	13,376.14	9,528.57
(iii) Deferred payment liabilities		
Deferred payment credit	25.96	31.17
Total borrowings	**35,310.10**	**36,604.31**

* For details regarding repayment terms, interest rate and nature of security on non current borrowings (Note B13 (a))

B13 (a) Borrowings

	Amount outstanding as on March 31, 2022 (₹ Million)		Amount outstanding as on March 31, 2021 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non current borrowings	Current maturities of non current borrowings	Non current borrowings	Current maturities of non current borrowings			
Non-convertible debentures							
1,150 - 8.65 % Non-convertible debentures of ₹ 1 Million each	1,150.00	–	1,150.00	–	8.65%	Bullet payment on April 30, 2026	Refer note below
1,050 - 8.65 % Non-convertible debentures of ₹ 1 Million each	1,050.00	–	1,050.00	–	8.65%	Bullet payment on April 30, 2025	Refer note below
1,050 - 8.65 % Non-convertible debentures of ₹ 1 Million each	1,050.00	–	1,050.00	–	8.65%	Bullet payment on April 30, 2024	Refer note below
1,500 - 7.80 % Non-convertible debentures of ₹ 1 Million each	1,499.14	–	1,498.34	–	7.80%	Bullet payment on April 30, 2024	Refer note below
900 - 7.50 % Non-convertible debentures of ₹ 1 Million each	900.00	–	900.00	–	7.50%	Bullet payment on October 20, 2023	Refer note below
1,500 - 7.80 % Non-convertible debentures of ₹ 1 Million each	1,499.14	–	1,498.34	–	7.80%	Bullet payment on April 28, 2023	Refer note below
1,050 - 7.50 % Non-convertible debentures of ₹ 1 Million each	–	1,050.00	1,050.00	–	7.50%	Bullet payment on October 21, 2022	Refer note below
1,500 - 7.80 % Non-convertible debentures of ₹ 1 Million each	–	1,499.14	1,498.34	–	7.80%	Bullet payment on April 29, 2022	Refer note below
1,050 - 7.50 % Non-convertible debentures of ₹ 1 Million each	–	–	–	1,050.00	7.50%	Bullet payment on October 21, 2021	Refer note below
5,000 - 8.75 % Non Convertible Debentures of ₹ 1 Million each	4,984.96	–	4,983.08	–	8.75%	Bullet payment on April 09, 2030	Refer note below
5,000 - 7.70 % Non Convertible Debentures of ₹ 1 Million each	4,988.83	–	4,983.08	–	7.70%	₹ 1,250 Million payable on May 17, 2024 and ₹ 3,750 Million payable on May 16, 2025.	Refer note below
Total	**17,122.07**	**2,549.14**	**19,661.18**	**1,050.00**			

B13 (a) Borrowings (Contd..)

	Amount outstanding as on March 31, 2022 (₹ Million)		Amount outstanding as on March 31, 2021 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non current borrowings	Current maturities of non current borrowings	Non current borrowings	Current maturities of non current borrowings			
External commercial borrowings (ECB) from banks							
Bank 1 - ECB I	1,259.84	631.65	1,821.31	–	0-1% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note below
Bank 2 - ECB I	1,259.30	631.58	1,821.08	–	0.25-1.25% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note below
Bank 3 - ECB I	1,259.63	631.65	1,821.75	–	0-1% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note below
Bank 4 - ECB I	1,007.17	505.32	1,456.54	–	0.25-1.25% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note below
Bank 5 - ECB I	–	–	–	3,646.08	0-1% above USD-LIBOR	Bullet payment on March 21, 2022	Refer note below
Total	**4,785.93**	**2,400.20**	**6,920.67**	**3,646.08**			

	Amount outstanding as on March 31, 2022 (₹ Million)		Amount outstanding as on March 31, 2021 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non current borrowings	Current maturities of non current borrowings	Non current borrowings	Current maturities of non current borrowings			
Foreign currency non-resident (FCNR) term loan							
Bank 1 - FCNR I	–	93.58	90.27	180.53	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from December 31, 2019	Refer note below
Bank 1 - FCNR II	–	94.13	90.80	181.61	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from January 15, 2020	Refer note below
Bank 1 - FCNR III	–	291.98	281.65	281.64	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from September 30, 2020	Refer note below
Total	**–**	**479.69**	**462.72**	**643.78**			
Rupee term loans							
Bank 1 - Rupee Term Loan	–	–	2,996.85	–	0-1% above One year MCLR	28 structured quarterly instalments after moratorium of 3 years from the date of first disbursement	Refer note below
Bank 2 - Rupee Term Loan	–	–	2,474.49	–	0-1% above One year MCLR	28 structured quarterly instalments after moratorium of 3 years from the date of first disbursement	Refer note below
Bank 3 - Rupee Term Loan	–	–	1,973.22	–	0-1% above One year MCLR	28 structured quarterly instalments after moratorium of 3 years from the date of first disbursement	Refer note below

	Amount outstanding as on March 31, 2022 (₹ Million)		Amount outstanding as on March 31, 2021 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non current borrowings	Current maturities of non current borrowings	Non current borrowings	Current maturities of non current borrowings			
Bank 4 - Rupee Term Loan	–	–	500.00	–	0-1% above One year MCLR	28 structured quarterly instalments after moratorium of 3 years from the date of first disbursement	Refer note below
Bank 5 - Rupee Term Loan	–	–	985.77	11.25	6 months MCLR	32 structured quarterly instalments after moratorium of 2 years from the date of first disbursement	Refer note below
Bank 6 - Rupee Term Loan	–	149.38	148.24	–	0-2% above one year T-bill	Bullet payment on June 27, 2022	Refer note below
Bank 7 - Rupee Term Loan	–	200.00	200.00	–	0-2% above one year T-bill	Bullet payment on March 27, 2023	Refer note below
Bank 8 - Rupee Term Loan	–	–	–	500.00	0-2% above one year T-bill	Bullet payment on March 29, 2022	Refer note below
Bank 9 - Rupee Term Loan	250.00	–	250.00	–	0-2% above one year T-bill	Bullet payment on December 29, 2023	Refer note below
Bank 10 - Rupee Term Loan	8,638.28	265.00	–	–	5-6% p.a	33 structured quarterly instalments starting from March 31, 2022	Refer note below
Bank 11 - Rupee Term Loan	4,487.86	500.00	–	–	6-7% p.a.	32 structured quarterly instalments starting from April 30, 2022	Refer note below
Total	**13,376.14**	**1,114.38**	**9,528.57**	**511.25**			
Deferred payment liabilities							
Deferred payment credit I	25.96	5.20	31.17	4.82	7-8%	Repayment along with interest in 240 consecutive monthly instalments started from May 15, 2007	Wind Mills purchased under the deferred consideration payment plan
Deferred payment credit II	–	–	–	0.21	8-9%	Repayment along with Interest in 20 equal quarterly instalments started from January 31, 2011	Engineering materials purchased under the Parts Management Agreement (PMA) scheme
Total	**25.96**	**5.20**	**31.17**	**5.03**			

Details of securities offered to existing lenders

Note: All the long term loans are secured by pari-passu charge on the movable fixed assets of the company. Along with this security an exclusive charge on the immovable property of the Company's registered office in Kochi has also been created for one of the NCD issuances aggregating to ₹ 5,000 Million at 8.75% p.a.

NON - CURRENT LIABILITIES

B14 OTHER FINANCIAL LIABILITIES

₹ Million

	As on March 31, 2022	As on March 31, 2021
Derivative liabilities measured at fair value (refer note C10)	–	30.72
	–	**30.72**

B15 PROVISIONS

₹ Million

	As on March 31, 2022	As on March 31, 2021
Provision for constructive liability (refer note C6)	181.31	181.12
Provision for sales related obligations (refer note C6)	309.13	313.63
	490.44	**494.75**

B16 OTHER NON CURRENT LIABILITIES

₹ Million

	As on March 31, 2022	As on March 31, 2021
Deferred revenue arising from government grant	5,864.69	4,949.94
Security deposits received from dealers	77.64	68.03
Security deposits received from vendors	115.04	86.82
	6,057.37	**5,104.79**

CURRENT LIABILITIES

B 17 BORROWINGS *

₹ Million

	As on March 31, 2022	As on March 31, 2021
At amortised cost		
Secured **		
From banks - cash credit	4.18	4.85
Unsecured		
From banks - packing credit	–	1,000.00
From others - Commercial paper	2,000.00	–
Current maturities of non current borrowings		
Secured #		
(a) Debentures	2,549.14	1,050.00
(b) Term loans:		
Foreign currency non-resident term loan	479.69	643.78
External commercial borrowings (ECB)	2,400.20	3,646.08
Rupee Term Loans	1,114.38	511.25
(c) Deferred payment liabilities		
Deferred payment credit I	5.20	4.82
Deferred payment credit II	–	0.21
	5.20	**5.03**
	8,552.79	**6,860.99**

* Cash credits and packing credits are repayable on demand. The interest rate on these loans are in the range of **3.00 % p.a. to 7.00 % p.a.** (3.00% p.a. to 9.00 % p.a.)

** Secured by a first charge on raw materials, work-in-progress, stocks, stores and book debts and by a second charge on the Company's land at village Kodakara in Kerala, at Oragadam and Mathur village in Tamil Nadu and at head office in Gurgaon, Haryana together with the factory buildings, plant and machinery and equipment, both present and future.

\# For details regarding repayment terms, interest rate and nature of security on current maturities of non current borrowings (Note B13 (a))

B18 TRADE PAYABLES (refer note C26)*

₹ Million

	As on March 31, 2022	As on March 31, 2021
Trade payables (other than micro and small enterprises)	18,186.36	13,149.05
Employee related payable	1,686.19	1,380.44
Payable to related parties (refer note C20)	7,256.85	4,134.06
	27,129.40	**18,663.55**

* Trade payables include commission on net profits payable to whole-time directors **₹ 35.94 Million** (₹ 561.19 Million).

B19 OTHER FINANCIAL LIABILITIES

₹ Million

	As on March 31, 2022	As on March 31, 2021
Interest accrued but not due on borrowings	1,402.20	1,465.67
Unclaimed dividends #	100.19	94.37
Accounts payable - capital	2,178.68	3,649.02
Payable to micro, small and medium Enterprises - capital (refer note C18)	190.76	186.28
Interest payable to micro, small and medium Enterprises (refer note C18)	10.58	10.58
Payable to related parties (refer note C20)	147.78	455.13
Security deposits - vendors	424.37	384.66
Advances received / credit balance from customers	5,155.06	5,350.81
Derivative liabilities measured at fair value (refer note C10)	36.05	16.74
	9,645.67	**11,613.26**

Includes **₹ 5.70 Million** (₹ 4.86 Million) which has not been transferred to the Investor Education and Protection Fund under Section 124 of the Companies Act, 2013, as per the orders/ instructions of the Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992.

CURRENT LIABILITIES

B20 OTHER CURRENT LIABILITIES

₹ Million

	As on March 31, 2022	As on March 31, 2021
Deferred revenue arising from government grant (refer note C8(a))	135.65	135.65
Statutory dues payable	1,899.73	1,941.80
Others	144.38	113.97
	2,179.76	**2,191.42**

B21 PROVISIONS

₹ Million

	As on March 31, 2022	As on March 31, 2021
Provision for constructive liability (refer note C6)	49.68	53.93
Provision for compensated absences (refer note C6)	259.19	233.32
Provision for superannuation (refer note C6)	40.16	31.37
Provision for contingencies (refer note C6)	425.00	425.00
Provision for Gratuity (refer note C9)	–	81.47
Provision for sales related obligations (refer note C6)	1,173.73	1,098.28
	1,947.76	**1,923.37**

B 22 CURRENT TAX LIABILITIES (NET)

₹ Million

	As on March 31, 2022	As on March 31, 2021
Provision for taxation	23,856.94	23,245.35
Advance tax	(23,413.07)	(22,537.48)
	443.87	**707.87**

B 23 OTHER OPERATING INCOME

₹ Million

	As on March 31, 2022	As on March 31, 2021
Investment promotion subsidy (refer note C8 (a))	1,211.52	1,765.71
Unwinding of deferred income (refer note C8 (b))	1,540.68	1,572.57
Sale of raw material scrap	517.97	376.28
Others	156.00	74.33
	3,426.17	**3,788.89**

B 24 OTHER INCOME

₹ Million

		Year ended March 31, 2022		Year ended March 31, 2021
(a) Interest income				
- Bank deposits	206.10		624.63	
- Other financial assets measured at amortised cost *	182.84		191.42	
- Others	7.66	**396.60**	0.15	**816.20**
(b) Dividend income from current investments - Fair value through profit and loss				
Mutual funds		24.15		2.88
(c) Others				
Profit on sale of property, plant and equipment (net)	81.39		20.34	
Gain on foreign currency transactions and translations (net)	660.57		213.79	
Miscellaneous	106.25	**848.21**	162.02	**396.15**
		1,268.96		**1,215.23**

* This includes Government grant (refer note C8 (a))

B 25 MANUFACTURING AND OTHER EXPENSES

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Cost of materials consumed *		
Opening stock	8,031.27	5,610.22
Add: Purchases	95,480.63	64,804.22
Less: Closing stock	8,574.19	8,031.27
	94,937.71	**62,383.17**
Purchase of stock-in-trade:		

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Purchase of finished goods - tyres, tubes and flaps	**8,465.86**	**6,948.31**
Employee benefits expense: *		
Salaries and wages	8,389.02	7,581.40
Contribution to provident and other funds	617.65	499.38
Staff welfare expenses	1,233.51	1,028.23
	10,240.18	**9,109.01**
Other expenses: *		
Consumption of stores and spare parts	1,098.66	837.94
Power and fuel	4,987.03	3,801.97
Conversion charges	995.56	723.76
Repairs and maintenance		
- Machinery	270.59	226.00
- Buildings	42.65	38.39
- Others	1,832.20	1,662.79
Rent (refer note C5)	25.91	18.17
Insurance	325.00	272.89
Rates and taxes	73.48	72.01
Sitting fees to non-executive directors (refer note C20)	4.13	5.77
Commission to non-executive directors (refer note C20)	38.00	45.00
Travelling, conveyance and vehicle expenses	844.47	584.76
Postage, telephone and stationery	81.55	80.54
Conference	7.70	15.59
Royalty (refer note C20)	110.68	41.22
Freight and forwarding	5,158.52	4,254.00
Commission on sales	131.46	104.38
Sales promotion	451.19	367.94
Advertisement and publicity	1,998.34	1,759.22
Corporate social responsibility (refer note C19)	187.17	129.91
Bank charges	37.94	31.92
Statutory auditors' remuneration (refer note C13)	12.55	12.49
Legal and professional	1,145.80	947.69
Miscellaneous	2,166.23	2,446.79
	22,026.81	**18,481.14**
	1,35,670.56	**96,921.63**

* Includes expense towards research and development.

B 26 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
OPENING STOCK		
Work in progress	1,663.64	1,252.70

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Finished goods	7,634.31	8,038.39
Stock-in-trade	1,021.09	1,097.10
	10,319.04	**10,388.19**
Less:		
CLOSING STOCK		
Work in progress	1,706.10	1,663.64
Finished goods	10,645.68	7,634.31
Stock-in-trade	1,451.71	1,021.09
	13,803.49	**10,319.04**
	(3,484.45)	**69.15**

B27 FINANCE COSTS

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest expense:		
Interest on fixed-term loans	1,129.11	1,095.93
Interest on debentures	1,334.98	1,217.34
Interest on current loans	75.62	388.97
Interest on income taxes	38.48	-
Others *	1146.69	1,046.14
(b) Other borrowing costs	96.68	45.76
	3,821.56	**3,794.14**

* Includes interest expenses pertaining to leasing agreements. Refer note C5

C. Other Notes

Forming Part Of The Financial Statements

C1 Directly attributable expenses capitalized / included in capital work in progress

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Raw material consumed	–	61.39
Salaries, wages and bonus	146.92	219.17
Welfare expenses	13.60	41.17
Rent	–	1.49
Travelling, conveyance and vehicle expenses	0.35	7.16
Postage, telephone and stationery	–	1.30
Power and fuel	36.05	106.15
Insurance	4.20	12.71
Legal and professional	12.93	4.77
Miscellaneous	89.88	51.13
Total	**303.93**	**506.45**

C2 Borrowing costs capitalized / transferred to capital work in progress during the year is **₹ 559.07 Million** (₹ 849.92 Million) and the capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Company's general borrowings during the year, in this case **7.58% p.a.** (7.93% p.a.).

C3 Inventories

i. Out of the total inventories **₹ 24,638.92 Million** (₹ 20,766.00 Million), the carrying amount of inventories carried at fair value less costs to sell amounted to **₹ 1,416.90 Million** (₹654.46 Million).

ii. The amount of write-down of inventories to net realizable value recognized as an expense was **₹ 187.52 Million** (₹ 144.56 Million).

iii. The cost of inventories recognised as an expense during the year in respect of continuing operations was **₹ 101,017.78** Million (₹ 70,238.57 Million).

C4 Description of nature and purpose of each reserve

i. Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

ii. General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

iii. Capital reserve on Apollo (Mauritius) Holdings Private Limited ("AMHPL") merger

AMHPL erstwhile (subsidiary company) was merged with the Company resulting in a capital reserve.

iv. Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

v. Capital subsidy

This balance represents subsidy received under New Industrial Policy 2007 of the Government of Tamil Nadu for expansion and employment generation within SIPCOT Industrial park.

vi. Capital redemption reserve

This balance has been created in accordance with provision of the Act for the buy back of equity shares from the market.

vii. Capital reserve on forfeiture of shares

This reserve was created on forfeiture of shares by the Company. The reserve is not available for the distribution to the shareholders.

viii. Retained earnings

Retained earnings are created from the profit of the Company, as adjusted for distribution to owners, transfer to other reserve, remeasurement of defined benefit plan, etc.

C5 Leases

i Nature of leasing activities

The Company has entered into lease arrangements for various warehouses, plant and equipments, and offices that are renewable on a periodic basis with approval of both lessor and lessee.

ii The Company does not have any lease commitments towards variable rent as per the contract.

iii Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and factory premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

iv Lease liabilities are presented in the statement of financial position as follows:

₹ Million

	As on March 31, 2022	As on March 31, 2021
Non current	4,666.99	4,651.60
Current	849.36	699.47
Total	**5,516.35**	**5,351.07**

v Future minimum lease payments are as follows:

₹ Million

Minimum lease payments due	As on March 31, 2022			As on March 31, 2021		
	Lease payments	Finance charges	Net present values	Lease payments	Finance charges	Net present values
Within 1 year	1,246.19	(396.83)	849.36	1,093.54	(394.07)	699.47
1-2 years	1,098.33	(333.07)	765.26	966.26	(341.28)	624.98
2-3years	954.28	(275.49)	678.78	866.82	(294.86)	571.96
3-4 years	875.30	(222.67)	652.64	785.49	(249.97)	535.52
4-5 years	765.23	(172.89)	592.34	738.71	(207.56)	531.15
After 5 years	2,213.42	(235.46)	1,977.96	2,780.13	(392.14)	2,387.99
Total	**7,152.76**	**(1,636.41)**	**5,516.35**	**7,230.95**	**(1,879.88)**	**5,351.07**

vi Lease payments not recognised as a liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

₹ Million

	As on March 31, 2022	As on March 31, 2021
Short term leases	25.91	18.17
Leases of low value assets	–	–
Variable lease payments	–	–
Total	**25.91**	**18.17**

vii Changes in the carrying value of right-of-use assets by class of assets is as follows:

₹ Million

	Building	Plant and equipment	Total
Gross carrying value			
As on April 01, 2021	**6,853.88**	**155.42**	**7,009.30**
Additions	1,006.74	127.90	1,134.65
Disposals	326.10	–	326.10
As on March 31, 2022	**7,534.52**	**283.32**	**7,817.85**

₹ Million

	Building	Plant and equipment	Total
Accumulated depreciation			
As on April 01, 2021	**1,675.37**	**89.01**	**1,764.38**
Depreciation expense	1,014.07	76.01	1,090.08
Eliminated on disposal	259.98	–	259.98
As on March 31, 2022	**2,429.46**	**165.02**	**2,594.48**
Net carrying value			
As on March 31, 2022	**5,105.07**	**118.30**	**5,223.37**

₹ Million

	Building	Plant and equipment	Total
Gross carrying value			
As on April 01, 2020	7,150.59	155.42	7,306.01
Additions	195.97	–	195.97
Disposals	492.68	–	492.68
As on March 31, 2021	**6,853.88**	**155.42**	**7,009.30**
Accumulated depreciation			
As on April 01, 2020	1,056.36	39.92	1,096.28
Depreciation expense	985.22	49.09	1,034.31
Eliminated on disposal	366.21	–	366.21
As on March 31, 2021	**1,675.37**	**89.01**	**1,764.38**
Net carrying value			
As on March 31, 2021	**5,178.51**	**66.41**	**5,244.92**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

viii The following are the amounts recognised in statement of profit and loss

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense of right-of-use assets	1,090.08	1,034.31
Interest expense on lease liabilities	455.53	442.99
COVID 19 related rent concessions	–	(11.00)
Interest income on fair value of security deposit	(29.00)	(28.64)
Expense relating to short-term leases (included in other expenses)	25.91	18.17
Total	**1,542.52**	**1,455.83**

ix Total Cash outflow pertaining to leases during the year ended March 31, 2022 is ₹ **1,340.64 Million** (₹ 1,269.98 Million).

x As on March 31, 2022 Company has committed short term leases and total commitment at that date is ₹ **1.68 Million** (₹ 1.34 Million).

C6 Provisions - non current / current

₹ Million

	Non current		Current				
	Provision for sales related obligation *	Provision for constructive liability**	Provision for compensated absences	Provision for sales related obligation *	Provision for constructive liability**	Provision for contin-gencies	Provision for super-annuation
As on March 31, 2020	**319.03**	**184.29**	**227.02**	**1,069.88**	**51.99**	**425.00**	**28.02**
Addition during the year	–	–	233.32	1,098.28	53.93	–	117.83
Utilisation/reversal during the year	5.40	3.17	227.02	1,069.88	51.99	–	114.48
As on March 31, 2021	**313.63**	**181.12**	**233.32**	**1,098.28**	**53.93**	**425.00**	**31.37**
Addition during the year	–	0.19	259.19	1,173.73	49.68	–	152.71
Utilisation/ reversal during the year	4.50	–	233.32	1,098.28	53.93	–	143.92
As on March 31, 2022	**309.13**	**181.31**	**259.19**	**1,173.73**	**49.68**	**425.00**	**40.16**

* Represents estimates for payments to be made in future for sales related obligations (including warranties).

** Includes post-employment benefit obligation for the employees of related party engaged at its Kalamassery plant taken on lease.

C7 Income taxes

i. Reconciliation between average effective tax rate and applicable tax rate

	Year ended March 31, 2022		Year ended March 31, 2021	
	₹ Million	Rate (%)	₹ Million	Rate (%)
Profit before tax	**3,503.52**		**10,520.39**	
Income tax using the Company's domestic tax rate	1,224.27	34.94%	3,676.25	34.94%
Tax effect of :				
Non deductible expenses	85.99	2.45%	59.35	0.56%
Others	(417.38)	(11.91%)	(443.42)	(4.21%)
Income tax expenses recognised in the statement of profit and loss	**892.88**	**25.49%**	**3,292.18**	**31.29%**

ii. Components of deferred tax liability (net)

₹ Million

	As on March 31, 2022				As on March 31, 2021			
	Opening Balance	Recognised in statement of Profit and Loss	Recognised in other compre-hensive income	Closing Balance	Opening Balance	Recognised in statement of Profit and Loss	Recognised in other compre-hensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities								
Employee benefits	50.97	–	–	50.97	26.62	–	24.35	50.97
Depreciation and amortisation	12,466.19	2,010.70	–	14,476.89	10,081.87	2,384.32	–	12,466.19
Others	714.47	76.43	52.89	843.80	676.48	29.08	8.91	714.47
Gross deferred tax liabilities (a)	**13,231.63**	**2,087.13**	**52.89**	**15,371.66**	**10,784.97**	**2,413.40**	**33.26**	**13,231.63**
Tax effect of items constituting deferred tax assets								
Employee benefits	326.72	8.74	14.58	350.04	298.12	28.60	–	326.72
Provision for doubtful debts / advances	141.89	–	–	141.89	141.89	–	–	141.89
Minimum alternate tax entitlement	5,084.54	611.60	–	5,696.14	3,179.33	1,905.21	–	5,084.54
Carry forward of losses	15.97	1,086.30	–	1,102.27	1,135.68	(1,119.71)	–	15.97
Others	928.77	99.21	–	1,027.98	717.26	211.51	–	928.77
Gross deferred tax assets (b)	**6,497.89**	**1,805.84**	**14.58**	**8,318.31**	**5,472.28**	**1,025.61**	**–**	**6,497.89**
Net deferred tax liability (a - b)	**6,733.74**	**281.29**	**38.31**	**7,053.34**	**5,312.69**	**1,387.79**	**33.26**	**6,733.74**

iii. The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the business plans and budgets for the Company.

C8 Government grants

(a) Investment promotion subsidy

The Government of Tamil Nadu (GoTN) has sanctioned a structured package of assistance to the Company for setting up/expansion of their project in the state of Tamil Nadu, pursuant to which a Memorandum of Understanding (MoU) executed between GoTN and the Company.

The Company is entitled, interalia, for refund of an amount equal to Net Output (VAT + CST)/SGST paid by the Company to GoTN in the form of Investment Promotion Subsidy (referred to as Phase I). As the Company has fulfilled the relevant obligations, the Company has recognized subsidy income of **₹ 995.08 Million** (₹ 1606.97 Million) as other operating income, being the eligible amount of refund of Net Output (VAT + CST) /SGST paid by the Company to GoTN."

In addition to above, the Company is entitled, for refund of an amount equal to 1% of the capital investment for a period of 12 years to be payable in equal annual instalments in the form of Investment Promotion Capital Subsidy (referred to as Phase II). Accordingly, the Company has recognised grant receivable at its fair value, amounting to **₹ 1,956.66 Million** (₹ 1,811.72 Million) under non-current financial assets and **₹ 125.06 Million** (₹ 385.80 Million) under current financial assets. Deferred grant income amounting **₹ 1,627.79 Million** (₹ 1,763.44 Million) is recognised under other non-current liabilities and **₹ 135.65 Million** (₹ 135.65 Million) under other current liabilities. Deferred income will be recognised in the statement of profit or loss on a systematic basis over the useful life of the asset (15 years). During the year, the Company has recorded grant income amounting to **₹ 135.65 Million** (₹ 135.65 Million) under Other operating income and accretion of grant recoverable as finance income amounting to **₹ 154.20 million** (₹ 162.78 million) under Other income.

Also, the Government of Andhra Pradesh (GoAP) has sanctioned a structured package of assistance to the Company for setting up of their project in the state of Andhra Pradesh, pursuant to which a Memorandum of Understanding (MoU) executed between GoAP and the Company. The Company is entitled, interalia, for refund of an amount equal to Net SGST paid by the Company to GoAP in the form of Investment Promotion Subsidy. As the Company has fulfilled the relevant obligations, the Company has recognized subsidy income of **₹ 80.79 Million** (₹ 23.09 Million) as other operating income, being the eligible amount of refund of Net SGST paid by the Company to GoAP.

(b) Export Promotion Capital Goods

The Company had imported Property, plant and equipment under the Export Promotion Capital Goods (EPCG) scheme wherein the Company is allowed to import capital goods including spares without payment of customs duty, subject to certain export obligations which should be fulfilled within specified time period. During the year, the custom duty benefit received amounts to **₹ 2,591.06 Million** (₹ 1,202.01 Million) with a corresponding increase in the value of property, plant and equipment and Capital Work in Progress. The grant amounting to **₹ 1,540.68 Million** (₹ 1,572.57 Million) where export obligations have been met, have been recognized in Statement of Profit and Loss as other operating income. At the year end, the portion of grant for which the export obligation has not been met is retained in deferred revenue under other non current liabilities.

C9 Employee benefit liability

A. Defined contribution plans

a. **Superannuation plan:** The Company contributes a sum equivalent to 15% of the eligible employees' basic salary to a superannuation fund administered and maintained by the Life Insurance Corporation of India (LIC). The Company has no liability for future superannuation fund benefits other than its annual contribution and recognizes such contributions as an expense in the year incurred. The amount of contribution made by the Company to Superannuation Fund is **₹ 152.71 Million** (₹ 117.83 Million).

b. **Provident fund:** Contributions are made to the Company's employees' provident fund trust / regional provident fund in accordance with the fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

   In the case of contributions to the trust, the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate and recognises such obligation as an expense.

   The amount of contributions made by the Company to employees' provident fund trust / regional provident fund is **₹ 326.44 Million** (₹ 298.41 Million).

B. Defined benefit plans

Gratuity

The Company operates a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company as per the Payments of Gratuity Act, 1972. The scheme is funded with LIC.

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the respective plan:

Statement of profit and loss:

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost ^	126.00	363.11
Interest cost on benefit obligation *	109.45	102.99
Actual return on plan assets*	(103.63)	(98.52)
Expense recognized in the statement of profit and loss	**131.82**	**367.58**

^ Included in employee benefit expense

* Included in finance cost

Other comprehensive income (experience adjustment)

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Actuarial loss/(gain) for the year on defined benefit obligation	84.57	(71.35)
Actuarial (gain)/loss for the year on plan asset	(42.86)	1.67
Total	**41.71**	**(69.68)**

Balance sheet:

Net asset/(liability) recognised in the balance sheet

₹ Million

	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the end of the year (a)	1,874.19	1,502.43
Present value of defined benefit obligation at the end of the year (b)	1,841.62	1,583.90
Net asset/(liability) recognized in the balance sheet (a - b)	**32.57**	**(81.47)**

Changes in the present value of the defined benefit obligation

₹ Million

	As at March 31, 2022	As at March 31, 2021
Present value of obligations as at the beginning of the year	1,583.90	1,246.94
Interest cost	109.45	102.99
Current service cost	126.00	363.11
Benefits paid	(62.30)	(57.79)
Actuarial loss/(gain) on obligation	84.57	(71.35)
Present value of obligations as at the end of the year	**1,841.62**	**1,583.90**

Changes in the fair value of plan assets

₹ Million

	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at beginning of the year	1,502.43	1,434.65
Actual return on plan assets	103.63	98.52
Contributions	287.57	28.72
Benefits paid	(62.30)	(57.79)
Actuarial loss/(gain) on plan assets	42.86	(1.67)
Fair value of plan assets as at the end of the year	**1,874.19**	**1,502.43**

The Company's gratuity funds are managed by the Life Insurance Corporation and therefore the composition of the fund assets is not presently ascertained.

Maturity Profile of Defined Benefit Obligation

₹ Million

	As at March 31, 2022	As at March 31, 2021
0 to 1 year	233.85	191.51
1 to 2 year	85.07	62.76
2 to 3 year	105.48	68.88
3 to 4 year	119.51	87.11
4 to 5 year	95.96	86.43
More than 5 years	1,201.75	1,087.21
Total	**1,841.62**	**1,583.90**

Principal assumptions for gratuity

	As on March 31, 2022 Rate (%)	As on March 31, 2021 Rate (%)
a) Discount rate	7.32	6.91
b) Future salary increase*	6.00	6.00
c) Expected rate of return on plan assets	7.44	6.95
d) Retirement age (years)	58	58
e) Mortality table	IALM (2012-2014)	IALM (2012-2014)
f) Ages (withdrawal rate %)		
Up to 30 Years	3.00	3.00
From 31 to 44 Years	2.00	2.00
Above 44 Years	1.00	1.00

* The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors.

Estimated amount of contribution in the immediate next year is **₹ 131.56 Million** (₹ 125.25 Million).

Sensitivity analysis of the defined benefit obligation

₹ Million

Impact of change in	Discount rate	Salary increase	Attrition rate
Present value of obligation as on March 31, 2022	1,841.62	1,841.62	1,841.62
Impact due to increase of 0.50%	(80.25)	87.80	0.58
Impact due to decrease of 0.50%	87.10	(81.58)	(0.46)

₹ Million

Impact of change in	Discount rate	Salary increase	Attrition rate
Present value of obligation as on March 31, 2021	1,583.90	1,583.90	1,583.90
Impact due to increase of 0.50%	(72.15)	78.66	0.50
Impact due to decrease of 0.50%	78.34	(73.07)	(0.40)

C. Other long term employee benefits

Long term compensated absences

Principal assumptions for long term compensated absences

	As on March 31, 2022 Rate (%)	As on March 31, 2021 Rate (%)
a) Discount rate	7.32	6.91
b) Future salary increase*	6.00	6.00
c) Retirement age (years)	58.00	58.00
d) Mortality table	IALM (2012-2014)	IALM (2012-2014)
e) Ages (withdrawal rate %)		
Up to 30 Years	3.00	3.00
From 31 to 44 Years	2.00	2.00
Above 44 Years	1.00	1.00

* The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors.

C10 Financial instrument

A. Capital risk management

The capital structure of the Company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Company which comprises issued share capital (including premium) and accumulated reserves disclosed in the Statement of Changes in Equity.

The Company's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the Company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is debt divided by total equity. The Company's policy is to keep an optimum gearing ratio. The Company includes within debt, interest bearing loans and borrowings.

₹ Million

	As at March 31, 2022	As at March 31, 2021
Long term borrowings (refer note B13)	35,310.10	36,604.31
Short term borrowings (refer note B17)	8,552.79	6,860.99
Sub total (a)	**43,862.89**	**43,465.30**
Equity (refer note B12)	635.10	635.10
Other equity	94,549.64	94,090.51
Sub total (b)	**95,184.74**	**94,725.61**
Capital gearing ratio ((a) / (b))	**0.46**	**0.46**

B. Financial risk management

a. Market risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and changes in interest rates. The Company enters into a variety of derivate financial instrument to manage its exposure to foreign currency and interest rates. There have been no changes to the Company's exposure to market risk or the manner in which it manages and measures the risk in recent past.

i) Currency risk

The Company's exposure arises mainly on import (of raw material and capital items) and export (of finished goods). The Company follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Company, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters.

Currency wise net exposure of the Company

₹ Million

Currency	As on March 31, 2022	Sensitivity +1%	Sensitivity -1%	As on March 31, 2021	Sensitivity +1%	Sensitivity -1%
USD	(2,276.80)	(22.77)	22.77	(13,511.70)	(135.12)	135.12
Euro	1,336.04	13.36	(13.36)	(360.64)	(3.61)	3.61
GBP	(169.12)	(1.69)	1.69	(76.49)	(0.76)	0.76
Others	501.76	5.02	(5.02)	471.03	4.71	(4.71)

ii) Interest rate risk

The Company is exposed to interest rate risk as the Company borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The use of interest rate swaps are also entered into, especially to hedge the floating rate borrowings or to convert the foreign currency floating interest rates to the domestic currency floating interest rates.

Interest on variable rate borrowings are converted at fixed rate since company has hedged interest rate risk fully and effectively with the hedging instruments.

b) Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy customers.

In many cases an appropriate advance or letter of credit / bank guarantee is taken from the customers to cover the risk. In other cases credit limit is granted to customer after assessing the credit worthiness based on the information supplied by credit rating agencies, publicly available financial information or its own past trading records and trends.

At the year end, the Company did not consider there to be any significant concentration of credit risk which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

c) Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities for the Company.

The Company has established an appropriate liquidity risk management framework for it's short term, medium term and long term funding requirement.

The below tables summarise the maturity profile of the Company's financial assets and financial liabilities

i. Non derivative financial assets

₹ Million

	As on March 31, 2022			As on March 31, 2021		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Non-interest bearing	18,486.88	1,742.46	25,383.30	12,784.04	1,188.25	25,621.65
Fixed interest rate instruments	2,426.07	–	–	12,304.74	–	–

ii. Non derivative financial liabilities

₹ Million

	As on March 31, 2022			As on March 31, 2021		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Non-interest bearing	36,050.55	–	–	29,423.43	–	–
Lease liability	849.36	2,689.03	1,977.96	699.47	2,263.61	2,387.99
Variable interest rate instruments	5,396.47	10,919.68	7,242.39	7,266.78	10,466.27	6,445.69
Fixed interest rate instruments	4,558.52	12,162.45	4,985.58	1,059.88	13,551.55	6,140.80

iii. Derivative assets / (liabilities)

₹ Million

	As on March 31, 2022			As on March 31, 2021		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Net settled:						
Foreign currency forward contracts, futures and options	(36.05)	–	–	(16.74)	(30.72)	–
Foreign currency forward contracts, futures and options	87.29	–	–	31.75	3.47	–
Gross settled:						
Cross currency interest rate swaps	–	1,054.60	–	–	972.14	–
Total	**51.24**	**1,054.60**	**–**	**15.01**	**944.89**	**–**

d) The below tables summarise the fair value of the financial assets / liabilities

i. Fair value of derivative instruments carried at fair value

₹ Million

	As on March 31, 2022	As on March 31, 2021	Fair value hierarchy (Level 1, 2 or 3) *
Derivative financial assets (a)			
- Foreign currency forward contracts, futures and options	87.29	35.22	2
- Cross currency interest rate swaps	1,054.60	972.14	2
Total	**1,141.89**	**1,007.36**	
Derivative financial liabilities (b)			
- Foreign currency forward contracts	36.05	47.46	2
Total	**36.05**	**47.46**	
Net Derivative financial assets (a - b)	**1,105.83**	**959.90**	

ii. Fair value of financial assets (other than derivative instruments) carried at fair value

₹ Million

	As on March 31, 2022	As on March 31, 2021	Fair value hierarchy (Level 1, 2 or 3) *
Financial assets			
– Non current investments - quoted	2.36	1.20	1
– Non current investments - unquoted	73.30	74.07	3
– Current investments - quoted	4,506.06	900.68	1
Total	**4,581.72**	**975.95**	

iii. Fair value of financial assets / liabilities (other than investment in subsidiaries) that are not measured at fair value

The management considers that the carrying amount of financial assets and financial liabilities recognised at amortised cost in the balance sheet approximates their fair value.

* Level 1 - Quoted price in an active market.

* Level 2 - Inputs other than quoted prices included within liability Level 1 that are observable or the asset or liability, either directly or indirectly.

* Level 3 - Unobservable inputs for asset or liability.

e) Details of outstanding contracts #

Currency pair	Currency	Currency value (Million)	Exchange rate	Nominal value (Million)	Buy/Sell
As on March 31, 2022					
Foreign currency forward contracts					
USD / INR	US Dollar	21.95	75.80	1,663.76	Buy
USD / THB	US Dollar	6.00	33.21	199.27	Buy
USD / ZAR	US Dollar	1.13	14.58	16.40	Buy
EUR / INR	Euro	4.60	84.07	386.74	Sell
Futures and options					
USD / INR	US Dollar	29.00	75.80	2,198.13	Buy
USD / INR	US Dollar	44.50	75.80	3,372.99	Sell
Cross currency interest swaps					
USD / INR	US Dollar	104.50	75.80	7,920.58	Buy
As on March 31, 2021					
Foreign currency forward contracts					

Currency pair	Currency	Currency value (Million)	Exchange rate	Nominal value (Million)	Buy/Sell
USD / INR	US Dollar	32.18	73.12	2,352.77	Buy
USD / THB	US Dollar	6.00	31.25	187.47	Buy
USD / ZAR	US Dollar	1.13	14.77	16.62	Buy
EUR / INR	Euro	21.06	85.83	1,807.77	Buy
Futures and options					
USD / INR	US Dollar	39.00	73.12	2,851.49	Buy
Cross currency interest swaps					
USD / INR	US Dollar	160.13	73.12	11,707.90	Buy

For fair value of outstanding contracts, refer note C10 (d)(i).

f) Impact of hedging activities

(1) Disclosures of effects of hedge accounting on balance sheet:

Type of hedge and risks	Notional amount (Million)	Carrying amount of hedging instruments (₹ Million)		Maturity dates	Hedge ratio	Strike price range	Change in fair value of hedging instruments (₹ Million)	Change in value of hedged item used as the basis for recognising hedge effectiveness (₹ Million)
		Assets	Liabilities					
As on March 31, 2022								
Cash flow hedge								
Foreign exchange and interest rate risk								
Cross Currency Swaps								
USD / INR	USD 104.50	1,109.12	–	June -2022 to September -2024	1:1	63.95 to 67.5	(416.46)	416.46
Fair value hedge								
Foreign exchange risk								
Foreign currency forward contracts								
EUR / INR	EUR -	–	–					
USD/INR	USD 8.45	–	(0.99)	Apr-22	1:1	76.105 to 76.105	(0.99)	0.99

(Carrying value of firm commitments for capital assets is ₹ 0.99 million and is recognised in other non-current assets as others)

Type of hedge and risks	Notional amount (Million)	Carrying amount of hedging instruments (₹ Million)		Maturity dates	Hedge ratio	Strike price range	Change in fair value of hedging instruments (₹ Million)	Change in value of hedged item used as the basis for recognising hedge effectiveness (₹ Million)
		Assets	Liabilities					
As on March 31, 2021								
Cash flow hedge								
Foreign exchange and interest rate risk								
Cross Currency Swaps								
USD / INR	USD 160.13	972.14	–	April-2022 to September -2024	1:1	63.95 to 68.60	(987.35)	987.35

Type of hedge and risks	Notional amount (Million)	Carrying amount of hedging instruments (₹ Million)		Maturity dates	Hedge ratio	Strike price range	Change in fair value of hedging instruments (₹ Million)	Change in value of hedged item used as the basis for recognising hedge effectiveness (₹ Million)
		Assets	Liabilities					
Fair value hedge								
Foreign exchange risk								
Foreign currency forward contracts								
EUR / INR	EUR 21.06	0.54	(30.72)	April-2021 to May-2021	1:1	86.36 to 89.16	(30.18)	30.18
USD/INR	USD 16.18	2.93	–	Apr-21	1:1	73.15 to 73.17	2.93	(2.93)

(Carrying value of firm commitments for capital assets is ₹ 27.25 million and is recognised in other non-current assets as others)

(2) Disclosure of effects of hedge accounting on statement of profit and loss

₹ Million

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
For the year ended March 31, 2022				
Cash flow hedge				
Foreign exchange and interest rate risk	(416.46)	–	(626.91) 59.09	Finance Cost Loss on foreign currency transactions and translations

₹ Million

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
For the year ended March 31, 2021				
Cash flow hedge				
Foreign exchange and interest rate risk	(987.35)	–	(603.49) (409.37)	Finance Cost Gain on foreign currency transactions and translations

(3) Movement in cash flow hedging reserve

₹ Million

	Foreign currency and interest rate risk
Cash flow hedge reserve	
Balance as on April 01, 2020	**(113.91)**
Add: Changes in fair value of cross currency swaps	(987.35)
Less: Amount reclassified to Profit and loss	1,012.86
Less: Deferred tax relating to above (net)	(8.91)
Balance as on March 31, 2021	**(97.31)**

₹ Million

	Foreign currency and interest rate risk
Add: Changes in fair value of cross currency swaps	(416.46)
Less: Amount reclassified to Profit and loss	567.82
Less: Deferred tax relating to above (net)	(52.89)
Balance as on March 31, 2022	**1.16**

C11 (A) Turnover and stock of finished goods and stock in trade

₹ Million

	Opening Stock		Turnover		Closing Stock	
	As on April 1, 2021	As on April 1, 2020	Year ended March 31, 2022	Year ended March 31, 2021	As on March 31, 2022	As on March 31, 2021
Automobile tyres, tubes and flaps	8,547.70	9,023.32	1,42,585.62	1,13,038.34	11,972.90	8,547.70
Others	107.70	112.17	482.25	506.78	124.49	107.70
Total	**8,655.40**	**9,135.49**	**1,43,067.87**	**1,13,545.12**	**12,097.39**	**8,655.40**

(B) Raw materials consumed

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Fabric	10,174.99	6,024.37
Rubber	46,677.41	32,001.35
Chemicals	10,459.79	6,944.22
Carbon black	14,030.92	8,036.74
Others	13,594.60	9,376.50
Total	**94,937.71**	**62,383.17**

(C) Break-up of consumption

	Year ended March 31, 2022		Year ended March 31, 2021	
	%	₹ Million	%	₹ Million
Raw material - Imported	32.95%	31,279.66	31.31%	19,530.25
- Indigenous	67.05%	63,658.05	68.69%	42,852.92
	100.00%	**94,937.71**	**100.00%**	**62,383.17**
Stores and spares - Imported	8.47%	93.02	8.57%	71.80
- Indigenous	91.53%	1,005.64	91.43%	766.14
	100.00%	**1,098.66**	**100.00%**	**837.94**

(D) C.I.F. value of imports

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Raw material	32,581.24	20,620.47
Stores and spares	160.62	105.26
Capital goods	7,208.37	3,767.74

(E) Expenditure in foreign currency (remitted)

(Excluding value of imports)

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Interest	742.63	787.97
Royalty	96.54	28.46
Others (including cross-charge of research and development expenses and management expenses paid to foreign subsidiary companies)	3,128.11	3,071.94

C12 Earnings in foreign exchange (gross)

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
FOB value of exports	21,495.87	10,132.43
Royalty received	83.66	51.31
Cross charge of management expenses	352.22	298.96
Reimbursement of expenses received	494.18	495.76

C13 Statutory auditors' remuneration

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
For audits and quarterly reviews	10.50	9.50
For other services	2.05	2.99
Total	**12.55**	**12.49**

C14 Research and development expenditure

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
(A) Revenue expenditure		
Materials	16.97	9.45
Employee benefits expense	490.72	413.26
Travelling, conveyance and vehicle expense	64.12	32.21
Others	871.92	960.39
Total	**1,443.74**	**1,415.31**
(B) Capital expenditure	35.90	403.89
Total (A+B)	**1,479.64**	**1,819.20**

C15 (a) Contingent liabilities

₹ Million

	As on March 31, 2022	As on March 31, 2021
Sales tax	125.13	118.36
Income tax	1,670.51	1,470.70
Claims against the Company not acknowledged as debts – employee related	160.29	167.10
– others	32.30	28.60
Excise duty, Custom duty and Service tax *	661.81	641.70

* Show-cause notices received from various Government Agencies pending formal demand notices have not been considered as contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of appeals.

(b) The Competition Commission of India ('CCI') on February 02, 2022 has released its order dated August 31, 2018 on the Company, other Tyre Manufacturers and Automotive Tyre Manufacturer Association alleging contravention of the provisions of the Competition Act, 2002 in the year 2011-12 and imposed a penalty of ₹ 4,255.30 Million on the Company. The Company has filed an appeal against the CCI Order before the Honourable National Company Law Appellate Tribunal (NCLAT). Based on legal advice the Company believes that it has a strong case and accordingly no provision is considered in these financial statements.

C16 Capital and other commitments

₹ Million

	As on March 31, 2022	As on March 31, 2021
A Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	3,963.51	6,257.69
B Other commitments		
Corporate guarantee given* (refer note C24)	1,849.54	6,179.76

*The company has provided corporate guarantee on behalf of its wholly owned subsidiary Apollo Tyres Cooperatief U.A..

C17 The Company conducts international transactions with associated enterprises. For the current year, the management maintained necessary documents as prescribed by the Income tax Act, 1961 to establish that these international transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

C18 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ Million

	As on March 31, 2022	As on March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	904.49	815.31
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	10.58	10.58
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	–	–
(iv) The amount of interest due and payable for the year	–	–

₹ Million

	As on March 31, 2022	As on March 31, 2021
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	10.58	10.58
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	10.58	10.58

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

C19 Expenditure towards corporate social responsibility (CSR) activities -

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a CSR committee. The details for CSR activities are as follows:

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
i) Gross amount required to be spent by the Company during the year	163.89	153.19
ii) Amount spent during the year on the following:		
(a) Construction/acquisition of any asset	–	–
(b) On purposes other than (a) above	163.89	129.91
iii) Amount unspent during the year and deposited in a scheduled bank	-	23.28
iv) Amount spent during the year pertaining to previous year	23.28	-
v) Shortfall at the end of the year	-	-
vi) Reason of Shortfall	NA	NA
vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-
Total	**187.17**	**153.19**

Nature of CSR activities: Healthcare, Solid Waste Management & Sanitation, Livelihood for Rural Women, Biodiversity Conservation

C20 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures

Name of the Related Parties

	Year ended March 31, 2022	Year ended March 31, 2021
Subsidiaries	Apollo Tyres Cooperatief U.A.,(AT Coop), Netherlands	Apollo Tyres Cooperatief U.A.,(AT Coop), Netherlands
	Apollo Tyres (Greenfield) B.V., Netherlands	Apollo Tyres (Greenfield) B.V., Netherlands
	Apollo (South Africa) Holdings (Pty) Ltd. (ASHPL) (Subsidiary through AT Coop)	Apollo (South Africa) Holdings (Pty) Ltd. (ASHPL) (Subsidiary through AT Coop)
	Apollo Tyres Africa (Pty) Ltd. (Subsidiary through ASHPL)	Apollo Tyres Africa (Pty) Ltd. (Subsidiary through ASHPL)
	Apollo Tyres (Thailand) Limited, Thailand (Subsidiary through AT Coop)	Apollo Tyres (Thailand) Limited, Thailand (Subsidiary through AT Coop)
	Apollo Tyres (Middle East) FZE (ATFZE), Dubai (Subsidiary through AT Coop)	Apollo Tyres (Middle East) FZE (ATFZE), Dubai (Subsidiary through AT Coop)
	Apollo Tyres Holdings (Singapore) Pte. Ltd., (ATHS), Singapore (Subsidiary through AT Coop)	Apollo Tyres Holdings (Singapore) Pte. Ltd., (ATHS), Singapore (Subsidiary through AT Coop)
	Apollo Tyres (Malaysia) SDN. BHD (Subsidiary through ATHS) (note a)	Apollo Tyres (Malaysia) SDN. BHD (Subsidiary through ATHS)

	Year ended March 31, 2022	Year ended March 31, 2021
	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK) (Subsidiary through AT Coop)	Apollo Tyres (UK) Pvt. Ltd. (Subsidiary through AT Coop)
	Apollo Tyres (London) Pvt. Ltd. (Subsidiary through ATUK)	Apollo Tyres (London) Pvt. Ltd. (Subsidiary through ATUK)
	Apollo Tyres Global R&D B.V. (Subsidiary through AT Coop)	Apollo Tyres Global R&D B.V. (Subsidiary through AT Coop)
	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH) (Subsidiary through AT Coop)	Apollo Tyres (Germany) GmbH (Subsidiary through AT Coop)
	Apollo Tyres AG, Switzerland (AT AG) (Subsidiary through AT Coop)	Apollo Tyres AG, Switzerland (AT AG) (Subsidiary through AT Coop)
	Apollo Tyres do (Brasil) LTDA (Subsidiary through ATCoop and ATEU)	Apollo Tyres do (Brasil) LTDA (Subsidiary through ATCoop and ATBV)
	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU), Netherlands (Subsidiary through ATEU)	Apollo Tyres B.V. (ATBV), Netherlands (Subsidiary through AT Coop)
	Apollo Tyres (Hungary) Kft (Subsidiary through ATEU)	Apollo Tyres (Hungary) Kft (Subsidiary through ATBV)
	Reifencom GmbH, Hannover (Subsidiary through AT Coop)	Reifencom GmbH, Hannover (Subsidiary through AT Coop)
	Reifencom Tyre (Qingdao) Co., Ltd. (Subsidiary through Reifencom GmbH, Hannover)	Reifencom Tyre (Qingdao) Co., Ltd. (Subsidiary through Reifencom GmbH, Hannover)
	Saturn F1 Pvt Ltd (Subsidiary through AT Coop)	Saturn F1 Pvt Ltd (Subsidiary through AT Coop)
	ATL Singapore Pte Limited (note a)	ATL Singapore Pte Limited
	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.) (Subsidiary through AT Coop)	Apollo Vredestein Tires Inc., USA (Subsidiary through AT Coop)
	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL) (Subsidiary through ATEU)	Apollo Vredestein B.V., Netherlands (AVBV) (Subsidiary through ATBV)
	Apollo Tyres Centre of Excellence Limited	Apollo Tyres Centre of Excellence Limited (note(a))
	Subsidiaries of Apollo Tyres (NL) B.V.:	**Subsidiaries of Apollo Vredestein B.V (AVBV):**
	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)	Apollo Vredestein GmbH, Germany
	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	Apollo Vredestein Nordic A.B., Sweden
	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	Apollo Vredestein U.K. Limited, United Kingdom
	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	Apollo Vredestein SAS, France
	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	Apollo Vredestein Belux, Belgium
	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	Apollo Vredestein Gesellschaft m.b.H., Austria
	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	Apollo Vredestein Schweiz AG, Switzerland
	Apollo Tyres Iberica S.A. (Formerly Apollo Vredestein Iberica SAU)	Apollo Vredestein Iberica SA, Spain
	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)	Apollo Vredestein Kft, Hungary
	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	Apollo Vredestein Opony Polska Sp. Zo.o., Poland
	Vredestein Consulting B.V.,Netherlands	Vredestein Consulting B.V.,Netherlands

	Year ended March 31, 2022	Year ended March 31, 2021
	Finlo B.V. Netherlands	Finlo B.V. Netherlands
	N.A.	Vredestein Marketing B.V., Netherlands (note(b))
Associates	CSE Deccan Solar Private Limited (note(c))	N.A
	KT Telematic Solutions Private Limited (note(d))	KT Telematic Solutions Private Limited
Joint venture	PanAridus LLC, USA (JV through ATHS) (note(e))	PanAridus LLC, USA (JV through ATHS)
Companies in which directors are interested	Apollo International Limited	Apollo International Limited
	Apollo International FZC	Apollo International FZC
	SunLife Tradelinks (P) Ltd.	SunLife Tradelinks (P) Ltd.
	Nutriburst India Pvt. Ltd.	Nutriburst India Pvt. Ltd.
	Classic Industries and Exports Limited (formerly known as Classic Auto Tubes Ltd.)	Classic Industries and Exports Limited (formerly known as Classic Auto Tubes Ltd.)
	PTL Enterprises Ltd.	PTL Enterprises Ltd.
	Artemis Medicare Services Ltd.	Artemis Medicare Services Ltd.
	Shardul Amarchand Mangaldas & Co.	Shardul Amarchand Mangaldas & Co.
	Regent Properties	Regent Properties
Key management personnel	Mr. Onkar Kanwar	Mr. Onkar Kanwar
	Mr. Neeraj Kanwar	Mr. Neeraj Kanwar
	Mr. Satish Sharma	Mr. Satish Sharma
	Mr. Akshay Chudasama	Mr. Akshay Chudasama
	Gen. Bikram Singh (Retd.)	Gen. Bikram Singh (Retd.)
	Mr. Francesco Gori	Mr. Francesco Gori
	Ms. Pallavi Shroff	Ms. Pallavi Shroff
	Mr. Robert Steinmetz	Mr. Robert Steinmetz
	Mr. Sunam Sarkar	Mr. Sunam Sarkar
	Mr. Vikram S. Mehta	Mr. Vikram S. Mehta
	Mr. Vinod Rai	Mr. Vinod Rai
	Ms. Anjali Bansal *	Ms. Anjali Bansal
	Mr. Francesco Cripino	Mr. Francesco Cripino
	Mr. Vishal Kashyap Mahadevia	Mr. Vishal Kashyap Mahadevia
	Ms. Lakshmi Puri **	N.A.

Notes: Related parties and their relationships are as identified by the management and relied upon by the auditors. All transactions are conducted in the ordinary course of business and at arm's length.

(a) In the process of liquidation.

(b) Liquidated during the year

(c) During the year under review, the Company had made an investment of ₹ 93.30 million by purchasing 1,166,250 Equity Shares (27.20%) of CSE Deccan Solar Private Limited on January 14, 2022, to get a guaranteed supply of 40 million units of electricity per annum for its Chennai Plant. Consequent to this investment, CSE Deccan Solar Private Limited has become an Associate Company.

(d) As on March 31, 2022, the Company has an investment of ₹ 45.01 million in the said associate.

(e) The investment in Pan Aridus LLC, has been fully impaired in the prior years and the Group discontinued recognizing further losses in accordance with Ind AS 28 Investments in Associates and Joint Ventures. The Group does not have any further obligations to satisfy with regard to this joint venture.

* Ceased to be director during the year

** Appointed during the year

Transactions and balances with Related Parties:

FY 2021-22

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Description of transactions:					
Sales: Finished goods					
Apollo Tyres (NL) B.V.	4,427.85	–	–	–	4,427.85
Apollo Tyres Middle East Fze.	4,969.89	–	–	–	4,969.89
Apollo Tyres Thailand Ltd.	2,183.70	–	–	–	2,183.70
Apollo Tyres Africa (Pty) Ltd	1,024.71	–	–	–	1,024.71
Apollo Tyres (Malaysia) Sdn Bhd	5.74	–	–	–	5.74
Apollo Tyres (Hungary) Kft	285.28	–	–	–	285.28
Apollo International FZC	–	380.88	–	–	380.88
Apollo Tyres Global R&D B.V	1.86	–	–	–	1.86
Apollo International Limited	-	70.18			70.18
Apollo Tires (US) INC.	1453.90				1453.90
	14,352.93	**451.06**	**–**	**–**	**14,803.99**
Sales: Raw materials					
Classic Industries and Exports Ltd.	–	735.71	–	–	735.71
Investments made:					
CSE Deccan Solar Private Limited	–	–	93.30	–	93.30
Royalty income:					
Apollo Tyres Middle East Fze.	22.32	–	–	–	22.32
Apollo Tyres Thailand Ltd.	17.00	–	–	–	17.00
Apollo Tyres Africa (Pty) Ltd	44.21	–	–	–	44.21
Apollo Tyres (Malaysia) Sdn Bhd	0.13	–	–	–	0.13
	83.66	**–**	**–**	**–**	**83.66**
Cross charge of management and other expenses received :					
Apollo Tyres Middle East Fze.	1.57	-	–	–	1.57
Apollo Tyres Global R & D B.V.	1.76	-	–	–	1.76
Apollo Tyres Thailand Ltd.	1.69	-	–	–	1.69
PTL Enterprises Ltd.	-	0.85	–		0.85
Classic Industries and Exports Ltd.	-	1.69	–		1.69
Apollo Tyres Africa (Pty) Ltd	1.73	-	–	–	1.73
Artemis Medicare Services Ltd.	-	0.71	–		0.71
Apollo Tyres (Hungary) Kft	83.37	-	–	–	83.37
Apollo Tyres Holdings (Singapore) Pte Ltd.	65.04	-	–	–	65.04
Apollo Tyres (Malaysia) Sdn Bhd	0.58	-	–	–	0.58
Apollo Tyres (US) INC.	98.72	-	–	–	98.72
Apollo Tyres (UK) Holdings Ltd.	0.29	-	–	–	0.29
Apollo Tyres (NL) B.V.	94.22	-	–	–	94.22
	348.97	**3.25**	**–**	**–**	**352.22**

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Cross charges for business support services paid:					
Apollo Tyres Centre Of Excellence Limited	9.96	–	–	–	9.96
Cross charges for facility mgt. & support services received:					
Apollo Tyres Centre Of Excellence Limited	1.41	–	–	–	1.41
Rent received:					
PTL Enterprises Ltd.	–	0.39	–	–	0.39
Classic Industries and Exports Ltd.	–	1.06	–	–	1.06
	–	**1.45**	**–**	**–**	**1.45**
Reimbursement of expenses received:					
Apollo Tyres Middle East Fze.	3.74	–	–		3.74
Apollo Tyres Global R & D B.V.	15.68	–	–		15.68
Apollo Tyres Thailand Ltd.	4.44	–	–		4.44
Classic Industries and Exports Ltd.	-	11.85	–		11.85
Apollo Tyres Africa (Pty) Ltd	2.47	–	–		2.47
Apollo Tyres (Hungary) Kft	78.87	–	–		78.87
Apollo Tyres Holdings (Singapore) Pte Ltd.	96.48	–	–		96.48
Apollo Tyres AG, Switzerland	100.02	–	–		100.02
Apollo Tyres (Malaysia) Sdn Bhd	2.19	–	–		2.19
Reifencom GmbH	0.06	–	–		0.06
Apollo Tyres (NL) B.V.	161.66				161.66
Apollo Tyres (UK) Holdings Ltd.	15.35				15.35
Apollo Tires (US) INC.	1.37				1.37
	482.33	**11.85**	**–**	**–**	**494.18**
Freight and insurance recovered:					
Apollo Tyres Middle East Fze.	482.52	–	–	–	482.52
Apollo Tyres Thailand Ltd.	62.96	–	–	–	62.96
Apollo Tyres Africa (Pty) Ltd	170.26	–	–	–	170.26
Apollo Tyres (NL) B.V.	1,159.58	-			1,159.58
Apollo Tyres Global R&D B.V	4.76	–	–	–	4.76
Apollo Tyres (Hungary) Kft	49.76	–	–	–	49.76
Apollo Tyres (Malaysia) Sdn Bhd	0.11	–	–	–	0.11
Apollo Tires (US) INC.	671.29				671.29
Apollo International FZC	-	0.02			0.02
	2,601.24	**0.02**	**–**	**–**	**2,601.26**
Royalty expense:					
Apollo Tyres AG, Switzerland	110.68	–	–	–	110.68
Purchase of raw material					
Apollo Tyres Holdings (Singapore) Pte Ltd.	34,589.81	–	–	–	34,589.81

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Purchase of stock in trade:					
Classic Industries and Exports Ltd.		3,836.80	–	-	3,836.80
Apollo Tyres (NL) B.V.	196.99				196.99
	196.99	**3,836.80**	**–**	**-**	**4,033.79**
Purchase of asset:					
Classic Industries and Exports Ltd.		757.19	–	-	757.19
Apollo Tyres (NL) B.V.	21.25		–		21.25
Apollo Tyres (Hungary) Kft	40.21		–	-	40.21
	61.46	**757.19**	**–**	**-**	**818.65**
Legal and professional charges paid:					
Shardul Amarchand Mangaldas & Co	–	3.21	–	–	3.21
Reimbursement of expenses paid:					
PTL Enterprises Ltd.		669.66	–	–	669.66
Classic Industries and Exports Ltd.		19.44	–	–	19.44
Apollo Tyres (NL) B.V.	171.44		–	–	171.44
Apollo Tyres Thailand Ltd.	17.89		–	–	17.89
Apollo Tyres Middle East Fze.	26.71		–	–	26.71
Apollo Tyres Global R & D B.V.	74.56		–	–	74.56
Apollo Tyres Holdings (Singapore) Pte Ltd.	5.13		–	–	5.13
Apollo Tyres (Malaysia) Sdn Bhd	0.24		–	–	0.24
Apollo Tyres (Hungary) Kft	0.38		–	–	0.38
Apollo Tyres (UK) Holdings Ltd.	1.87				1.87
Apollo Tyres Africa (Pty) Ltd	0.51				0.51
Apollo Tires (US) INC.	10.67		–	–	10.67
	309.40	**689.10**	**–**	**–**	**998.50**
Payment for services received:					
Artemis Medicare Services Ltd.	–	94.95	–	–	94.95
KT Telematic Solutions Private Limited	–	–	0.88	–	0.88
Classic Industries and Exports Ltd.	–	13.70	–	–	13.70
	–	**108.65**	**0.88**	**–**	**109.53**
Cross charge of R & D expenses paid:					
Apollo Tyres Global R & D B.V.	575.95	–	–	–	575.95
Cross charge of other expenses paid:					
Apollo Tyres (UK) Holdings Ltd.	916.11	–	–	–	916.11
Apollo Tyres Holdings (Singapore) Pte Ltd.	261.35	–	–	–	261.35
	1,177.46	**–**	**–**	**–**	**1,177.46**
Lease rent paid:					
PTL Enterprises Ltd.	–	600.00	–	–	600.00
Rent paid:					
Sunlife Tradelinks (P) Ltd.	–	31.82	–	–	31.82

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Regent Properties	–	23.76	–	–	23.76
Classic Industries and Exports Ltd.	–	0.12	–	–	0.12
	–	**55.70**	**–**	**–**	**55.70**
Mixing charges paid:					
Classic Industries and Exports Ltd.	–	178.07	–	–	178.07
Sale of assets:					
Apollo Tyres (Hungary) Kft.	1.75	–	–	–	1.75
Purchase of supplements for employees:					
Nutriburst India Pvt. Ltd.	–	58.31	–	–	58.31
Commission on sales paid					
Apollo Tyres Thailand Ltd.	74.83	–	–	–	74.83
Guarantee commission received					
Apollo Tyres Co-Operatief U.A	8.28	–	–	–	8.28
Managerial remuneration:					
Mr. Onkar Kanwar	–	–	–	140.14	140.14
Mr. Neeraj Kanwar	–	–	–	122.62	122.62
Mr. Satish Sharma	–	–	–	89.58	89.58
	–	**–**	**–**	**352.34**	**352.34**
Sitting fees:					
Non-executive directors	–	–	–	4.13	4.13
Commission:					
Non-executive directors	–	–	–	38.00	38.00

Amount outstanding as on March 31, 2022

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Trade payable:					
Apollo Tyres AG, Switzerland	29.83	–	–	–	29.83
Apollo Tyres (NL) B.V.	69.15	–	–	–	69.15
Apollo Tyres (UK) Holdings Ltd.	244.61	–	–	–	244.61
Apollo Tyres Global R&D B.V.	191.58	–	–	–	191.58
Apollo Tyres Middle East Fze.	19.75	–	–	–	19.75
Classic Industries and Exports Ltd.	–	511.16	–	–	511.16
Apollo Tyres (Thailand) Ltd.	245.72	–	–	–	245.72
Apollo Tyres Africa (Pty) Ltd	3.89	–	–	–	3.89

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Artemis Medicare Services Ltd.	–	5.96	–	–	5.96
Shardul Amarchand Mangaldas & Co.	–	0.49	–	–	0.49
Apollo Tyres Centre of Excellence Limited	10.67	–	–	–	10.67
Apollo Tyres Holdings (Singapore) Pte Ltd.	5,924.04	–	–	–	5,924.04
	6,739.24	**517.61**	**–**	**–**	**7,256.85**
Other current liabilities (financial):					
Apollo Tyres (NL) B.V.	1.37	–	–	–	1.37
Classic Industries and Exports Ltd.	–	123.26	–	–	123.26
Apollo International FZC	–	18.11	–	–	18.11
KT Telematic Solutions Private Limited	–	–	0.25	–	0.25
Apollo Tyres Global R&D B.V.	0.39	–	–	–	0.39
Apollo Tires (US) INC.	0.45	–	–	–	0.45
Apollo Tyres (Hungary) Kft	3.95	–	–	–	3.95
	6.16	**141.37**	**0.25**	**–**	**147.78**
Other non current financial assets*					
PTL Enterprises Ltd.	–	600.00	–	–	600.00
Sunlife Tradelinks	–	5.86	–	–	5.86
Regent Properties	–	5.40	–	–	5.40
	–	**611.26**	**–**	**–**	**611.26**
Other non current assets					
Classic Industries and Exports Ltd.	–	194.27	–	–	194.27
Trade receivable:					
Apollo Tyres (NL) B.V.	1,432.06	–	–	–	1,432.06
Apollo Tyres Africa (Pty) Ltd	330.77	–	–	–	330.77
Apollo International Limited	–	59.45	–	–	59.45
Apollo Tyres Middle East Fze.	336.70	–	–	–	336.70
Apollo Tyres (Hungary) Kft	101.40	–	–	–	101.40
Apollo Tyres (Thailand) Ltd.	250.48	–	–	–	250.48
Apollo Tyres Global R & D B.V.	0.69	–	–	–	0.69
Apollo Tires (US) INC.	1,063.93	–	–	–	1,063.93
	3,516.03	**59.45**	**–**	**–**	**3,575.48**
Other current assets					
Apollo Tyres Africa (Pty) Ltd	117.32	–	–	–	117.32
Apollo Tyres (NL) B.V.	63.13	–	–	–	63.13
Apollo Tyres Thailand Ltd.	59.00	–	–	–	59.00
PTL Enterprises Ltd.		51.74	–	–	51.74
Classic Industries and Exports Ltd.		263.31	–	–	263.31
Apollo Tyres (Hungary) Kft	27.36	–	–	–	27.36
Apollo Tyres Middle East Fze.	28.20	–	–	–	28.20
Apollo Tyres Co-Operatief U.A	10.53	–	–	–	10.53
Apollo Tyres Global R&D B.V	9.03	–	–	–	9.03

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Apollo Tyres Holdings (Singapore) Pte Ltd.	14.26	–	–	–	14.26
Apollo Tires (US) INC.	16.70	–	–	–	16.70
Apollo Tyres (UK) Holdings Ltd.	8.39	–	–	–	8.39
Apollo Tyres Centre of Excellence Limited	1.67	–	–	–	1.67
	355.59	**315.05**	**–**	**–**	**670.64**

Transactions and balances with Related Parties

FY 2020-21

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Description of transactions:					
Sales: Finished goods					
Apollo Vredestein B.V.	2,132.01	–	–	–	2,132.01
Apollo Tyres Middle East Fze.	2,251.26	–	–	–	2,251.26
Apollo Tyres Thailand Ltd.	1,388.83	–	–	–	1,388.83
Apollo Tyres Africa (Pty) Ltd	698.05	–	–	–	698.05
Apollo Tyres (Malaysia) Sdn Bhd	198.05	–	–	–	198.05
Apollo Tyres (Hungary) Kft	74.66	–	–	–	74.66
Apollo International FZC	–	378.02	–	–	378.02
Apollo Tyres Global R&D B.V	1.07	–	–	–	1.07
Apollo Vredestein Tires Inc.	14.62	–	–	–	14.62
	6,758.55	**378.02**	**–**	**–**	**7,136.57**
Sales: Raw materials					
Classic Industries and Exports Ltd.	–	404.53	–	–	404.53
Investments made:					
Apollo Tyres Centre of Excellence Limited	1.00	–	–	–	1.00
Royalty income:					
Apollo Tyres Middle East Fze.	11.57	–	–	–	11.57
Apollo Tyres Thailand Ltd.	9.67	–	–	–	9.67
Apollo Tyres Africa (Pty) Ltd	29.40	–	–	–	29.40
Apollo Tyres (Malaysia) Sdn Bhd	0.67	–	–	–	0.67
	51.31	**–**	**–**	**–**	**51.31**
Cross charge of management and other expenses received :					
Apollo Vredestein B.V.	112.93	–	–	–	112.93
Apollo Tyres Middle East Fze.	2.48	–	–	–	2.48
Apollo Tyres Global R & D B.V.	3.43	–	–	–	3.43
Apollo Tyres (UK) Pvt. Ltd.	2.57	–	–	–	2.57
Apollo Tyres Thailand Ltd.	2.65	–	–	–	2.65
PTL Enterprises Ltd.	–	0.85	–	–	0.85

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Classic Industries and Exports Ltd.	–	1.69			1.69
Apollo Tyres Africa (Pty) Ltd	2.14	–	–	–	2.14
Artemis Medicare Services Ltd.	–	0.60	–	–	0.60
Apollo Tyres (Hungary) Kft	83.97	–	–	–	83.97
Apollo Tyres Holdings (Singapore) Pte Ltd.	43.84	–	–	–	43.84
Apollo Tyres (Malaysia) Sdn Bhd	1.23	–	–	–	1.23
Apollo Vredestein Tires Inc.	40.58	–	–	–	40.58
	295.82	**3.14**	**–**	**–**	**298.96**
Rent received:					
PTL Enterprises Ltd.	–	0.39	–	–	0.39
Classic Industries and Exports Ltd.	–	1.06	–	–	1.06
	–	**1.45**	**–**	**–**	**1.45**
Reimbursement of expenses received:					
Apollo Vredestein B.V.	158.03	–	–	–	158.03
Apollo Tyres Middle East Fze.	2.98	–	–	–	2.98
Apollo Tyres Global R & D B.V.	10.08	–	–	–	10.08
Apollo Tyres Thailand Ltd.	4.00	–	–	–	4.00
Apollo Tyres (UK) Pvt. Ltd.	14.98	–	–	–	14.98
Classic Industries and Exports Ltd.	–	10.61	–	–	10.61
Apollo Tyres Africa (Pty) Ltd	2.16	–	–	–	2.16
Apollo Tyres (Hungary) Kft	58.93	–	–	–	58.93
Apollo Tyres Holdings (Singapore) Pte Ltd.	129.48	–	–	–	129.48
Apollo Tyres AG, Switzerland	98.41	–	–	–	98.41
Apollo Tyres (Malaysia) Sdn Bhd	4.00	–	–	–	4.00
Reifencom GmbH	0.67	–	–	–	0.67
Apollo Vredestein Tires Inc.	1.43	–	–	–	1.43
	485.15	**10.61**	**–**	**–**	**495.76**
Freight and insurance recovered:					
Apollo Tyres Middle East Fze.	91.33	–	–	–	91.33
Apollo Tyres Thailand Ltd.	21.03	–	–	–	21.03
Apollo Tyres Africa (Pty) Ltd	43.60	–	–	–	43.60
Apollo Vredestein B.V.	157.01	–	–	–	157.01
Apollo Tyres Global R&D B.V	3.91	–	–	–	3.91
Apollo Tyres (Hungary) Kft	5.79	–	–	–	5.79
Apollo Tyres (Malaysia) Sdn Bhd	2.48	–	–	–	2.48
Apollo Vredestein Tires Inc.	6.72	–	–	–	6.72
	331.87	**–**	**–**	**–**	**331.87**
Royalty expense:					
Apollo Tyres AG, Switzerland	41.22	–	–	–	41.22

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Purchase of raw material					
Apollo Tyres Holdings (Singapore) Pte Ltd.	22,131.38	–	–	–	22,131.38
Apollo Tyres (Hungary) Kft.	7.73	–	–	–	7.73
	22,139.11	**–**	**–**	**–**	**22,139.11**
Purchase of stock in trade:					
Classic Industries and Exports Ltd.	–	2,946.00	–	–	2,946.00
Apollo Vredestein B.V.	148.66	–	–	–	148.66
	148.66	**2,946.00**	**–**		**3,094.66**
Purchase of asset:					
Classic Industries and Exports Ltd.	–	1,344.05	–	–	1,344.05
Apollo Tyres (UK) Pvt Ltd.	0.61	–	–	–	0.61
Apollo Vredestein B.V.	20.68	–	–	–	20.68
Apollo Tyres (Hungary) Kft	44.88	–	–	–	44.88
	66.17	**1,344.05**	**–**	**–**	**1,410.22**
Legal and professional charges paid:					
Shardul Amarchand Mangaldas & Co	–	9.13	–	–	9.13
Reimbursement of expenses paid:					
PTL Enterprises Ltd.	–	653.33	–	–	653.33
Classic Industries and Exports Ltd.	–	4.66	–	–	4.66
Apollo Vredestein B.V.	18.80	–	–	–	18.80
Apollo Tyres Thailand Ltd.	47.61	–	–	–	47.61
Apollo Tyres Middle East Fze.	13.96	–	–	–	13.96
Apollo Tyres (UK) Pvt. Ltd.	2.76	–	–	–	2.76
Apollo Tyres Global R & D B.V.	62.05	–	–	–	62.05
Apollo Tyres Holdings (Singapore) Pte Ltd.	2.15	–	–	–	2.15
Apollo Tyres (Malaysia) Sdn Bhd	18.86	–	–	–	18.86
Apollo Tyres (Hungary) Kft	3.16	–	–	–	3.16
Apollo Vredestein Tires Inc.	7.54	–	–	–	7.54
	176.89	**657.99**	**–**	**–**	**834.88**
Payment for Services Received:					
Artemis Medicare Services Ltd.		22.54			22.54
Classic Industries and Exports Ltd.		7.80			7.80
		30.34			**30.34**
Cross charge of R & D expenses paid:					
Apollo Tyres Global R & D B.V.	544.31	–	–	–	544.31
Cross charge of other expenses paid:					
Apollo Tyres (UK) Pvt. Ltd.	774.82	–	–	–	774.82
Apollo Tyres Holdings (Singapore) Pte Ltd.	188.44	–	–	–	188.44
	963.26	**–**	**–**	**–**	**963.26**

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Lease rent paid:					
PTL Enterprises Ltd.	–	600.00	–	–	600.00
Rent paid:					
Sunlife Tradelinks (P) Ltd.	–	30.99	–	–	30.99
Regent Properties	–	23.76	–	–	23.76
Classic Industries and Exports Ltd.	–	0.12	–	–	0.12
	–	**54.87**	**–**	**–**	**54.87**
Mixing charges paid:					
Classic Industries and Exports Ltd.	–	190.45	–	–	190.45
Commission on sales paid					
Apollo Tyres Thailand Ltd.	49.09	–	–	–	49.09
Apollo Tyres Middle East Fze.	3.36	–	–	–	3.36
	52.45	**–**	**–**	**–**	**52.45**
Guarantee commission received					
Apollo Tyres Co-Operatief U.A	11.35	–	–	–	11.35
Managerial remuneration:					
Mr. Onkar Kanwar	–	–	–	420.82	420.82
Mr. Neeraj Kanwar	–	–	–	368.21	368.21
Mr. Satish Sharma	–	–	–	68.52	68.52
	–	**–**	**–**	**857.55**	**857.55**
Sitting fees:					
Non-executive directors	–	–	–	5.77	5.77
Commission:					
Non-executive directors	–	–	–	45.00	45.00

Amount outstanding as on March 31, 2021

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Trade payable:					
Apollo Tyres AG, Switzerland	15.46	–	–	–	15.46
Apollo Vredestein B.V.	55.76	–	–	–	55.76
Apollo Tyres (UK) Pvt. Ltd.	185.16	–	–	–	185.16
Apollo Tyres Global R&D	153.03	–	–	–	153.03
Apollo Tyres Middle East Fze.	42.99	–	–	–	42.99
Classic Industries and Exports Ltd.	–	410.61	–	–	410.61
Apollo Tyres (Thailand) Ltd.	155.47	–	–	–	155.47
Apollo Tyres Africa (Pty) Ltd	3.20	–	–	–	3.20
Artemis Medicare Services Ltd.	–	1.69	–	–	1.69

₹ Million

	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Apollo Tyres Holdings (Singapore) Pte Ltd.	3,105.88	–	–	–	3,105.88
Apollo Tyres (Malaysia) Sdn Bhd	4.81	–	–	–	4.81
	3,721.76	**412.30**	**–**	**–**	**4,134.06**
Other current liabilities (financial):					
Apollo Vredestein B.V.	7.11	–	–	–	7.11
Classic Industries and Exports Ltd.	–	419.85	–	–	419.85
Apollo Vredestein Tires Inc.	3.39	–	–	–	3.39
Apollo Tyres (UK) Pvt Ltd.	1.34	–	–	–	1.34
Apollo International FZC	–	16.11	–	–	16.11
Apollo Tyres (Hungary) Kft	7.33	–	–	–	7.33
	19.17	**435.96**	**–**	**–**	**455.13**
Other non current financial assets*					
PTL Enterprises Ltd.	–	600.00	–	–	600.00
Sunlife Tradelinks	–	5.86	–	–	5.86
Regent Properties	–	5.40	–	–	5.40
	–	**611.26**	**–**	**–**	**611.26**
Other non current assets					
Classic Industries and Exports Ltd.	–	152.44	–	–	152.44
Trade receivable:					
Apollo Vredestein B.V.	483.73	–	–	–	483.73
Apollo Tyres Africa (Pty) Ltd	355.86	–	–	–	355.86
Apollo Tyres Middle East Fze.	103.81	–	–	–	103.81
Apollo Tyres (Hungary) Kft	24.87	–	–	–	24.87
Apollo Tyres (Thailand) Ltd.	133.63	–	–	–	133.63
Apollo Tyres Global R & D B.V.	5.87	–	–	–	5.87
Apollo Tyres (Malaysia) Sdn Bhd	19.79	–	–	–	19.79
Apollo Vredestein Tires Inc.	22.09	–	–	–	22.09
	1,149.65	**–**	**–**	**–**	**1,149.65**
Other current assets					
Apollo Tyres Africa (Pty) Ltd	62.78	–	–	–	62.78
Apollo Vredestein B.V.	44.15	–	–	–	44.15
Apollo Tyres Thailand Ltd.	34.07	–	–	–	34.07
PTL Enterprises Ltd.	–	64.97	–	–	64.97
Classic Industries and Exports Ltd.	–	213.60	–	–	213.60
Apollo Tyres (Hungary) Kft	23.38	–	–	–	23.38
Apollo Tyres Middle East Fze.	45.85	–	–	–	45.85
Apollo Tyres Co-Operatief U.A	2.78	–	–	–	2.78
Apollo Tyres (UK) Pvt. Ltd.	2.21	–	–	–	2.21
Apollo Tyres Global R&D B.V	48.79	–	–	–	48.79
Apollo Vredestein Tires Inc.	5.50	–	–	–	5.50
Apollo Tyres Holdings (Singapore) Pte Ltd.	13.69	–	–	–	13.69
Apollo Tyres (Malaysia) Sdn Bhd	2.22	–	–	–	2.22
Reifencom GmbH	0.70	–	–	–	0.70
	286.12	**278.57**	**–**	**–**	**564.69**

Certain KMPs also participate in post employment benefits plans provided by the Company. The amount in respect of these towards the KMPs can not be segregated as these are based on actuarial valuation for all employees of the Company.

*This represents undiscounted value.

C21 Disclosure required by Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding the related parties

Amount of loans / advances in the nature of loans outstanding from Subsidiaries and Companies in which Directors are interested

₹ Million

	Outstanding as at the end of the year	Maximum amount outstanding during the year	Investments outstanding and maximum balance during the year
Subsidiaries			
Year ended March 31, 2022			
Apollo Tyres Cooperatief U.A	–	–	23,973.19
Apollo Tyres (Green Field) B.V.	–	–	2.74
Apollo Tyres Centre of Excellence Limited	–	–	50.00
Year ended March 31, 2021			
Apollo Tyres Cooperatief U.A	–	–	23,973.19
Apollo Tyres (Green Field) B.V.	–	–	2.74
Apollo Tyres Centre of Excellence Limited	–	–	1.00
Associates			
Year ended March 31, 2022			
KT Telematic Solutions Private Limited	–	–	45.01
CSE Deccan Solar Private Limited	–	–	93.30
Year ended March 31, 2021			
KT Telematic Solutions Private Limited	–	–	45.01

C22 Segment reporting

The Company has opted to provide segment information in its consolidated Ind AS financial statements in accordance with para 4 of Ind AS 108 - Operating Segments.

C23 Events after the balance sheet date

The Board of Directors have recommended a final dividend of **₹ 3.25** (₹ 3.50) per share amounting to **₹ 2,064.08 Million** (₹ 2,222.85 Million) on Equity Shares of Re. 1/- each for the year, subject to approval from Shareholders.

C24 Information on details of loans, guarantees and investments under section 186 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014

i) Details of investments made are given in note B2.*

ii) Corporate guarantees issued for the loan taken by the subsidiary company and outstanding in accordance with Section 186 of the Act read with rules issued thereunder.

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Apollo Tyres Cooperatief U.A	1,849.54	6,179.76
Total	**1,849.54**	**6,179.76**

* All transactions are in the ordinary course of business

C25 Reconciliation of liabilities from financing activities

Effective April 01, 2017, the Company adopted the amendment to Ind AS-7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirements. The required disclosure are presented below:

₹ Million

	As on April 01, 2021	Cash flows	Non cash changes				As on March 31, 2022
			Foreign exchange movement*	Interest expense	New leases	Others	
Non-current borrowings (including current maturities)	42,460.45	(599.08)	(14.39)	–	–	11.73	41,858.71
Current borrowings	1,004.85	1,000.00	–	–	–	(0.67)	2,004.18
Lease liability	5,351.07	(1,340.64)	–	455.53	1,120.02	(69.63)	5,516.35

₹ Million

	As on April 01, 2020	Cash flows	Non cash changes				As on March 31,2021
			Foreign exchange movement*	Interest expense	New leases	Others	
Non-current borrowings (including current maturities)	32,754.66	10,160.96	(476.88)	–	–	21.71	42,460.45
Current borrowings	11,180.69	(10,180.00)	–	–	–	4.16	1,004.85
Lease liability	6,137.80	(1,269.98)	–	443.00	131.04	(90.79)	5,351.07

* Foreign exchange movement is hedged by derivative instrument.

C26 Ageing of Trade Payables

₹ Million

	As on March 31, 2022						
	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	–	713.70	0.03	–	–	–	713.73
Others	3,331.26	19,851.99	3,946.15	–	–	–	27,129.40
Disputed dues – MSME	–	–	–	–	–	–	–
Disputed dues - Others	–	–	–	–	–	–	–
Total	**3,331.26**	**20,565.70**	**3,946.18**	**–**	**–**	**–**	**27,843.13**

₹ Million

	As on March 31, 2021						
	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	–	628.62	0.39	0.02	–	–	629.03
Others	3,609.39	11,343.79	3,710.38	–	–	–	18,663.55
Disputed dues – MSME	–	–	–	–	–	–	–
Disputed dues - Others	–	–	–	–	–	–	–
Total	**3,609.39**	**11,972.41**	**3,710.76**	**0.02**	**–**	**–**	**19,292.58**

C27 Ageing of Trade Receivables

₹ Million

	As on March 31, 2022						
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	7,219.61	2,740.22	–	–	–	–	9,959.83
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	24.40	24.40
Undisputed Trade Receivables – credit impaired	–	–	–	–	–	(24.40)	(24.40)
Disputed Trade Receivables – considered good	–	–	–	–	–	–	–
Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
Total	**7,219.61**	**2,740.22**	**–**	**–**	**–**	**–**	**9,959.83**

₹ Million

	As on March 31, 2021						
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	7,047.11	273.25	–	–	–	–	7,320.36
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	24.40	24.40
Undisputed Trade Receivables – credit impaired	–	–	–	–	–	(24.40)	(24.40)
Disputed Trade Receivables – considered good	–	–	–	–	–	–	–
Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
Total	**7,047.11**	**273.25**	**–**	**–**	**–**	**–**	**7,320.36**

C28 Capital Work in Progress (CWIP)

a) CWIP ageing schedule

₹ Million

	As on March 31, 2022				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,951.35	721.23	261.93	545.84	5,480.36
Total	**3,951.35**	**721.23**	**261.93**	**545.84**	**5,480.36**

₹ Million

	As on March 31, 2021				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5,897.16	3,107.21	1,003.16	292.02	10,299.55
Total	**5,897.16**	**3,107.21**	**1,003.16**	**292.02**	**10,299.55**

There are no projects which are temporarily suspended

b) There is no project in CWIP, whose completion is overdue or has exceeded its cost compared to its original plan.

C29 Analytical Ratios

	31.03.2022	31.03.2021	Variance	Reason
Current ratio (in times) (Current assets / Current liabilities)	0.93	1.13	(17.67%)	
Debt equity ratio (in times) [Total debt / equity]	0.46	0.46	0.43%	
Debt service coverage ratio (in times) # [(Profit after tax + interest expense + depreciation & amortisation expense + exceptional items + loss/(gain) on sale of fixed assets) / (Gross interest + lease payment + repayment of non-current borrowings excluding pre-payments)]	1.29	2.81	(54.02%)	Higher repayments and lower profitability led to reduction in debt service coverage ratio.
Return on equity (ROE) (Net Profits after taxes – Preference Dividend (if any)/ Average Shareholder's Equity)	2.75%	8.42%	(67.36%)	Lower profitability led to reduction in return on equity.
Inventory turnover (in times) # [Revenue from operations / Average inventory]	6.45	6.04	6.82%	
Trade receivables turnover (in times) # [Revenue from operations / Average trade receivables]	16.96	19.94	(14.95%)	
Trade payables turnover (in times) # (Net Purchases/ Average Trade Payables)	4.41	4.05	8.80%	
Net capital turnover ratio (Net sales/ Working capital)	48.48	10.17	376.97%	Higher sales and lower working capital led to increase in capital turnover ratio.
Net profit margin (in %) [Profit after tax / Revenue from operations]	1.78%	6.16%	(71.07%)	Higher raw material cost led to reduction in net profit margin.

	31.03.2022	31.03.2021	Variance	Reason
Return on capital employed (ROCE) (Earning before interest and taxes/ Capital Employed)	5.02%	9.95%	(49.54%)	Lower profitability led to reduction in return on capital employed.
Return on investment (Change in fair value of non current quoted investments/ Opening value of non current quoted investments)	96.67%	185.71%	(47.95%)	Change in fair market value of the investments

C30 Effective April 01, 2018. the Company has adopted Ind AS 115 " Revenue from Contracts with Customers" using the cumulative effect. The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue in the financial statements of the Company.

The Company's revenue disaggregated by geographical markets is as follows:

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
India	1,20,413.18	1,02,843.79
Rest of the world	22,654.69	10,701.33
Total	**1,43,067.87**	**1,13,545.12**

Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per contracted price (as invoiced)	1,46,848.26	1,19,370.89
Reduction towards variable consideration components	(3,780.39)	(5,825.77)
Revenue from contract with customers	**1,43,067.87**	**1,13,545.12**

The Company has applied the practical expedient and has not disclosed the transaction price allocated to the remaining performance obligations as the Company does not have any open contract for which the expected duration is more than one year as at the reporting period.

C31 On February 26, 2020, the Company executed an agreement with Emerald Sage Investment Ltd (an affiliate of Warburg Pincus LLC) to issue 108,000,000 6.34% Compulsorily Convertible Preference Shares (CCPS) having a face value of ₹ 100 each, at par, for cash, by way of preferential allotment on a private placement basis. The Members of the Company approved the issue of CCPS (Tranche 1) through its Extraordinary General Meeting held on March 23, 2020 and issue of CCPS (Tranche 2) through Postal Ballot held on September 24, 2020. The Company had allotted 54,000,000 CCPS (Tranche 1) and 54,000,000 CCPS (Tranche 2), for cash, for an aggregate amount of ₹ 10,800 Million on April 22, 2020 and October 7, 2020 respectively. These CCPS were accounted for as compound instruments in the financial statements. On December 5, 2020, one of the conditions for conversion were met and accordingly the Company had issued 63,050,966 equity shares having a face value of Re 1 per share. After issue of the aforesaid equity shares, the paid-up equity share capital of the Company had increased by ₹ 63.05 Million and securities premium account by ₹ 10,450.95 Million, net of share issue expenses.

C32 The Company had carried out an employee re-organisation exercise for its employees. The amount paid to the employees who opted for this scheme aggregated to **₹ 12.68 million** (₹ 110.16 million) for the year ended March 31, 2022, has been disclosed as an exceptional item.

C33 Other Statutory Information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(viii) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

C34 Previous year's figures has been regrouped and/ or reclassed wherever necessary to confirm to the current year's groupings and classifications.

C35 Earnings per share (EPS) – the numerator and denominator used to calculate basic and diluted earnings per share

₹ Million

	Year ended March 31, 2022	Year ended March 31, 2021
Basic and diluted earnings per share		
Profit attributable to the equity shareholders used as numerator (₹ Million) - (A)	2,610.64	7,228.21
The weighted average number of equity shares outstanding during the year used as denominator - (B)	635,100,946	616,962,997
Basic and diluted earnings per share (₹) – (A) / (B) (Face value of Re 1 each)	4.11	11.72

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Gurugram
May 12, 2022

Consolidated
Financial
Statements

Independent Auditor's Report

To the Members of Apollo Tyres Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Apollo Tyres Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint venture, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associates the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and joint venture, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below,is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit procedures addressed the key audit matter
A. Recoverability of goodwill, trademarks and other intangibles having indefinite useful life ('intangibles') pertaining to acquisition of Reifencom GmbH, Hannover ('Reifencom') As detailed in Note C3 to the consolidated financial statement, the Group carries goodwill amounting to ₹ 2,158.07 million and intangibles amounting to ₹ 1,471.70 million (pertaining to Reifencom) in its consolidated balance sheet as at March 31, 2022. These goodwill and intangibles were recorded on the acquisition of Reifencom GmbH, Germany, a multi-channel distributor for tyres and allied services, which has been determined as a cash generating unit ('CGU') by the management.	Our audit procedures included: a) Obtained an understanding from the management with respect to process and controls followed by the Group to perform annual impairment test related to goodwill and intangibles; b) Obtained the impairment analysis model from the management and reviewed their conclusions; c) Tested the inputs used in the Model by examining the underlying data and validating the future projections by comparing past projections with actual results, including discussions with management relating to these projections;

Key audit matter	How our audit procedures addressed the key audit matter
In terms with Indian Accounting Standard 36, Goodwill and indefinite lived assets are tested for impairment annually at the CGU level, whereby the carrying amount of the CGU (including goodwill) is compared with the recoverable amount of the CGU. The recoverable amount is determined on the basis of the value in use which is the present value of future cash flows of the CGU using discounted cash flow model ('Model'), which involves estimates pertaining to expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates. These estimates require high degree of management judgement resulting in inherent subjectivity. The management has concluded that the recoverable amount of the CGU is higher than its carrying amount and accordingly, no impairment provision has been recorded as at 31 March, 2022. Considering the materiality of the amount involved and significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of such goodwill and intangibles arising from the business combination as a key audit matter for the current year audit.	d) We assessed the reasonableness of the assumptions used and appropriateness of the valuation methodology applied. Tested the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts where appropriate; e) Engaged our valuation specialists to assess the appropriateness of the significant assumptions used in the Model, which included comparing the underlying parameters of the discount and long term growth rates used with the publicly available information; f) Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management; and g) Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the consolidated financial statements.
B. Recoverability of trademarks (other than those considered in A above) As at 31 March 2022, the Group carries these trademarks amounting to ₹ 1,083.97 million in its consolidated balance sheet. These trademarks were recorded on the acquisition of Apollo Tyres (NL) B.V. ('ATNL') in the Netherlands. The trademarks are tested for impairment annually at the CGU level, whereby the carrying amount of the CGU (including goodwill) is compared with the recoverable amount of the CGU. The recoverable amount is determined on the basis of the value in use which is the present value of future cash flows of the CGU using discounted cash flow model ('Model'), which involves estimates pertaining to expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates. These estimates require high degree of management judgement resulting in inherent subjectivity. As explained in note C3, the management has concluded that the recoverable amount of the CGU is higher than its carrying amount.	The following key audit matter to the audit opinion on the financial statements of Apollo Tyres (Europe) B.V, a subsidiary of the Holding Company has been reported by an independent firm of Chartered Accountants in response to the group audit instructions and reproduced by us as under: a) Obtained the Model from the management and reviewed their conclusions; b) Tested the inputs used in the Model by examining the underlying data and validating the future projections by comparing past projections with actual results, including discussions with management relating to these projections; c) Assessed the appropriateness of the significant assumptions used in the Model, which included comparing the underlying parameters of the discount and long term growth rates used with the publicly available information; and d) Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management.
C. Provision for sales related obligations As at 31 March 2022, the Holding Company carries sales related obligations amounting to ₹ 1,482.86 million which is included in Note C8.	Our audit procedures included, but were not limited to the following: a) Obtained an understanding from the management with respect to process and controls followed by the Holding Company to ensure appropriateness of recognition, measurement and completeness of the sales related obligations;

Key audit matter	How our audit procedures addressed the key audit matter
Such provision is recognised based on past trends, frequency, expected cost of obligations, management estimates regarding possible future incidences and appropriate discount rates for non-current portion of the obligations. These estimates require high degree of management judgement with respect to the underlying assumptions, thus giving rise to inherent subjectivity in determining the amounts to be recorded in the consolidated financial statements. Considering the materiality of the above matter to the consolidated financial statements, complexities and judgement involved, and the significant auditor attention required to test such management's judgement, we have identified this as a key audit matter for current year audit.	b) Tested the management's computation of sales related obligations by evaluating the reasonability of the key assumptions, reviewing the contractual terms, comparing the assumptions to historical data and analysing the expected costs of incidences; c) Traced the inputs used in the computations, to the relevant accounting records, including discussions with the relevant management personnel and tested the arithmetical accuracy of the computation; d) Compared the amounts recognized as provision in the past years with the corresponding settlements and assessed whether the aggregate provisions recognized as at the current year-end were sufficient to cover expected costs in light of known and expected incidences; e) Performed sensitivity analysis on the management's computation by evaluating the impact of change on the obligation by changing certain key assumptions such as discount rates used; and f) Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the consolidated financial statements.
D. Litigations and claims: provisions and contingent liabilities As included under Note C15a [contingent liability note] and Note C8 [Provision for contingencies note] to the consolidated financial statements, the Group is involved in direct and indirect tax litigations ('litigations') amounting to ₹ 2,882.46 million that are pending with various tax authorities. Whether a liability is recognised or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments. These include assumptions relating to the likelihood and/or timing of the cash outflows from the business and the interpretation of local laws and pending assessments at various levels of the statute. We placed specific focus on the judgements in respect to these demands against the Group. Determining the amount, if any, to be recognised or disclosed in the consolidated financial statements, is inherently subjective. The amounts involved are potentially significant and due to the range of possible outcomes and considerable uncertainty around the various claims the determination of the need for creating a provision in the financial statements is inherently subjective and therefore is considered to be a key audit matter in the current year	Our procedures included, but were not limited to, the following: a) Obtained an understanding from the management with respect to process and controls followed by the Group for identification and monitoring of significant developments in relation to the litigations, including completeness thereof; b) Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts; c) Performed substantive procedures including tracing from underlying documents / communications from the tax authorities and re-computation of the amounts involved; d) Assessed management's conclusions through discussions held with their in house tax experts and understanding precedents in similar cases; e) Obtained and evaluated the independent confirmations from the consultants representing the Group before the various authorities; f) Engaged auditor's experts, who obtained an understanding of the current status of the litigations, conducted discussions with the management, reviewed independent legal advice received by the Group, if any and considered relevant legal provisions and available precedents to validate the conclusions made by the management; and g) Assessed and validated the adequacy and appropriateness of the disclosures made by management in the consolidated financial statements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance and Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint venture in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate companies and joint venture company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the respective companies included in the Group and of its associates and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the parent Company either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors of the Companies included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of the respective companies included in the Group and of its associates and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary and associates (covered under the Act) have adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint venture to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, and its associates and joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial statements of 30 subsidiaries, whose financial statements reflects total assets of ₹ 101,250.37 million and net assets of ₹ 43,396.74 million as at 31 March 2022, total revenues of ₹ 120,905.59 million and net cash outflows amounting to ₹ 1,942.05 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 0.96 million for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the other auditors at the request of the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of

these subsidiaries and associates and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, and associates, are based solely on the reports of the other auditors.

Further, of these subsidiaries, 29 subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Holding Company incorporated in India whose financial statements have been audited under the Act have paid and provided remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, based on the consideration of the report of the other auditor, referred to in paragraph 15, on separate financial statements of the subsidiary, we report that one subsidiary company covered under the Act has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary company. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to one associate company incorporated in India whose financial statements have been audited under the Act, since such company is not a public company as defined under section 2(71) of the Act.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies. Further, following is the company included in the consolidated financial statements for the year ended 31 March 2022 and covered under that Act that is audited by other auditor, for which the respective reports under section 143(11) of the Act of such company is not yet been issued by the respective other auditor, as per information and explanation given to us by the management in this respect

S No	Name	CIN	Subsidiary/ Associate/ Joint Venture
1	CSE Decan Solar Private Limited	U40106MH2019PTC320992	Associate

18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiary and associate incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and associate company, covered under the Act, none of the directors of the Group companies and its associate companies, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and associate companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2' wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiary and associate incorporated in India whose financial statements have been audited under the Act:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint venture as detailed in Note C8 to the consolidated financial statements;

   ii. provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company other than ₹ 5.70 million (31 March 2021: ₹ 4.86 million) pertaining to amount of dividend which has not been transferred as per the orders/ instructions dated 14 June 2001 of the Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992. There was no amount which was required to be transferred to the Investor Education and Protection Fund by a subsidiary company and associate company covered under the Act;

   iv. a. The respective managements of the Holding Company and its subsidiary company, and associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and associate respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, its associate companies or its joint venture companies to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   b. The respective managements of the Holding Company and its subsidiary company, associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and associate respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies, or its associate companies or its joint venture companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiary and associate, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. As stated in Note C22 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 22099514AIVGXS2900

Place: Gurugram
Date: 12 May 2022

Annexure 1

S no.	Name of the Holding Company
1	Apollo Tyres Limited

S no.	Name of the subsidiaries
1	Apollo Tyres Cooperatief U.A.
2	Apollo (South Africa) Holdings (Pty) Ltd.
3	Apollo Tyres Africa (Pty) Ltd.
4	Apollo Tyres (Thailand) Limited
5	Apollo Tyres (Middle East) FZE
6	Apollo Tyres Holdings (Singapore) Pte. Ltd.
7	Apollo Tyres (Malaysia) SDN. BHD
8	Apollo Tyres (UK) Holdings Ltd. (formerly known as Apollo Tyres (UK) Pvt. Limited)
9	Apollo Tyres (London) Pvt. Ltd.
10	Apollo Tyres (R&D) GmbH (formerly known as Apollo Tyres (Germany) GmbH)
11	Apollo Tyres Global R&D B.V.
12	Apollo Tyres AG
13	Apollo Tyres do (Brasil) LTDA
14	Apollo Tyres (Europe) B.V (formerly known as Apollo Tyres B.V.)
15	Apollo Tyres (Hungary) Kft
16	Apollo Tyres (NL) B.V. (formerly known as Apollo Vredestein B.V.)
17	Apollo Tyres (Germany) GmbH (formerly known as Apollo Vredestein GmbH)
18	Apollo Tyres (Nordic) AB (formerly known as Apollo Vredestein Nordic A.B.)
19	Apollo Tyres (UK) Sales Ltd. (formerly known as Apollo Vredestein (UK) Ltd.)
20	Apollo Tyres (France) SAS (formerly known as Apollo Vredestein France SAS)
21	Apollo Tyres (Belux) SA (formerly known as Apollo Vredestein Belux)
22	Apollo Tyres (Austria) Gesellschaft m.b.H. (formerly known as Apollo Vredestein Gesellschaft m.b.H.)
23	Apollo Tyres (Schweiz) AG (formerly known as Apollo Vredestein Schweiz AG)
24	Apollo Tyres Iberica, S.A. (formerly known as Apollo Vredestein Iberica SAU)
25	Apollo Tires (US) Inc. (formerly known as Apollo Vredestein Tires Inc.)
26	Apollo Tyres (Hungary) Sales Kft. (formerly known as Apollo Vredestein Kft)
27	Apollo Tyres (Polska) Sp. Z O.O. (formerly known as Apollo Vredestein Opony Polska Sp. Zo.o)
28	Vredestein Consulting B.V.
29	Finlo B.V.
30	Reifencom GmbH, Hannover
31	Reifencom Tyre (Qingdao) Co., Ltd.
32	Saturn F1 Pvt. Ltd
33	ATL Singapore Pte Ltd.
34	Apollo Tyres (Greenfield) B.V.
35	Apollo Tyres Centre of Excellence Limited

S no.	Name of the associates
1	KT Telematic Solutions Private Limited
2	CSE Deccan Solar Private Limited

S no.	Name of the joint venture
1	Pan Aridus LLC

Annexure 2

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Apollo Tyres Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint venture as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its associate companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary company and its associate companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its associate companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary company and associate companies, the Holding Company, its subsidiary company and its associate companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to one subsidiary company, which is a company covered under the Act, whose financial statements reflect total assets of ₹ 142.93 million and net assets of ₹ 48.85 million as at 31 March 2022, total revenues of ₹ 10.07 million and net cash inflows amounting to ₹ 26.29 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 0.96 million for the year ended 31 March 2022, in respect of two associate companies, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company and associate companies have been audited by other auditors whose reports have been furnished to us by the other auditors at the request of the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary company and its associate companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company and associate companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 22099514AIVGXS2900

Place: Gurugram
Date: 12 May 2022

Consolidated Balance Sheet

as on March 31, 2022

₹ Million

	Notes	As on March 31, 2022	As on March 31, 2021
A ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	B1	158,071.26	145,241.99
(b) Capital work-in-progress	C31	6,182.34	11,065.12
(c) Right of use assets	C7	8,311.09	9,105.34
(d) Goodwill	C3	2,158.07	2,203.63
(e) Other intangible assets	B1	7,372.81	7,644.73
(f) Financial assets			
i. Investment in associates / joint venture	B2	140.70	46.44
ii. Other investments	B3	258.54	149.02
iii. Other financial assets	B4	4,097.01	3,788.58
(g) Deferred tax assets (net)	C9	1,045.22	2,188.62
(h) Other non-current assets	B5	915.95	2,314.66
Total non-current assets		**188,552.99**	**183,748.13**
2. Current assets			
(a) Inventories	B6	41,553.86	33,185.34
(b) Financial assets			
i. Investments	B7	4,506.06	900.68
ii. Trade receivables	B8	16,104.47	13,808.18
iii. Cash and cash equivalents	B9	8,706.36	9,713.49
iv. Bank balances other than (iii) above	B10	2,100.20	11,744.38
v. Other financial assets	B11	1,531.27	3,242.44
(c) Other current assets	B12	3,994.38	4,010.13
Total current assets		**78,496.60**	**76,604.64**
TOTAL ASSETS (1+2)		**267,049.59**	**260,352.77**
B EQUITY AND LIABILITIES			
1. Equity			
(a) Share capital	B13	635.10	635.10
(b) Other equity		116,886.22	113,796.21
Total equity		**117,521.32**	**114,431.31**
LIABILITIES			
2. Non-current liabilities			
(a) Financial liabilities			
i. Borrowings	B14	44,084.74	47,864.58
ii. Lease liability	C7	6,404.61	7,348.42
iii. Other financial liabilities	B15	–	30.72
(b) Provisions	B16	1,479.59	1,557.88
(c) Deferred tax liabilities (net)	C9	9,013.56	9,208.77
(d) Other non-current liabilities	B17	14,006.22	12,668.20
Total non-current liabilities		**74,988.72**	**78,678.57**
3. Current liabilities			
(a) Financial liabilities			
i. Borrowings	B18	17,092.58	16,191.44
ii. Lease liability	C7	2,267.94	1,930.68
iii. Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	C29	713.73	629.03
- Total outstanding dues of creditors other than micro enterprises and small enterprises	B19	35,355.00	27,438.00
iv. Other financial liabilities	B20	10,337.46	12,208.13
(b) Other current liabilities	B21	4,733.79	5,025.83
(c) Provisions	B22	3,178.64	2,882.18
(d) Current tax liabilities (net)	B23	860.41	937.60
Total current liabilities		**74,539.55**	**67,242.89**
TOTAL EQUITY AND LIABILITIES (1+2+3)		**267,049.59**	**260,352.77**

See accompanying notes forming part of the financial statements

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Neeraj Goel
Partner
Membership No. 099514

Gurugram
May 12, 2022

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

₹ Million

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
1. Revenue from operations			
Sales		205,808.14	169,546.07
Other operating income	B24	3,667.64	4,423.92
		209,475.78	**173,969.99**
2. Other income	B25	1,234.81	1,293.84
3. Total income (1 +2)		**210,710.59**	**175,263.83**
4. Expenses			
(a) Cost of materials consumed	B26	109,554.29	70,653.00
(b) Purchase of stock-in-trade	B26	22,060.30	20,093.43
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress		(7,759.56)	3,198.66
(d) Employee benefits expense	B26	25,742.37	25,133.71
(e) Finance costs	B27	4,444.23	4,429.63
(f) Depreciation and amortisation expense	B1	13,996.73	13,149.52
(g) Other expenses	B26	34,137.37	26,916.55
Total expenses		**202,175.73**	**163,574.50**
5. Profit before share of profit in associates / joint venture, exceptional items and tax (3 - 4)		8,534.86	11,689.33
6. Share of profit in associates / joint venture		0.96	0.27
7. Profit before exceptional items and tax (5 + 6)		**8,535.82**	**11,689.60**
8. Exceptional items	C27	59.08	6,077.44
9. Profit before tax (7 - 8)		8,476.74	5,612.16
10. Tax expense	C9		
(a) Current tax		947.96	2,247.47
(b) Deferred tax		1,142.78	(137.44)
Total tax expense		**2,090.74**	**2,110.03**
11. Net profit for the year (9 - 10)		**6,386.00**	**3,502.13**
12. Other comprehensive income / (loss)			
I i. Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plans		35.20	173.79
ii. Income tax		(3.79)	(55.58)
		31.41	**118.21**
II i. Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(1,203.02)	980.23
(b) Effective portion of gain / (loss) on designated portion of hedging instruments in a cash flow hedge		151.36	25.51
ii. Income tax		(52.89)	(8.91)
		(1,104.55)	**996.83**
Other comprehensive income / (loss) (I + II)		(1,073.14)	1,115.04
Total comprehensive income for the year (11 + 12)		**5,312.86**	**4,617.17**
Earnings per equity share of ₹ 1 each (not annualised)	C33		
(a) Basic (₹)		10.06	5.68
(b) Diluted (₹)		10.06	5.68

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Neeraj Goel
Partner
Membership No. 099514

Gurugram
May 12, 2022

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

Other Equity

₹ Million

Particulars	Reserves and surplus (refer note C6)									Items of other comprehensive income			Total
	Securities premium	General reserve	Capital reserve on consolidation	Capital reserve on AMHPL merger	Debenture redemption reserve	Capital subsidy	Capital redemption reserve	Capital reserve on forfeiture of shares	Retained earnings	Effective portion of cash flow hedge	Revaluation surplus	Foreign currency translation reserve	
Balance as on March 31, 2020	**20,866.72**	**15,006.63**	**2,664.95**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**61,335.11**	**(113.91)**	**31.22**	**(3,555.78)**	**98,728.09**
Profit for the year	-	-	-	-	-	-	-	-	3,502.13	-	-	-	3,502.13
Other Comprehensive income (OCI) for the year (net)	-	-	-	-	-	-	-	-	-	16.60	-	980.23	996.83
Remeasurement of defined benefit plans (net)	-	-	-	-	-	-	-	-	118.21	-	-	-	118.21
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,620.34**	**16.60**	**-**	**980.23**	**4,617.17**
Transfer from retained earnings	-	1,000.00	-	-	-	-	-	-	(1,000.00)	-	-	-	-
Transaction with owners in their capacity as owners													
Share premium on issue of shares, net (refer note C26)	10,450.95	-	-	-	-	-	-	-	-	-	-	-	10,450.95
Balance as on March 31, 2021	**31,317.67**	**16,006.63**	**2,664.95**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**63,955.45**	**(97.31)**	**31.22**	**(2,575.55)**	**113,796.21**
Profit for the year	-	-	-	-	-	-	-	-	6,386.00	-	-	-	6,386.00
Other Comprehensive income (OCI) for the year (net)	-	-	-	-	-	-	-	-	-	98.47	-	(1,203.02)	(1,104.55)
Remeasurement of defined benefit plans (net)	-	-	-	-	-	-	-	-	31.41	-	-	-	31.41
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,417.41**	**98.47**	**-**	**(1,203.02)**	**5,312.86**
Transfer from retained earnings	-	1,000.00	-	-	-	-	-	-	(1,000.00)	-	-	-	-
Transaction with owners in their capacity as owners													
Payment of dividend (₹ 3.50 per share)	-	-	-	-	-	-	-	-	(2,222.85)	-	-	-	(2,222.85)
Balance as on March 31, 2022	**31,317.67**	**17,006.63**	**2,664.95**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**67,150.01**	**1.16**	**31.22**	**(3,778.57)**	**116,886.22**

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Neeraj Goel
Partner
Membership No. 099514

Gurugram
May 12, 2022

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Consolidated Cash Flow Statement

for the year ended March 31, 2022

₹ Million

			Year ended March 31, 2022		Year ended March 31, 2021
A	CASH FLOW FROM OPERATING ACTIVITIES				
(i)	**Net profit before tax**		8,476.74		5,612.16
	Adjustments for				
	Depreciation and amortisation expense	13,996.73		13,149.52	
	Profit on sale of property, plant and equipment (net)	(90.22)		(36.66)	
	Dividend from current investments	(24.15)		(2.88)	
	Provision for doubtful debts / advances	57.61		140.73	
	Provisions / liabilities no longer required written back	(33.62)		(9.09)	
	Finance cost	4,444.23		4,429.63	
	Interest income	(402.98)		(821.03)	
	Exceptional item (non-cash)	–		1,395.48	
	Unwinding of deferred income	(1,540.68)		(1,572.57)	
	Unwinding of state aid subsidy	(183.24)		(203.77)	
	Share of (profit) / loss in associates / joint venture	(0.96)		(0.27)	
	Unrealized (gain) / loss on foreign exchange fluctuations	(113.28)	**16,109.44**	(192.93)	**16,276.16**
(ii)	**Operating profit before working capital changes**		**24,586.18**		**21,888.32**
	Changes in working capital				
	Adjustments for (increase) / decrease in operating assets				
	Inventories	(8,628.18)		(884.01)	
	Trade receivables	(2,434.63)		(4,500.69)	
	Other financial assets (current and non-current)	1,313.73		(3,874.08)	
	Other assets (current and non-current)	65.56	**(9,683.52)**	57.38	**(9,201.40)**
	Adjustments for increase / (decrease) in operating liabilities				
	Trade payables	8,317.18		4,961.85	
	Other financial liabilities (current and non-current)	(396.31)		2,067.96	
	Other liabilities (current and non-current)	488.33		6,666.81	
	Provisions (current and non-current)	298.06	**8,707.26**	120.57	**13,817.19**
(iii)	**Cash generated from operations**		**23,609.92**		**26,504.11**
	Income taxes paid (net of refund)		(1,222.28)		(2,035.37)
	Net cash generated from operating activities		**22,387.64**		**24,468.74**
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of property, plant and equipment and intangible assets	(18,462.41)		(11,902.23)	
	Proceeds from sale of property, plant and equipment and intangible assets	298.75		339.13	
	Investment in mutual funds, net	(3,605.38)		(900.00)	
	Investment in associate company	(93.30)		–	
	Non-current investment made, net	(108.36)		(0.24)	
	Maturity of / (Investments in) fixed deposits, net	9,650.00		(11,650.00)	
	Dividend received from current investments	24.15		2.88	
	Interest received	481.62		667.29	
	Net cash used in investing activities		**(11,814.93)**		**(23,443.17)**

Cash Flow Statement (Contd..)

for the year ended March 31, 2022

₹ Million

		Year ended March 31, 2022		Year ended March 31, 2021	
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from issue of compulsary convertible preference shares	–		10,800.00	
	Proceeds from non-current borrowings	14,214.72		10,775.49	
	Repayment of non-current borrowings	(21,851.84)		(3,018.94)	
	Proceeds from / (Repayment of) current borrowings (net) (excluding current maturities of non-current borrowings)	4,822.02		(10,978.94)	
	Payment of dividend	(2,222.85)		–	
	Payment of lease liabilities	(2,694.07)		(2,649.42)	
	Finance charges paid	(4,021.92)		(3,406.67)	
	Net cash (used in) / generated from financing activities		**(11,753.94)**		**1,521.52**
D	**EFFECT OF FOREIGN CURRENCY FLUCTUATION ARISING OUT OF CONSOLIDATION**		0.54		23.41
	Net (decrease) / increase in cash and cash equivalents (A+B+C+D)		**(1,180.69)**		**2,570.50**
	Cash and cash equivalents as at the beginning of the year		9,713.49		7,386.41
	Less: Cash credits / bank overdrafts as at the beginning of the year		812.02		1,059.70
			8,901.47		**6,326.71**
	(Gain) / loss on re-statement of foreign currency cash and cash equivalents		16.18		20.44
	Adjusted cash and cash equivalents as at the beginning of the year		**8,917.65**		**6,347.15**
	Cash and cash equivalents as at the end of the year		8,706.36		9,713.49
	Less: Cash credits / bank overdrafts as at the end of the year		992.03		812.02
			7,714.33		**8,901.47**
	(Gain) / loss on re-statement of foreign currency cash and cash equivalents		22.63		16.18
	Adjusted cash and cash equivalents as at the end of the year		**7,736.96**		**8,917.65**

See accompanying notes forming part of the financial statements
In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Neeraj Goel
Partner
Membership No. 099514

Gurugram
May 12, 2022

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

A. Notes

forming Part Of The Consolidated Financial Statements

1. GROUP CORPORATE INFORMATION

The Apollo Tyres Group consists of Apollo Tyres Limited (the 'Company'), the ultimate holding company with several foreign subsidiaries, associates and a joint venture (together referred to as the 'Group'). Established in 1972, the Group is in the business of manufacturing and sale of tyres. The Group has its headquarter in Gurgaon, India and operations spread all across the Globe.

The product portfolio of the Group consists of tyres of passenger car, sports utility vehicle, multi utility vehicle, light truck, truck–bus, agriculture, industrial, specialty, bicycle and off highway tyres, retreading material and tyres, alloy wheels and two-wheeler tyres.

2. RECENT ACCOUNTING PRONOUNCEMENTS

2.1 Amended standards adopted by the Group

Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- o A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- o Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- o Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond June 30, 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before June 30, 2022 from June 30, 2021. The amendment applies to annual reporting periods beginning on or after April 1, 2021.

These amendments had no impact on the financial statements of the Group.

2.2 Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") vide its notification dated March 23, 2022 has notified Companies (Indian Accounting Standards) Amendment Rules, 2022 to further amend the Companies (Indian Accounting Standards) Rules, 2015. Amendments have been made to the following standards.

Amendment to Ind AS 16, Property, Plant and Equipment

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use.

Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Amendment to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments listed above will be effective on or after April 1, 2022 and are not expected to significantly affect the current or future periods.

3 BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

The consolidated financial statements have been prepared to comply in all material respects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The consolidated financial statements are presented in Indian Rupee ('INR'), which is also the functional currency of the Company.

The consolidated financial statements for the year ended March 31, 2022 were authorised and approved for issue by the Board of Directors on May 12, 2022.

3.2 Basis of preparation and presentation of consolidated financial statements

The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on above basis, except for share-based payment transactions that are within the scope of Ind AS 102 Share-based Payment, lease transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below:

3.3 Basis of consolidation

The consolidated financial statements includes the financial statements of the Company, its subsidiaries and the entities controlled by the Group as at March 31, 2022. Control is achieved when the Group:

- has power over the investee;
- has the ability to use its power to affect its return; and.
- is exposed, or has rights, to variable returns from its involvement with the investee

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The Group combines the financial statements of the Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses

3.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in consolidated statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair values at subsequent reporting dates with the corresponding gain or loss being recognised in consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in consolidated statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method.

The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the business combination.

(iv) The identity of the reserves has been preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

3.5 Investments in associates and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit and loss of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses.

Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Groups investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 Impairment of Assets to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109 Financial Instruments. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to statement of profit and loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to consolidated statement of profit and loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to consolidated statement of profit and loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to statement of profit and loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

3.6 Inventories

Inventories are valued at the lower of cost and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work in progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

In case of raw materials, stores and spares and traded goods, cost (net of tax credits wherever applicable) is determined on a moving weighted average basis, and, in case of work in progress and finished goods, cost is determined on a First In First Out basis.

3.7 Taxation

Income tax expense recognised in consolidated statement of profit and loss comprises of the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable income tax laws of the country in which the respective entities in the group are incorporated. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which the temporary differences can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset is created by way of a credit to the consolidated statement of profit and loss. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.8 Property, plant and equipment (PPE)

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. For qualifying assets, borrowing costs are capitalised in accordance with the Ind AS 23 Borrowing Costs. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment are capitalised at costs relating to the acquisition and installation (net of tax credits wherever applicable) and include finance cost on borrowed funds attributable to acquisition of qualifying fixed assets for the period up to the date when the asset is ready for its intended use, and adjustments arising from foreign exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Other incidental expenditure attributable to bringing the fixed assets to their working condition for intended use are capitalised. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

The estimated average useful life considered for the assets are as under.

Category of assets	No. of years
Buildings	5 - 60
Plant and equipment	3 – 25
Electrical installations	1 - 10
Furniture and fixtures	4 - 10
Vehicles	4 - 10
Office equipment	4 – 10

Leasehold land / Improvements thereon are amortised over the primary period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated statement of profit and loss.

3.9 Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the group for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

The estimated average useful life considered for the major intangible assets are as under:

Category of assets	No. of years
Computer software	3 - 6
Capitalised development	6

a) Derecognition of intangible assets

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated statement of profit and loss when the asset is derecognised.

b) Research and development expenses

Internally generated intangible assets - Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in consolidated statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Development costs of products are also charged to the consolidated statement of profit and loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

c) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.10 Revenue recognition

In accordance with Ind AS 115, the Group recognizes the amount as revenue from contracts with customers, which is received for the transfer of promised goods to customers in exchange for those goods. The relevant point in time or period of time is the transfer of control of the goods (control approach). The Group recognizes revenue at point in time. Revenue is reduced for customer returns, taxes on sales, estimated rebates and other similar allowances. To determine when to recognize revenue and at what amount, the five-step model is applied. By applying the five-step model distinct performance obligations are identified. The transaction price is determined and allocated to the performance obligations according to the requirements of Ind AS 115. Performance obligations are deemed to have been met when the control of goods is transferred to the customer, i.e., generally when the goods have been delivered to the customer.

Revenues for services are recognised when the service rendered has been completed.

3.11 Other income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.12 Employee benefits

Employee benefits include wages and salaries, provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, social security cost and other pension costs incurred by the group.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are recognised directly in the other comprehensive income in the period in which they arise. Past service cost is recognised in consolidated statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Other short-term and long-term employee benefits

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

3.13 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants / subsidy will be received.

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated balance sheet and transferred to the consolidated statement of profit and loss on a systematic basis over the expected useful life of the related assets.

Government grants related to the income are deferred and recognized in the consolidated statement of profit and loss as an income in the period in which related obligations are met.

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations, and when reasonable assurance to receive such revenue is established.

Export incentives earned in the year of exports are netted off from cost of raw material imported.

3.14 Foreign currency transaction and translations

Foreign currency transactions are recorded at rates of exchange prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the rate of exchange prevailing at the year-end. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in consolidated statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to consolidated statement of profit and loss on repayment of the monetary items.

According to Appendix B of Ind AS 21 "Foreign currency transactions and advance consideration", purchase or sale transactions must be translated at the exchange rate prevailing on the date the asset or liability is initially recognized. In practice, this is usually the date on which the advance payment is made or received. In the case of multiple advances, the exchange rate must be determined for each payment and collection transaction. The interpretation is mandatory for financial years beginning on or after April 1, 2018. Its adoption did not have any significant impact on the Group's consolidated financial statements.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation) are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on translation, if any, are recognised in other comprehensive income and accumulated in equity.

On the disposal of a foreign operation (i.e., a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation are reclassified to consolidated statement of profit and loss.

In addition, in relation to a partial disposal of subsidiary that includes a foreign operation that does not result in the group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to the non-controlling interests and are not recognised in the consolidated statement of profit and loss. For all other partial disposals (i.e partial disposals of associates or joint arrangements that do not result in the group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to consolidated statement of profit and loss.

Goodwill and fair value adjustments to the identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3.15 Employee share based payments

Stock appreciation rights (Phantom stock units) are granted to employees under the Cash-settled Employee Share-based Payment Plan (Phantom Stock Plan).

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in consolidated statement of profit and loss.

3.16 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in consolidated statement of profit and loss in the period in which they are incurred. Other finance costs includes interest on other contractual obligations.

3.17 Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for buildings, plant & machinery & vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset, (2) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease, and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a Right of use (ROU) asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. For short-term leases and low value leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight line basis over the shorter of the lease term and the useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, the Company & subsidiary entities uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are re measured with a corresponding adjustment to the related ROU asset if the Group changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the consolidated balance sheet and the payment of principal portion of lease liabilities has been classified as financing cash flows.

The weighted average incremental borrowing rate applied to lease liabilities is 1% - 10% p.a.

3.18 Earnings per share

Basic earnings per share is computed by dividing the consolidated profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

3.19 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in consolidated statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in consolidated statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.20 Provisions and contingencies

A provision is recognised when the Group has a present obligation (legal / constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for the expected cost of sales related obligations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the group's obligation.

3.21 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of profit and loss.

3.22 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.22.1 Classification of financial asset

a. Loans and receivable

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for investments that are designated as at fair value through profit or loss (FVTPL) on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in consolidated statement of profit and loss and is included in the 'Other Income' line item.

b. Assets available for sale

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for investments that are designated as at FVTPL on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

c. Assets held for trading

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in consolidated statement of profit and loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

d. **Financial assets at fair value through profit or loss ('FVTPL')**

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Debt instrument that do not meet the amortised cost criteria or fair value through other comprehensive income criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the fair value through other comprehensive income criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in consolidated statement of profit and loss. The net gain or loss recognised in consolidated statement of profit and loss is included in the other income line item. Dividend on financial assets at FVTPL is recognised when the group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

3.22.2 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial assets, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the group expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instruments.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12- month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from contracts with customers, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses. Credit impaired balances are disclosed under provision for doubtful debts.

3.22.3 De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in consolidated statement of profit and loss if such gain or loss would have otherwise been recognised in consolidated statement of profit and loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in consolidated statement of profit and loss if such gain or loss would have otherwise been recognised in consolidated statement of profit and loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.22.4 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in consolidated statement of profit and loss except for those which are designated as hedging instruments in hedging relationship.

3.23 Financial liabilities and equity instruments

3.23.1 Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.23.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

3.23.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below:

3.23.3.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance

with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109 Financial Instruments.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in consolidated statement of profit and loss.

3.23.3.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the finance costs line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.23.3.3 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 Financial Instruments; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies of Ind AS 115 Revenue from Contracts with Customers.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the Other income.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in consolidated statement of profit and loss.

3.23.3.4 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in consolidated statement of profit and loss.

3.24 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, options and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in consolidated statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in consolidated statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

3.25 Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in the consolidated statement of profit and loss in the line item relating to the hedged item. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in consolidated statement of profit and loss, and is included in the 'Other income'/'Other expense' line item. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to consolidated statement of profit and loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non -financial asset or non-financial liability.

In cases where the designated hedging instruments are options and forward contracts, the Group has an option, for each designation, to designate on an instrument only the changes in intrinsic value of the options and spot element of forward contracts respectively as hedges. In such cases, the time value of the options is accounted based on the type of hedged item which those options hedge.

In case of transaction related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e., Reserve for time value of options and forward elements of forward contracts in hedging relationship. This separate component is removed and directly included in the initial cost or other carrying amount of the asset or the liability (i.e., not as a reclassification adjustment thus not affecting other comprehensive income) if the hedged item subsequently results in recognition of a non-financial asset or a non-financial liability. In other cases, the amount accumulated is reclassified to consolidated statement of profit and loss as a reclassification adjustment in the same period in which the hedged expected future cash flows affect profit or loss.

In case of time-period related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e., Reserve for time value of options and forward elements of forward contracts in hedging relationship. The time value of options at the date of designation of the options in the hedging relationships is amortised on a systematic and rational basis over the period during which the options' intrinsic value could affect profit or loss. This is done as a reclassification adjustment and hence affects other comprehensive income.

In cases where only the spot element of the forward contracts is designated in a hedging relationship and the forward element of the forward contract is not designated, the Group makes the choice for each designation whether to recognise the changes in forward element of fair value of the forward contracts in profit or loss or to account for this element similar to the time value of an option.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in consolidated statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in consolidated statement of profit and loss.

3.26 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash –generating units (or groups of cash-generating units). A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.27 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term balances, as defined above, net of outstanding cash credits as they are considered an integral part of the Groups's cash management. The cash flow statement is prepared using indirect method.

3.28 Rounding off amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest millions as per the requirements of Schedule III of the Act unless otherwise stated.

3.29 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make certain judgments and estimates that may effect the application of accounting policies, reported amounts and related disclosures.

These judgments and estimates may have an impact on the assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and income and expense items for the period under review. Actual results may differ from these judgments and estimates.

All assumptions, expectations and forecasts that are used as a basis for judgments and estimates in the consolidated financial statements represent as accurately an outlook as possible for the group. These judgments and estimates only represent interpretation of the Group as of the dates on which they were prepared.

Important judgments and estimates relate largely to provisions, pensions, tangible and intangible assets (lives, residual values and impairment), deferred tax assets and liabilities and valuation of financial instruments.

B1 PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS AS ON MARCH 31, 2022

₹ Million

Description of assets	GROSS BLOCK					ACCUMULATED DEPRECIATION / AMORTISATION						NET BLOCK	
	As on April 1, 2021	Additions (c)	Disposals/ Adjust-ments	Effect of foreign currency translation (e)	As on March 31, 2022	As on April 1, 2021	Depreciation / amortisation expense	Eliminated on disposal of assets/ Adjustments	Impair-ment	Effect of foreign currency translation (e)	As on March 31, 2022	As on March 31, 2022	As on April 1, 2021
A. Property, plant and equipment - owned unless otherwise stated													
Land:													
Freehold land	2,747.85	107.24	-	(57.12)	2,797.97	-	-	-	-	-	-	2,797.97	2,747.85
- Leasehold land *	196.15	1.33	-	-	197.48	27.04	2.19 (a)	-	-	-	29.23	168.25	169.11
Buildings	37,061.02	2,595.21 (b)	117.15	(453.41)	39,085.67 (d)	8,265.61	1,198.16	20.55	-	(100.00)	9,343.22	29,742.45 (d)	28,795.41
Plant and equipment **	182,333.35	20,798.98 (b)	722.65	(1,993.53)	200,416.15	75,523.88	8,052.74	654.96	-	(1,042.05)	81,879.61	118,536.54	106,809.47
Electrical installations	6,766.85	569.16 (b)	1.05	(111.17)	7,223.79	2,204.55	429.34	1.05	-	(18.98)	2,613.86	4,609.93	4,562.30
Furniture and fixtures	3,665.99	382.44 (b)	13.78	(25.35)	4,009.30	2,641.48	368.51	13.78	-	(22.87)	2,973.34	1,035.96	1,024.51
Vehicles	1,347.82	365.15 (b)	168.43	(7.71)	1,536.83	757.07	144.82	125.92	-	(7.01)	768.96	767.87	590.75
Office equipment	1,833.72	71.18	13.71	(19.95)	1,871.24	1,291.13	196.06	12.00	-	(16.24)	1,458.95	412.29	542.59
Total tangible assets	**235,952.75**	**24,890.69**	**1,036.77**	**(2,668.24)**	**257,138.43**	**90,710.76**	**10,391.82**	**828.26**	**-**	**(1,207.15)**	**99,067.17**	**158,071.26**	**145,241.99**
B. Other intangible assets													
Computer software	5,175.36	627.38 (b)	1.61	(96.26)	5,704.87	3,997.32	387.32	1.61	-	(69.53)	4,313.50	1,391.37	1,178.04
Trademarks	2,304.85	-	-	(44.29)	2,260.56	47.93	0.38	-	-	(0.63)	47.68	2,212.88	2,256.92
Capitalised development	8,537.27	465.02 (b)	669.88	(191.21)	8,141.20	4,685.05	813.88	669.86	-	(106.27)	4,722.80	3,418.40	3,852.22
Other intangibles	371.27	-	-	(7.68)	363.59	13.72	-	-	-	(0.29)	13.43	350.16	357.55
Total other intangible assets	**16,388.75**	**1,092.40**	**671.49**	**(339.44)**	**16,470.22**	**8,744.02**	**1,201.58**	**671.47**	**-**	**(176.72)**	**9,097.41**	**7,372.81**	**7,644.73**
Total (A + B)	**252,341.50**	**25,983.09**	**1,708.26**	**(3,007.68)**	**273,608.65**	**99,454.78**	**11,593.40**	**1,499.73**	**-**	**(1,383.87)**	**108,164.58**	**165,444.07**	**152,886.72**

PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS AS ON MARCH 31, 2021

₹ Million

Description of assets	GROSS BLOCK					ACCUMULATED DEPRECIATION / AMORTISATION						NET BLOCK	
	As on April 1, 2020	Additions (c)	Disposals/ Adjust-ments	Effect of foreign currency translation (e)	As on March 31, 2021	As on April 1, 2020	Depreciation / amortisation expense	Eliminated on disposal of assets/ Adjustments	Impair-ment (refer note C27)	Effect of foreign currency translation (e)	As on March 31, 2021	As on March 31, 2021	As on March 31, 2020
A. Property, plant and equipment - owned unless otherwise stated													
Land:													
- Freehold land	2,642.40	–	–	105.45	2,747.85	–	–	–	–	–	–	2,747.85	2,642.40
- Leasehold land *	196.09	0.06	–	–	196.15	24.85	2.19 (a)	–	–	–	27.04	169.11	171.24
Buildings	34,047.65	2,720.88 (b)	76.55	369.04	37,061.02 (d)	7,175.28	992.82	12.31	–	109.82	8,265.61	28,795.41 (d)	26,872.37
Plant and equipment **	164,271.44	16,796.16 (b)	628.88	1,894.63	182,333.35	66,151.42	7,486.11	411.86	1,170.35	1,127.86	75,523.88	106,809.47	98,120.02
Electrical installations	6,126.33	584.25 (b)	0.01	56.28	6,766.85	1,816.19	388.24	0.01	–	0.13	2,204.55	4,562.30	4,310.14
Furniture and fixtures	3,693.44	96.30 (b)	172.47	48.72	3,665.99	2,357.20	298.37	41.99	–	27.90	2,641.48	1,024.51	1,336.24
Vehicles	1,261.20	120.58 (b)	45.57	11.61	1,347.82	638.62	134.54	26.14	–	10.05	757.07	590.75	622.58
Office equipment	1,729.73	79.80	4.44	28.63	1,833.72	1,071.02	204.41	4.44	–	20.14	1,291.13	542.59	658.71
Total tangible assets	**213,968.28**	**20,398.03**	**927.92**	**2,514.36**	**235,952.75**	**79,234.58**	**9,506.68**	**496.75**	**1,170.35**	**1,295.90**	**90,710.76**	**145,241.99**	**134,733.70**
B. Other intangible assets													
Computer software	4,255.44	804.84 (b)	8.87	123.95	5,175.36	3,448.86	434.13	2.02	–	116.35	3,997.32	1,178.04	806.58
Trademarks	2,233.89	0.40	–	70.56	2,304.85	46.62	0.36	–	–	0.95	47.93	2,256.92	2,187.27
Capitalised development	7,799.65	489.39 (b)	–	248.23	8,537.27	3,747.03	824.14	–	–	113.88	4,685.05	3,852.22	4,052.62
Other intangibles	359.62	–	–	11.65	371.27	13.31	–	–	–	0.41	13.72	357.55	346.31
Total other intangible assets	**14,648.60**	**1,294.63**	**8.87**	**454.39**	**16,388.75**	**7,255.82**	**1,258.63**	**2.02**	**-**	**231.59**	**8,744.02**	**7,644.73**	**7,392.78**
Total (A + B)	**228,616.88**	**21,692.66**	**936.79**	**2,968.75**	**252,341.50**	**86,490.40**	**10,765.31**	**498.77**	**1,170.35**	**1,527.49**	**99,454.78**	**152,886.72**	**142,126.48**

B1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS AS ON MARCH 31, 2022 (Contd..)

DEPRECIATION AND AMORTISATION EXPENSE

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Property, plant and equipment	10,391.82	9,506.68
Right of use assets (refer note C7)	2,403.33	2,384.21
Other intangible assets	1,201.58	1,258.63
Total	**13,996.73**	**13,149.52**

* Leasehold land is net of ₹ **5.39 Million** (₹ 5.39 Million) subleased to Classic Industries and Exports Limited, a Company in which directors are interested since the year ended 2009-10.

** Plant and equipment include jointly owned assets with gross book value of ₹ **311.28 Million** (₹ 311.28 Million) and net book value of ₹ **200.55 Million** (₹ 213.09 Million) which represents 50% ownership in the asset.

(a) Represents proportionate lease premium ₹ **2.19 Million** (₹ 2.19 Million) amortised.

(b) Buildings include ₹ **15.61 Million** (₹ 0.24 Million), plant and equipment include ₹ **16.08 Million** (₹ 292.12 Million), electrical installations include **Nil** (₹ 0.05 Million), furniture & fixture include ₹ **0.80 Million** (Nil), vehicles include **Nil** (₹ 93.35 Million), computer software include ₹ **3.41 Million** (₹ 18.13 Million) and capitalised development include ₹ **465.02 Million** (₹ 489.39 Million) relating to research and development (refer note C14).

(c) Includes directly attributable expenses capitalised to the extent of ₹ **293.41 Million** (₹ 520.01 Million) including ₹ **13.33 Million** (₹ 26.89 Million) capitalised from capital work in progress (CWIP) of previous year and borrowing cost capitalised to the extent of ₹ **442.12 Million** (₹ 1,057.19 Million) including **Nil** (₹ 207.27 Million) capitalised from CWIP of previous year.

(d) Buildings include buildings constructed on leasehold land with gross book value of ₹ **13,488.13 Million** (₹ 13,311.18 Million) and net book value of ₹ **9,325.27 Million** (₹ 9,628.78 Million).

(e) Represents exchange rate adjustment arising on consolidation of foreign subsidiaries due to difference in opening, average and closing conversion rates.

(f) Carrying amount of tangible assets are pledged as security for liabilities (refer note B14(a)).

(g) Capital work-in-progress includes land of ₹ **297.70 Million** (₹ 297.70 Million) acquired by the Company and is in the process of getting the title deeds transferred to its name.

FINANCIAL ASSETS (NON-CURRENT)

B2 INVESTMENT IN ASSOCIATES / JOINT VENTURE

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(Accounted for using the equity method)		
Unquoted investments #		
(a) Investment in associates:		
3,334 (3,334) equity shares of ₹ 10 each in KT Telematic Solutions Private Limited - fully paid up *	48.03	46.44
1,166,250 (Nil) equity shares of ₹ 10 each in CSE Deccan Solar Private Limited - fully paid up **	92.67	–
(b) Investment in joint venture:		
9,550 (9,550) units in Pan Aridus LLC, fully impaired	–	–
	140.70	**46.44**

* includes Company's cumulative share in profit of ₹ **3.02 Million** (₹ 1.43 Million)		
** includes Company's cumulative share in loss of ₹ **0.63 Million** (Nil)		
# Aggregate amount of unquoted investments at cost	138.31	45.01

B3 OTHER INVESTMENTS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(At fair value through profit and loss)		
Other companies:		
A Quoted Investments *		
Investment in equity instruments:		
16,394 (16,394) equity shares of ₹ 10 each in Bharat Gears Limited - fully paid up	2.36	1.20
	2.36	**1.20**
B Unquoted investments **		
i Investment in equity instruments / preferred stock:		
312,000 (312,000) equity shares of ₹ 10 each in Green Infra Wind Power Projects Limited - fully paid up	3.12	3.12
2,256,000 (2,256,000) equity shares of ₹ 30 each in Suryadev Alloys and Power Private Limited - fully paid up	67.68	67.68
217,100 (284,000) equity shares of ₹ 11.50 each in OPG Power Generation Private Limited - fully paid up	2.50	3.27
49,358 (49,358) Series C preferred stock of USD 0.0001 each in Click Diagnostics, Inc #	73.75	73.75
	147.05	**147.82**
ii Other investments		
Investment in MHA Capital LP - Series OL	109.13	–
	109.13	**–**
Investments carried at fair value through profit and loss (A+B)	**258.54**	**149.02**

* Aggregate amount of quoted investments at cost	0.36	0.36
Aggregate amount of quoted investments at market value	2.36	1.20
** Aggregate amount of unquoted investments at cost	256.18	147.82

Cost of unquoted preferred stock has been considered as an appropriate estimate of fair value

B4 OTHER FINANCIAL ASSETS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Employee advances - salary loan	22.98	27.51
Security deposits	380.58	300.65
Security deposits to related parties (refer note C19)	309.77	278.97
Security deposits with statutory authorities	372.42	394.12
Derivative assets measured at fair value (refer note C12)	1,054.60	975.61
Investment promotion subsidy receivable (refer note C10)	1,956.66	1,811.72
	4,097.01	**3,788.58**

NON-FINANCIAL ASSETS (NON-CURRENT)

B5 OTHER NON-CURRENT ASSETS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Capital advances	461.36	2,085.96
Capital advances to related parties (refer note C19)	194.27	152.44
Statutory balances recoverable	2.58	2.58
Pension asset (refer note C11)	33.01	24.90
Advance tax (net)	223.74	21.53
Others (refer note C12)	0.99	27.25
	915.95	**2,314.66**

CURRENT ASSETS

B6 INVENTORIES

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(valued at lower of cost and net realizable value)		
(i) Raw materials		
- In hand	9,843.03	8,915.61
- In transit	3,171.57	3,603.97
	13,014.60	**12,519.58**
(ii) Work-in-progress *	2,465.50	2,168.45
(iii) Finished goods		
- In hand	13,863.27	10,773.37
- In transit	1,804.18	999.04
	15,667.45	**11,772.41**
(iv) Stock-in-trade		
- In hand	5,147.35	3,728.27
- In transit	2,743.79	801.16
	7,891.14	**4,529.43**
(v) Stores and spares	2,515.17	2,195.47
	41,553.86	**33,185.34**

* Work-in-progress consists of only automotive tyres

FINANCIAL ASSETS (CURRENT)

B7 INVESTMENTS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
At fair value through profit and loss:		
Quoted investments *		
Investment in mutual funds	4,506.06	900.68
	4,506.06	**900.68**

* Mutual Funds	Number of Units	Amount in (₹ Million)	Number of Units	Amount in (₹ Million)
Aditya Birla Sun Life Overnight Fund - Growth Option, Direct Plan	435,319.86	500.48	359,616.37	400.23
Axis Overnight Fund - Growth Option, Direct Plan	445,290.88	500.44	460,008.44	500.45
Kotak Overnight Fund - Growth Option, Direct Plan	442,051.36	501.20	–	–
HDFC Overnight Fund - Growth Option, Direct Plan	158,363.19	500.02	–	–
ICICI Prudential Overnight Fund - Growth Option, Direct Plan	4,365,688.39	500.34	–	–
IDFC Overnight Fund - Growth Option, Direct Plan	441,380.74	500.43	–	–
Nippon India Overnight Fund - Growth Option, Direct Plan	4,404,201.29	502.60	–	–
SBI Overnight Fund - Growth Option, Direct Plan	144,486.08	500.12	–	–
UTI Overnight Fund - Growth Option, Direct Plan	171,971.79	500.43	–	–
	11,008,753.58	**4,506.06**	**819,624.81**	**900.68**
Aggregate amount of quoted investments at cost		4,500.00		900.00
Aggregate amount of quoted investments at market value		4,506.06		900.68

B8 TRADE RECEIVABLES (refer note C30)

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Considered good *	16,104.47	13,808.18
Considered doubtful	858.62	867.34
	16,963.09	**14,675.52**
Provision for loss allowance (refer note C5)	(858.62)	(867.34)
	16,104.47	**13,808.18**

* includes balances with related parties (refer note C19)

B9 CASH AND CASH EQUIVALENTS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(i) Balances with banks:		
Current accounts	7,313.23	8,355.74
Other deposit accounts		
- original maturity of 3 months or less	375.90	500.99
(ii) Cheques on hand / remittances in transit	1,010.08	851.13
(iii) Cash on hand	7.15	5.63
	8,706.36	**9,713.49**

B10 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Unpaid dividend accounts*	100.19	94.37
Deposits with maturity exceeding 3 months but less than 12 months	2,000.01	11,650.01
	2,100.20	**11,744.38**

* These balances are not available for use by the Company and corresponding balance is disclosed as unclaimed dividend in note B20.

B11 OTHER FINANCIAL ASSETS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Employee advances	79.09	78.12
Derivative assets measured at fair value (refer note C12)	87.29	40.55
Security deposits	43.92	249.40
Interest accrued on deposits	75.10	153.74
Investment promotion subsidy receivable	1,056.02	2,640.56
Others	189.85	80.07
	1,531.27	**3,242.44**

NON-FINANCIAL ASSETS (CURRENT)

B12 OTHER CURRENT ASSETS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(Unsecured, considered good unless otherwise stated)		
a. Trade advances: considered good	375.83	501.02
Doubtful advances	20.56	20.56
Provision for doubtful advances	(20.56)	(20.56)
	375.83	**501.02**
b. Advances given to related parties (refer note C19)	315.05	278.57
c. Employee advances	67.02	54.68
d. Export obligations - advance licence benefit	481.35	304.73
e. Export incentives recoverable	120.54	109.93
f. Balance with statutory authorities	1,746.04	2,124.71
g. Gratuity (refer note C11)	32.57	–
h. Prepaid expenses	855.98	636.49
	3,994.38	**4,010.13**

B13 SHARE CAPITAL

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
(a) Authorised		
750,000,000 Nos. (750,000,000 Nos.) equity shares of ₹ 1 each	750.00	750.00
150,000,000 Nos. (150,000,000 Nos.) cumulative redeemable preference shares of ₹ 100 each	15,000.00	15,000.00
	15,750.00	**15,750.00**
(b) Issued, subscribed, called and fully paid up		
Equity shares of ₹ 1 each:		
635,100,946 Nos. (635,100,946 Nos.) equity shares	635.10	635.10
	635.10	**635.10**

(c) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	As on March 31, 2022		As on March 31, 2021	
	Number of shares	Amount in ₹ Million	Number of shares	Amount in ₹ Million
Opening balance	635,100,946	635.10	572,049,980	572.05
Add: Conversion of compulsory convertible preference shares into equity shares (refer note C26)	–	–	63,050,966	63.05
Closing balance	**635,100,946**	**635.10**	**635,100,946**	**635.10**

(d) Details of shareholders holding more than 5% of the paid up equity share capital of the Company with voting rights *

Name of the Shareholder	As on March 31, 2022		As on March 31, 2021	
	Number of shares	%age	Number of shares	%age
Sunrays Properties and Investment Company Private Limited	126,593,324	19.93%	128,393,784	20.22%
Emerald Sage Investment Ltd.	63,050,966	9.93%	63,050,966	9.93%
White IRIS Investment Ltd.	51,054,445	8.04%	51,054,445	8.04%
HDFC Trustee Company Ltd. - A/C its various Fund	52,765,288	8.31%	42,931,147	6.76%
Osiatic Consultants & Investments Pvt.Ltd.	39,041,880	6.15%	39,041,880	6.15%
Apollo Finance Limited	37,528,872	5.91%	37,528,872	5.91%

* As per the records of the Company including its register of member.

(e) Details of shareholding of promoters of the Company

Shares held by promoters at the end of the year		March 31, 2022			March 31, 2021		
S No.	Promoter / Promoter Group	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
1	Onkar Kanwar	100,000	0.02%	–	100,000	0.02%	0.00%
2	Raaja R S Kanwar	200,880	0.03%	–	200,880	0.03%	0.00%
3	Taru Kanwar	12,250	0.00%	–	12,250	0.00%	0.00%
4	Sunrays Properties and Investment Company Private Limited	126,593,324	19.93%	(0.28%)	128,393,784	20.22%	14.50%
5	Osiatic Consultants & Investments Pvt.Ltd.	39,041,880	6.15%	–	39,041,880	6.15%	6.15%
6	Apollo Finance Limited	37,528,872	5.91%	–	37,528,872	5.91%	(0.35%)
7	Classic Industries & Exports Ltd.	17,903,505	2.82%	(0.04%)	18,183,505	2.86%	0.42%

B13 SHARE CAPITAL (Contd..)

Shares held by promoters at the end of the year		March 31, 2022			March 31, 2021		
S No.	Promoter / Promoter Group	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
8	PTL Enterprises Ltd.	10,557,732	1.66%	0.35%	8,292,700	1.31%	0.76%
9	Amit Dyechem Pvt. Ltd.	1,574,595	0.25%	–	1,574,595	0.25%	0.00%
10	Apollo International Ltd.	984,485	0.16%	–	984,485	0.16%	0.00%
11	Global Capital Ltd.	1,000	0.00%	–	1,000	0.00%	(0.57%)
12	Shalini Kanwar Chand	1,977,000	0.31%	–	1,977,000	0.31%	0.00%
13	Neeraj Kanwar	671,380	0.11%	–	671,380	0.11%	0.00%
14	Simran Kanwar	18,500	0.00%	–	18,500	0.00%	0.00%
15	Motlay Finance Pvt Ltd.	–	–	–	–	–	(2.67%)
16	Sacred Heart Investment Co. Pvt Ltd.	–	–	–	–	–	(3.85%)
17	Ganga Kaveri Credit & Holdings Pvt. Ltd.	–	–	–	–	–	(1.21%)
18	Indus Valley Investment & Finance Pvt. Ltd.	–	–	–	–	–	(0.80%)
19	Kenstar Investment & Finance Pvt. Ltd.	–	–	–	–	–	(0.29%)
20	Neeraj Consultants Pvt Ltd.	–	–	–	–	–	(11.62%)
	Total	**237,165,403**	**37.34%**	**0.03%**	**236,980,831**	**37.31%**	**0.47%**

(f) The rights, preferences and restrictions attached to equity shares of the Company

The Company has only one class of issued shares referred to as equity shares having a par value of ₹ 1 each. The holder of equity shares are entitled to one vote per share.

(g) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(h) Over the period of five years immediately preceding March 31, 2022 and March 31, 2021, neither any bonus shares were issued nor any shares were allotted for consideration other than cash. Further, no shares were bought back during the said period.

NON - CURRENT LIABILITIES

FINANCIAL LIABILITIES (NON-CURRENT)

B14 BORROWINGS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
At amortised cost		
Secured *		
(i) Debentures	17,122.07	19,661.18
(ii) Term loans		
From banks:		
External commercial borrowings (ECB)	4,785.93	6,920.67
Foreign currency non-resident term loans	–	462.72
Rupee term loans	13,376.14	9,528.57
Euro term loans	8,774.64	11,260.27
(iii) Deferred payment liabilities:		
Deferred payment credit I	25.96	31.17
	44,084.74	**47,864.58**

* For details regarding repayment terms, interest rate and nature of security on non-current borrowings (refer note B14(a)).

B14 (a) BORROWINGS

Particulars	Amount outstanding as on March 31, 2022 (₹ Million)		Amount outstanding as on March 31, 2021 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non current borrowings	Current maturities of non current borrowings	Non current borrowings	Current maturities of non current borrowings			
Non-convertible debentures							
1,150 - 8.65% Non-convertible debentures of ₹ 1 Million each	1,150.00	–	1,150.00	–	8.65%	Bullet payment on April 30, 2026	Refer note A below
1,050 - 8.65% Non-convertible debentures of ₹ 1 Million each	1,050.00	–	1,050.00	–	8.65%	Bullet payment on April 30, 2025	Refer note A below
1,050 - 8.65% Non-convertible debentures of ₹ 1 Million each	1,050.00	–	1,050.00	–	8.65%	Bullet payment on April 30, 2024	Refer note A below
1,500 - 7.80% Non-convertible debentures of ₹ 1 Million each	1,499.14	–	1,498.34	–	7.80%	Bullet payment on April 30, 2024	Refer note A below
900 - 7.50% Non-convertible debentures of ₹ 1 Million each	900.00	–	900.00	–	7.50%	Bullet payment on October 20, 2023	Refer note A below
1,500 - 7.80% Non-convertible debentures of ₹ 1 Million each	1,499.14	–	1,498.34	–	7.80%	Bullet payment on April 28, 2023	Refer note A below
1,050 - 7.50% Non-convertible debentures of ₹ 1 Million each	–	1,050.00	1,050.00	–	7.50%	Bullet payment on October 21, 2022	Refer note A below
1,500 - 7.80% Non-convertible debentures of ₹ 1 Million each	–	1,499.14	1,498.34	–	7.80%	Bullet payment on April 29, 2022	Refer note A below
1,050 - 7.50% Non-convertible debentures of ₹ 1 Million each	–	–	–	1,050.00	7.50%	Bullet payment on October 21, 2021	Refer note A below
5,000 - 8.75% Non convertible debentures of ₹ 1 Million each	4,984.96	–	4,983.08	–	8.75%	Bullet payment on April 09, 2030	Refer note A below
5,000 - 7.70% Non convertible debentures of ₹ 1 Million each	4,988.83	–	4,983.08	–	7.70%	₹ 1,250 Million payable on May 17, 2024 and ₹ 3,750 Million payable on May 16, 2025.	Refer note A below
Total	**17,122.07**	**2,549.14**	**19,661.18**	**1,050.00**			
External commercial borrowings (ECB) from banks							
Bank 1 - ECB I	1,259.84	631.65	1,821.31	–	0-1% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note A below
Bank 2 - ECB I	1,259.30	631.58	1,821.08	–	0.25-1.25% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note A below
Bank 3 - ECB I	1,259.63	631.65	1,821.75	–	0-1% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note A below
Bank 4 - ECB I	1,007.17	505.32	1,456.54	–	0.25-1.25% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note A below
Bank 5 - ECB I	–	–	–	3,646.08	0-1% above USD-LIBOR	Bullet payment on March 21, 2022	Refer note A below
Total	**4,785.93**	**2,400.20**	**6,920.67**	**3,646.08**			

B14(a) BORROWINGS (Contd..)

Particulars	Amount outstanding as on March 31, 2022 (₹ Million)		Amount outstanding as on March 31, 2021 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non current borrowings	Current maturities of non current borrowings	Non current borrowings	Current maturities of non current borrowings			
Foreign currency non-resident (FCNR) term loan from banks							
Bank 1 - FCNR I	–	93.58	90.27	180.53	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from December 31, 2019	Refer note A below
Bank 1 - FCNR II	–	94.13	90.80	181.61	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from January 15, 2020	Refer note A below
Bank 1 - FCNR III	–	291.98	281.65	281.64	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from September 30, 2020	Refer note A below
Total	**–**	**479.69**	**462.72**	**643.78**			
Rupee term loans from banks							
Bank 1 - Rupee Term Loan	–	–	2,996.85	–	0-1% above One year MCLR	28 structured quarterly instalments after moratorium of 3 years from the date of first disbursement	Refer note A below
Bank 2 - Rupee Term Loan	–	–	2,474.49	–	0-1% above One year MCLR	28 structured quarterly instalments after moratorium of 3 years from the date of first disbursement	Refer note A below
Bank 3 - Rupee Term Loan	–	–	1,973.22	–	0-1% above One year MCLR	28 structured quarterly instalments after moratorium of 3 years from the date of first disbursement	Refer note A below
Bank 4 - Rupee Term Loan	–	–	500.00	–	0-1% above One year MCLR	28 structured quarterly instalments after moratorium of 3 years from the date of first disbursement	Refer note A below
Bank 5 - Rupee Term Loan	–	–	985.77	11.25	6 months MCLR	32 structured quarterly instalments after moratorium of 2 years from the date of first disbursement	Refer note A below
Bank 6 - Rupee Term Loan	–	149.38	148.24	–	0-2% above one year T-bill	Bullet payment on June 27, 2022	Refer note A below
Bank 7 - Rupee Term Loan	–	200.00	200.00	–	0-2% above one year T-bill	Bullet payment on March 27, 2023	Refer note A below
Bank 8 - Rupee Term Loan	–	–	–	500.00	0-2% above one year T-bill	Bullet payment on March 29, 2022	Refer note A below
Bank 9 - Rupee Term Loan	250.00	–	250.00	–	0-2% above one year T-bill	Bullet payment on December 29, 2023	Refer note A below
Bank 10 - Rupee Term Loan	8,638.28	265.00	–	–	5-6% p.a.	33 structured quarterly instalments starting from March 31, 2022	Refer note A below
Bank 11 - Rupee Term Loan	4,487.86	500.00	–	–	6-7% p.a.	32 structured quarterly instalments starting from April 30, 2022	Refer note A below
Total	**13,376.14**	**1,114.38**	**9,528.57**	**511.25**			

B14(a) BORROWINGS (Contd..)

Particulars	Amount outstanding as on March 31, 2022 (₹ Million)		Amount outstanding as on March 31, 2021 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non current borrowings	Current maturities of non current borrowings	Non current borrowings	Current maturities of non current borrowings			
Euro term loans from banks							
Bank 1	249.00	26.26	65.72	5.34	1.95%	Monthly payment till April 30, 2033	Secured by mortgage on land and building at Hamburg, Celle & Düsseldorf, Germany
Bank 2	8,525.64	2,437.44	11,194.55	1,137.50	2-2.50% above EURIBOR	Repayment in 10 semi-annual instalments starting from September 13, 2020	Refer note B below
Bank 3	–	–	–	2,548.35	0-1% above EURIBOR	Bullet repayment on August 6, 2021	Secured by Corporate Guarantee from the Company
Bank 4	–	–	–	3,590.21	0-1% above EURIBOR	Bullet repayment on March 21, 2022 (refer note B18)	Secured by Corporate Guarantee from the Company
Total	**8,774.64**	**2,463.70**	**11,260.27**	**7,281.40**			
USD loan from bank							
Bank 1	–	–	–	20.47	1.00%	Repayable in 60 months, subsequently waived off in April 2021	Unsecured
Total	**–**	**–**	**-**	**20.47**			
Deferred payment liabilities							
Deferred payment credit I	25.96	5.20	31.17	4.82	7-8%	Repayment along with interest in 240 consecutive monthly instalments started from May 15, 2007	Wind Mills purchased under the deferred consideration payment plan
Deferred payment credit II	-	-	-	0.21	8-9%	Repayment along with Interest in 20 equal quarterly instalments started from January 31, 2011	Engineering materials purchased under the Parts Management Agreement (PMA) scheme
Total	**25.96**	**5.20**	**31.17**	**5.03**			

Details of securities offered to existing lenders

Note A Secured by pari-passu charge on the movable fixed assets of the company. Along with this security an exclusive charge on the immovable property of the Company's registered office in Kochi has also been created for one of the NCD issuances aggregating to ₹ 5,000 Million at 8.75% p.a.

Note B Apollo Tyres (NL) B.V has provided guarantee for the loan which is secured by a pledge on the movable tangible assets (other than stock in trade, raw materials and trade receivables) and a mortgage of its real estate being the land and buildings located in the Netherlands. In addition, Apollo Tyres (Hungary) Kft. has also provided guarantee for the loan which is secured by a pledge of fixed assets and movable tangible assets (other than stock in trade, raw materials and trade receivables).

B 15 OTHER FINANCIAL LIABILITIES

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Derivative liabilities measured at fair value (refer note C12)	–	30.72
	–	**30.72**

NON-FINANCIAL LIABILITIES (NON-CURRENT)

B 16 PROVISIONS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Jubilee benefits (refer note C8)	117.84	128.42
Pension benefits (refer note C11)	769.94	834.65
Provision for constructive liability (refer note C8)	282.68	281.18
Provision for sales related obligations (refer note C8)	309.13	313.63
	1,479.59	**1,557.88**

B 17 OTHER NON CURRENT LIABILITIES

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Security deposits received from dealers	77.64	68.03
Security deposits received from vendors	115.04	86.82
Deferred revenue arising from government grant	8,921.35	8,216.25
Statutory dues payable	4,862.77	4,261.78
Others	29.42	35.32
	14,006.22	**12,668.20**

CURRENT LIABILITIES

FINANCIAL LIABILITIES (CURRENT)

B 18 BORROWINGS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
At amortised cost		
Secured		
From banks:		
Cash credit *	4.18	4.85
Bank overdrafts #	946.40	807.17
Others ^	1,678.90	–
Unsecured		
From banks:		
Packing credit **	–	1,000.00
Bank overdrafts	41.45	–
Others ##	3,409.34	1,221.41
From others - Commercial paper	2,000.00	–
Sub Total (A)	**8,080.27**	**3,033.43**

B 18 BORROWINGS (Contd..)

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Current maturities of non-current borrowings ^^		
Secured		
Debentures	2,549.14	1,050.00
Term loans:		
Foreign currency non-resident term loans	479.69	643.78
Euro term loans	2,463.70	7,281.40
External commercial borrowings (ECB)	2,400.20	3,646.08
Rupee Term Loans	1,114.38	511.25
Deferred payment liabilities:		
Deferred payment credit I	5.20	4.82
Deferred payment credit II	–	0.21
Unsecured		
USD loan from bank	–	20.47
Sub Total (B)	**9,012.31**	**13,158.01**
Total (A + B)	**17,092.58**	**16,191.44**

* Cash credits are repayable on demand and are secured by a first charge on raw materials, work-in-progress, stocks, stores and book debts and by a second charge on the Company's land at village Kodakara in Kerala, at Oragadam and Mathur village in Tamil Nadu and at head office in Gurugram, Haryana together with the factory buildings, plant and machinery and equipment, both present and future. The interest rate on these loans are in the range of **3.00% p.a to 7.00% p.a** (3.00% p.a to 9.00% p.a.)

Overdraft facility availed by one of the subsidiary, Reifencom Gmbh, Hannover, is secured by a first charge on stock and receivables of Reifencom Gmbh, Hannover, both present and future and further supported by corporate guarantee issued by Apollo Tyres Cooperatief U.A. The interest rate on these loans is **Euribor + 1.5%** (Euribor + 1.5%).

^ This is refinancing of term loan taken by one of the subsidiary company for one year. The interest rate on this loan is 0-1% above EURIBOR and secured by Corporate Guarantee from the Company.

** Packing credits are repayable on demand. The interest rate on these loans are in the range of **Nil** (3.00% p.a to 9.00% p.a.)

These are trade financing facility availed by one of the subsidiary company. The interest rate on these loans are in the range of **0.70% p.a to 2.01% p.a** (1.18% p.a to 1.40% p.a.)

^^ For details regarding repayment terms, interest rate and nature of security on current maturities of non-current borrowings (refer note B14(a)).

B 19 TRADE PAYABLES (refer note C29) *

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Trade payables (other than micro and small enterprises)	32,167.99	24,381.64
Employee related payable	2,669.40	2,644.06
Payable to related parties (refer note C19)	517.61	412.30
	35,355.00	**27,438.00**

* Trade payables include commission on net profits payable to whole-time directors ₹ **35.94 Million** (₹ 561.19 Million).

B20 OTHER FINANCIAL LIABILITIES

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Interest accrued but not due on borrowings	1,441.59	1,531.09
Unclaimed dividends #	100.19	94.37
Accounts payable - capital	2,683.28	4,067.01
Payable to micro, small and medium enterprises - capital	190.76	186.28
Interest payable to micro, small & medium enterprises	10.58	10.58
Payable to related parties (refer note C19)	141.62	435.96
Security deposits - vendors	424.37	384.66
Advances received / credit balance from customers	5,309.02	5,475.18
Derivative liabilities measured at fair value (refer note C12)	36.05	23.00
	10,337.46	**12,208.13**

Includes ₹ **5.70 Million** (₹ 4.86 Million) which has not been transferred to the Investor Education and Protection Fund under Section 124 of the Companies Act, 2013, as per the orders / instructions of the Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992.

NON-FINANCIAL LIABILITIES (CURRENT)

B21 OTHER CURRENT LIABILITIES

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Statutory dues payable	4,307.27	4,640.04
Deferred revenue	217.19	212.46
Others	209.33	173.33
	4,733.79	**5,025.83**

B22 PROVISIONS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Provision for compensated absences (refer note C8)	305.73	280.79
Provision for superannuation (refer note C8)	40.16	31.37
Provision for gratuity (refer note C11)	–	81.47
Provision for constructive liability (refer note C8)	49.68	53.93
Provision for contingencies (refer note C8)	425.00	425.00
Provision for sales related obligations (refer note C8)	2,358.07	2,009.62
	3,178.64	**2,882.18**

B23 CURRENT TAX LIABILITIES (NET)

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Provision for taxation	24,307.00	25,092.40
Advance tax	(23,446.59)	(24,154.80)
	860.41	**937.60**

B24 OTHER OPERATING INCOME

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Investment promotion subsidy (refer note C10)	1,211.52	1,765.71
Unwinding of deferred income (refer note C10)	1,540.68	1,572.57
Sale of raw material scrap	517.97	376.28
Provisions / liabilities no longer required written back	33.62	9.09
Subsidy income - others	291.44	677.25
Others	72.41	23.02
	3,667.64	**4,423.92**

B25 OTHER INCOME

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest income:		
- Bank deposits	206.48	624.63
- Other financial assets measured at amortised cost *	182.84	191.42
- Others	13.66	4.98
(b) Dividend income from investments - fair value through profit and loss		
- Mutual funds	24.15	2.88
(c) Others		
- Profit on sale of property, plant and equipment (net)	90.22	36.66
- Gain on foreign exchange fluctuation (net)	588.48	263.96
- Miscellaneous	128.98	169.31
	1,234.81	**1,293.84**

* This includes Government grant. Refer note C10

B26 MANUFACTURING AND OTHER EXPENSES

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cost of materials consumed: *		
Raw materials consumed	**109,554.29**	**70,653.00**
Purchase of stock-in-trade:		
Purchase of finished goods - tyres, tubes and flaps	**22,060.30**	**20,093.43**
Employee benefits expense: *		
Salaries and wages	21,203.54	20,510.53
Contribution to provident and other funds	2,708.28	3,120.83
Staff welfare	1,830.55	1,502.35
	25,742.37	**25,133.71**
Other expenses: *		
Consumption of stores and spare parts	1,364.89	1,158.08
Power and fuel	6,325.75	4,692.96
Conversion charges	995.56	723.76
Repairs and maintenance		
- Machinery	791.26	587.06
- Buildings	175.40	157.99
- Others	2,566.54	2,338.66
Rent (refer note C7)	119.40	113.39
Insurance	609.56	560.84
Rates and taxes	203.09	176.40
Sitting fees to non-executive directors (refer note C19)	4.13	5.77
Commission to non-executive directors (refer note C19)	38.00	45.00
Travelling, conveyance and vehicle	1,228.19	815.69
Postage, telephone and stationery	263.93	264.13
Conference	9.55	15.59
Freight and forwarding	11,650.30	7,776.99
Commission on sales	56.63	51.94
Sales promotion	380.34	379.54
Advertisement and publicity	3,995.90	3,494.74
Corporate social responsibility	187.17	129.91
Bank charges	207.40	201.22
Statutory auditor's remuneration (refer note C13)	78.17	78.88
Provision for doubtful debts / advances (refer note C5)	57.61	140.73
Legal and professional	711.06	560.23
Miscellaneous	2,117.54	2,447.05
	34,137.37	**26,916.55**

* Includes expense towards research and development

B 27 FINANCE COSTS

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest expense:		
Interest on fixed-term loans	1,441.77	1,558.74
Interest on debentures	1,334.98	1,217.34
Interest on current loans	325.41	493.10
Interest on income taxes	38.48	-
Others *	1,202.98	1,108.58
(b) Other borrowing costs	100.61	51.87
	4,444.23	**4,429.63**

* Includes interest expense pertaining to leasing arrangements. Refer note C7

C. Other Notes

forming Part Of he Consolidated Financial Statements

1 DIRECTLY ATTRIBUTABLE EXPENSES CAPITALIZED / INCLUDED IN CAPITAL WORK IN PROGRESS:

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Raw material consumed	–	61.39
Salaries, wages and bonus	146.92	219.17
Welfare expenses	13.60	41.17
Rent	–	1.49
Travelling, conveyance and vehicle	0.35	7.16
Postage, telephone and stationery	–	1.30
Power and fuel	36.05	106.15
Insurance	4.20	12.71
Legal and professional	12.93	4.77
Miscellaneous	89.88	51.13
Total	**303.93**	**506.44**

2 Borrowing costs capitalized / transferred to capital work in progress during the year is ₹ **559.07 Million** (₹ 849.92 Million) and the capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Company's general borrowings during the year, in this case **7.58% p.a.** (7.93% p.a).

3 IMPAIRMENT TESTING OF INTANGIBLES WITH INDEFINITE LIFE

Intangibles with indefinite useful life comprises goodwill, trademarks and other intangible assets.

For the purpose of annual impairment testing, goodwill is allocated to the cash generating units expected to benefit from the synergies of the business combinations in which the goodwill arises. The Group acquired 100% shareholding of Reifencom Gmbh Hannover, one of the largest tyre distributor in Germany on January 1, 2016. Deferred consideration payable on acquisition of subsidiary, payable to erstwhile members of Reifencom Gmbh Hannover and the fair value of the net assets acquired and intangibles recognised has been considered as a part of purchase consideration for computation of goodwill. In addition to goodwill, certain trademarks and other intangible assets were also recognized in the consolidated financial statements which were not recorded in the separate financial statements of the acquiree. Further, there are certain other trademarks that were acquired as part of acquisition of ATNL (Apollo Tyres (NL) B.V.).

As on March 31, 2022, the carrying value of other intangible assets amounting to ₹ **350.16 Million** (₹ 357.55 Million) have been determined to have indefinite useful life (refer note B1).

Changes in the net carrying amount of trademarks is summarized as below:

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Opening balance	2,252.07	2,181.41
Foreign exchange translation impact	(46.56)	70.66
Closing balance	**2,205.51**	**2,252.07**

Changes in the net carrying amount of goodwill is summarized as below:

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Opening balance	2,203.63	2,134.49
Foreign exchange translation impact	(45.56)	69.14
Closing balance	**2,158.07**	**2,203.63**

Impairment

An impairment test was carried out as on March 31, 2022, details of the test are as outlined below:

Particulars	Trademarks#	Goodwill, Trademarks and Other intangibles*
Discount Rate	8.20%	9.00%
Growth Rate	2%	2%
Number of years for which cash flows were considered	5	5
Test Result	No Impairment Loss	No Impairment Loss

An impairment test was carried out as on March 31, 2021, details of the test are as outlined below:

Particulars	Trademarks#	Goodwill, Trademarks and Other intangibles*
Discount Rate	8.20%	9.00%
Growth Rate	2%	2%
Number of years for which cash flows were considered	4	4
Test Result	No Impairment Loss	No Impairment Loss

pertains to ATNL acquisition

* pertains to Reifencom Gmbh Hannover acquisition

Growth rates

The growth rates used are in line with the growth rate of the industry and the countries in which the entities operates and are consistent with internal / external sources of information.

Discount rates

The discount rates takes into consideration market risk and specific risk factors of the cash generating unit. The cash flow projections are based on the forecasts made by the management.

Sensitivity

The management believes that any reasonable possible changes in the key assumptions would not cause the cash generating unit's carrying amount to exceed its recoverable amount.

4 INVENTORIES

i. Out of the total inventories of ₹ **41,553.86 Million** (₹ 33,185.34 Million), the carrying amount of inventories carried at fair value less costs to sell amounted to ₹ **1,906.11 Million** (₹ 1,285.54 Million).

ii. The amount of write down of inventories to net realizable value recognised as an expense was ₹ **268.95 Million** (₹ 268.13 Million).

iii. The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ **125,219.92 Million** (₹ 95,103.17 Million).

5 CHANGES IN PROVISION FOR DOUBTFUL TRADE RECEIVABLES:

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Opening balance	867.34	509.40
Addition during the year	57.61	140.73
Adjustment during the year	-	231.63
Utilisation / reversal during the year	(51.15)	(26.93)
Foreign exchange translation impact	(15.18)	12.51
Closing balance	**858.62**	**867.34**

6 DESCRIPTION OF NATURE AND PURPOSE OF EACH RESERVE

i. Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

ii. General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

iii. Capital reserve on consolidation

This balance represents excess of net assets of ATNL acquired at fair value over the purchase consideration.

iv. Capital reserve on Apollo (Mauritius) Holdings Private Limited ("AMHPL") merger

AMHPL erstwhile (subsidiary company) was merged with the Company resulting in a capital reserve.

v. Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

vi. Capital subsidy

This balance represents subsidy received under New Industrial Policy 2007 of the Government of Tamil Nadu for expansion and employment generation within SIPCOT Industrial park.

vii. Capital redemption reserve

This balance has been created in accordance with provision of the Act for the buy back of equity shares from the market.

viii. Capital reserve on forfeiture of shares

This reserve was created on forfeiture of shares by the Company. The reserve is not available for the distribution to the shareholders.

ix. Retained earnings

Retained earnings are created from the profit of the Group, as adjusted for distribution to owners, transfer to other reserve, remeasurement of defined benefit plans etc.

x. Foreign currency translation reserve

This balance represents exchange rate adjustment arising on consolidation of foreign subsidiaries due to difference in opening, average and closing conversion rates.

7 LEASES

i Nature of leasing activities

The Group has entered into lease arrangements for various warehouses, vehicles, plant and equipments, offices and other assets that are renewable on a periodic basis with approval of both lessor and lessee.

ii The Group does not have any lease commitments towards variable rent as per the contract.

iii Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and factory premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

iv Lease liabilities are presented in the consolidated statement of financial position as follows:

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Non current	6,404.61	7,348.42
Current	2,267.94	1,930.68
Total	**8,672.55**	**9,279.10**

v Future minimum lease payments are as follows:

₹ Million

Particulars	As on March 31, 2022			As on March 31, 2021		
Minimum lease payments due	Lease payments	Finance charges	Net present values	Lease payments	Finance charges	Net present values
Within 1 year	2,705.82	(437.88)	2,267.94	2,374.94	(444.26)	1,930.68
1-2 years	1,677.12	(359.08)	1,318.04	2,022.84	(373.51)	1,649.33
2-3 years	1,427.30	(292.65)	1,134.65	1,558.75	(313.43)	1,245.32
3-4 years	1,173.67	(234.10)	939.57	1,219.43	(260.72)	958.71
4-5 years	971.06	(180.58)	790.48	988.17	(213.63)	774.54
After 5 years	2,467.99	(246.12)	2,221.87	3,118.15	(397.63)	2,720.52
Total	**10,422.96**	**(1,750.41)**	**8,672.55**	**11,282.28**	**(2,003.18)**	**9,279.10**

vi Lease payments not recognised as a liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Short term leases	27.98	8.35
Leases of low value assets	29.03	36.65
Variable lease payments	62.39	68.39
Total	**119.40**	**113.39**

vii Additional information on the right-of-use assets by class of assets is as follows:

₹ Million

Particulars	Buildings	Plant & equipments	Vehicles	Others	Total
Gross Carrying Value					
As on April 01, 2021	**12,114.62**	**529.64**	**628.59**	**13.57**	**13,286.42**
Additions	1,385.31	158.45	170.97	4.15	1,718.88
Disposals	392.71	69.12	168.70	-	630.53
Effect of foreign currency translation	(100.08)	(6.79)	(40.29)	6.36	(140.80)
As on March 31, 2022	**13,007.14**	**612.18**	**590.57**	**24.08**	**14,233.97**
Accumulated depreciation					
As on April 01, 2021	**3,589.62**	**271.58**	**308.56**	**11.32**	**4,181.08**
Additions	2,019.29	173.05	203.91	7.08	2,403.33
Eliminated on disposal	329.01	69.12	168.70	-	566.83
Effect of foreign currency translation	(77.87)	(3.63)	(15.42)	2.22	(94.70)
As on March 31, 2022	**5,202.03**	**371.88**	**328.35**	**20.62**	**5,922.88**
Net Carrying Value					
As on March 31, 2022	**7,805.11**	**240.30**	**262.22**	**3.46**	**8,311.09**

₹ Million

Particulars	Buildings	Plant & equipments	Vehicles	Others	Total
Gross Carrying Value					
As on April 01, 2020	11,471.89	596.90	579.17	13.11	12,661.07
Additions	1,123.84	0.72	129.57	–	1,254.13
Disposals	611.63	82.99	104.30	–	798.92
Effect of foreign currency translation	130.52	15.01	24.15	0.46	170.14
As on March 31, 2021	**12,114.62**	**529.64**	**628.59**	**13.57**	**13,286.42**
Accumulated depreciation					
As on April 01, 2020	2,058.53	179.01	195.94	4.56	2,438.04
Additions	1,996.27	171.35	209.93	6.66	2,384.21
Eliminated on disposal	487.29	82.99	104.30	–	674.58
Effect of foreign currency translation	22.11	4.21	6.99	0.10	33.41
As on March 31, 2021	**3,589.62**	**271.58**	**308.56**	**11.32**	**4,181.08**
Net Carrying Value					
As on March 31, 2021	**8,525.00**	**258.06**	**320.03**	**2.25**	**9,105.34**

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortization expense in the consolidated statement of profit and loss.

viii The following are the amounts recognised in the consolidated statement of profit and loss

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense of right-of-use assets	2,403.33	2,384.21
Interest expense on lease liabilities	511.81	505.77
COVID 19 related rent concessions	-	(15.72)
Interest income on fair value of security deposit	(29.48)	(28.66)
Expense relating to short-term leases/ leases of low value assets/ variable lease payments (included in other expenses)	119.40	113.39
Total	**3,005.06**	**2,958.99**

ix Total cash outflow pertaining to leases during the year ended March 31, 2022 is ₹ **2,694.07 Million** (₹ 2,649.42 Million).

x As on March 31, 2022, the Group has committed short term leases and total commitment at that date is ₹ **578.49 Million** (₹ 68.69 Million).

8 PROVISIONS - NON-CURRENT / CURRENT

(i) Changes in non-current provisions is as below:

₹ Million

Particulars	Provision for sales related obligations *	Provision for constructive liability **	Provision for jubilee benefits #
As on March 31, 2020	**319.03**	**278.30**	**180.78**
Addition during the year	–	4.32	211.40
Utilisation / reversal during the year	(5.40)	(16.93)	(270.15)
Foreign exchange translation impact	–	15.49	6.39
As on March 31, 2021	**313.63**	**281.18**	**128.42**
Addition during the year	–	0.19	–
Utilisation / reversal during the year	(4.50)	(3.56)	(8.12)
Foreign exchange translation impact	–	4.87	(2.46)
As on March 31, 2022	**309.13**	**282.68**	**117.84**

* Represents estimates for payments to be made in future for sales related obligations (including warranties).

** Includes post-employment benefit obligation for the employees of related party engaged by the Company at its Kalamessary plant taken on lease and provision on account of post employment medical benefit obligation of ex-employees in case of Apollo Tyres Africa (Pty) Ltd.

There is a jubilee scheme in place for employees of few subsidiaries wherein benefits are paid to the employees when they reach an employment period of 12.5, 25 or 40 years.

(ii) Changes in current provisions is as below:

₹ Million

Particulars	Provision for compensated absences	Provision for sales related obligations *	Provision for constructive liability	Provision for contin-gencies	Provision for super-annuation
As on March 31, 2020	**269.56**	**1,969.53**	**51.99**	**425.00**	**28.02**
Addition during the year	236.18	3,353.28	53.93	–	117.83
Utilisation / reversal during the year	(227.02)	(3,339.67)	(51.99)	–	(114.48)
Foreign exchange translation impact	2.07	26.48	–	–	–
As on March 31, 2021	**280.79**	**2,009.62**	**53.93**	**425.00**	**31.37**
Addition during the year	259.73	3,574.90	49.68	–	152.71
Utilisation / reversal during the year	(234.27)	(3,203.83)	(53.93)	–	(143.92)
Foreign exchange translation impact	(0.52)	(22.62)	–	–	–
As on March 31, 2022	**305.73**	**2,358.07**	**49.68**	**425.00**	**40.16**

* Represents estimates for payments to be made in future for sales related obligations (including warranties).

9 INCOME TAXES

i) Reconciliation between average effective tax rate and applicable tax rate

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	₹ Million	Rate (%)	₹ Million	Rate (%)
Profit before tax	**8,476.74**		**5,612.16**	
Income tax using the Company's domestic tax rate	2,962.11	34.94	1,961.11	34.94
Tax effect of				
Effect of different tax rates in foreign jurisdictions	(651.27)	(7.68)	220.14	3.92
Change in tax rates in foreign jurisdictions	22.68	0.27	306.79	5.47
Non deductible expenses	111.73	1.32	140.73	2.51
Tax incentives and concessions	(4.00)	(0.05)	(56.61)	(1.01)
Others	(350.51)	(4.13)	(462.13)	(8.24)
Income tax expense recognised in the consolidated statement of profit and loss	**2,090.74**	**24.67**	**2,110.03**	**37.59**

ii) Components of deferred tax liability (net)

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Tax effect of items constituting deferred tax liabilities		
Depreciation and amortisation	18,260.38	15,953.87
Employee benefits	50.97	50.97
Others	812.44	778.65
Gross deferred tax liability (a)	**19,123.79**	**16,783.49**
Tax effect of items constituting deferred tax assets		
Carry forward tax losses	2,452.35	661.68
Employee benefits	376.72	331.87
Provisions for doubtful debt / advances	141.89	141.89
Minimum alternate tax entitlement	5,696.14	5,084.54
Others	1,443.13	1,354.74
Gross deferred tax asset (b)	**10,110.23**	**7,574.72**
Deferred tax liability (net) (a - b)	**9,013.56**	**9,208.77**

iii) Components of deferred tax asset (net)

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Tax effect of items constituting deferred tax assets		
Employee benefits	-	168.19
Carry forward tax losses	741.50	1,733.25
Others	303.72	287.18
Deferred tax asset (net)	**1,045.22**	**2,188.62**

One of the subsidiary company has net carry forward losses on which deferred tax asset has not been recognised amounting to ₹ **256.36 Million** as on March 31, 2022 (₹ 208.73 Million as on March 31, 2021) which has a 15-20 years carry forward period.

(iv) Components of deferred tax expense

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Tax effect of items constituting deferred tax liabilities		
Depreciation and amortisation	2,028.79	2,534.36
Others	83.79	66.40
Sub-total (a)	**2,112.58**	**2,600.76**
Tax effect of items constituting deferred tax assets		
Employee benefits	7.71	65.66
Carry forward tax losses	340.24	416.45
Minimum alternate tax entitlement	611.60	1,905.21
Others	10.25	350.88
Sub-total (b)	**969.80**	**2,738.20**
Total (a - b)	**1,142.78**	**(137.44)**

v) The movement in net deferred tax liability is as follows:

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Net deferred tax liability at the beginning of the year	7,020.15	7,031.87
Deferred tax expense / (income) recognised in the consolidated statement of profit and loss	1,142.78	(137.44)
Deferred tax expense / (income) recognised in other comprehensive income	56.68	64.49
Foreign exchange translation impact	(251.27)	61.23
Net deferred tax liability at the end of the year	**7,968.34**	**7,020.15**

vi) The group has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the business plans and budgets for the Company / subsidiary companies.

10 GOVERNMENT GRANTS

a) Investment promotion subsidy

The Government of Tamil Nadu (GoTN) has sanctioned a structured package of assistance to the Company for setting up/expansion of their project in the state of Tamil Nadu, pursuant to which a Memorandum of Understanding (MoU) executed between GoTN and the Company.

The Company is entitled, interalia, for refund of an amount equal to Net Output (VAT + CST)/SGST paid by the Company to GoTN in the form of Investment Promotion Subsidy (referred to as Phase I). As the Company has fulfilled the relevant obligations, the Company has recognized subsidy income of ₹ **995.08 Million** (₹ 1,606.97 Million) as other operating income, being the eligible amount of refund of Net Output (VAT + CST) /SGST paid by the Company to GoTN."

In addition to above, the Company is entitled, for refund of an amount equal to 1% of the capital investment for a period of 12 years to be payable in equal annual instalments in the form of Investment Promotion Capital Subsidy (referred to as Phase II). Accordingly, the Company has recognised grant receivable at its fair value, amounting to ₹ **1,956.66 Million** (₹ 1,811.72 Million) under non-current financial assets and ₹ **125.06 Million** (₹ 385.80 Million) under current financial assets. Deferred grant income amounting ₹ **1,627.79 Million** (₹ 1,763.44 Million) is recognised under other non-current liabilities and ₹ **135.65 Million** (₹ 135.65 Million) under other current liabilities. Deferred income will be recognised in the statement of profit or loss on a systematic basis over the useful life of the asset (15 years). During the year, the Company has recorded grant income amounting to ₹ **135.65 Million** (₹ 135.65 Million) under Other operating income and accretion of grant recoverable as finance income amounting to ₹ **154.20 Million** (₹ 162.78 Million) under Other income.

Also, the Government of Andhra Pradesh (GoAP) has sanctioned a structured package of assistance to the Company for setting up of their project in the state of

Andhra Pradesh, pursuant to which a Memorandum of Understanding (MoU) executed between GoAP and the Company. The Company is entitled, interalia, for refund of an amount equal to Net SGST paid by the Company to GoAP in the form of Investment Promotion Subsidy. As the Company has fulfilled the relevant obligations, the Company has recognized subsidy income of ₹ **80.79 Million** (₹ 23.09 Million) as other operating income, being the eligible amount of refund of Net SGST paid by the Company to GoAP.

b) Export promotion capital goods

The Company had imported Property, plant and equipment under the Export Promotion Capital Goods (EPCG) scheme wherein the Company is allowed to import capital goods including spares without payment of customs duty, subject to certain export obligations which should be fulfilled within specified time period. During the year, the custom duty benefit received amounts to ₹ **2,591.06 Million** (₹ 1,202.01 Million) with a corresponding increase in the value of property, plant and equipment and Capital Work in Progress. The grant amounting to ₹ **1,540.68 Million** (₹ 1,572.57 Million) where export obligations have been met, have been recognized in consolidated statement of profit and loss as other operating income. At the year end, the portion of grant for which the export obligation has not been met is retained in deferred revenue under other non current liabilities.

c) The Group has successfully completed its greenfield project in Gyöngyöshalász, Hungary through its subsidiary Apollo Tyres Hungary Kft (ATH Kft). For this project, ATH Kft had entered into an agreement for grant with the Ministry of National Development, Government of Hungary on June 30, 2014.

The project was completed by December 31, 2019 within the stipulated time. The subsidy agreement defines contractual obligations and criteria for the aforesaid subsidiary company. The monitoring period started in April 2020 for the period of 5 years.

During the year, ₹ **183.24 Million** (₹ 203.77 Million) was amortised & recognized as income in consolidated statement of profit and loss. Amortisation of grant is based on relevant assets depreciation which have been subsidised. The un-amortized portion of grant has been retained in deferred revenue under other non-current liabilities."

d) During the year ended March 31, 2022, ATH Kft has received a grant (VNT3) for ₹ 86.52 Million against its ongoing project for finished goods warehouse expansion. Amortization of subsidy will start post completion of project. Monitoring period of grant starts in April 2023 and will end by March 2025.

11 EMPLOYEE BENEFIT LIABILITY

i. Defined contribution plans

a. Superannuation plan: The Company contributes a sum equivalent to 15% of the eligible employees' basic salary to a superannuation fund administered and maintained by the Life Insurance Corporation of India (LIC). The Company has no liability for future superannuation fund benefits other than its annual contribution and recognizes such contributions as an expense in the year incurred. The amount of contribution paid by the Company to Superannuation Fund is ₹ **152.71 Million** (₹ 117.83 Million).

b. Provident fund: Contributions are made to the Company's employees' provident fund trust / regional provident fund in accordance with the fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

In the case of contributions to the trust, the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate and recognises such obligation as an expense.

The amount of contributions made by the Company to employees' provident fund trust / regional provident fund is ₹ **326.44 Million** (₹ 298.41 Million).

The subsidiaries in the Group have contributed to various defined contribution plans as per the local laws of the respective countries.

The amount of contribution made by such subsidiaries is ₹ **111.13 Million** (₹ 127.65 Million).

ii. Defined benefit plans

A. Indian operations

Gratuity

The Company operates a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company as per the Payments of Gratuity Act, 1972. The scheme is funded with LIC.

The following table summarizes the components of net benefit expense recognized in the consolidated statement of profit and loss and the funded status and amounts recognized in the consolidated balance sheet for the respective plan:

Consolidated statement of profit and loss

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost ^	126.00	363.11
Interest cost on benefit obligation *	109.45	102.99
Actual return on plan assets *	(103.63)	(98.52)
Expense recognized in the consolidated statement of profit and loss	131.82	367.58

^ Included in employee benefit expense

* Included in finance cost

Other comprehensive income (experience adjustment)

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Actuarial (gain) / loss for the year on defined benefit obligation	84.57	(71.35)
Actuarial (gain) / loss for the year on plan asset	(42.86)	1.67
Total	**41.71**	**(69.68)**

Consolidated balance sheet

Net asset / (liability) recognised in the consolidated balance sheet

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Fair value of plan assets at the end of the year (a)	1,874.19	1,502.43
Present value of defined benefit obligation at the end of the year (b)	1,841.62	1,583.90
Net asset / (liability) recognized in the consolidated balance sheet (a - b)	**32.57**	**(81.47)**

Changes in the present value of the defined benefit obligation

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Present value of obligations as at the beginning of the year	1,583.90	1,246.94
Interest cost	109.45	102.99
Current service cost	126.00	363.11
Benefits paid	(62.30)	(57.79)
Actuarial loss / (gain) on obligation	84.57	(71.35)
Present value of obligation as at the end of the year	**1,841.62**	**1,583.90**

Changes in the fair value of plan assets

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Fair value of plan assets as at the beginning of the year	1,502.43	1,434.65
Actual return on plan assets	103.63	98.52
Contributions	287.57	28.72
Benefits paid	(62.30)	(57.79)
Actuarial (loss) / gain on plan assets	42.86	(1.67)
Fair value of plan assets as at the end of the year	**1,874.19**	**1,502.43**

The Company's gratuity funds are managed by the LIC and therefore the composition of the fund assets in not presently ascertained.

Maturity profile of defined benefit obligation

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
0-1 year	233.85	191.51
1-2 year	85.07	62.76
2-3 year	105.48	68.88
3-4 year	119.51	87.11
4-5 year	95.96	86.43
More than 5 years	1,201.75	1,087.21
Total	**1,841.62**	**1,583.90**

Principal assumptions for gratuity

Particulars	As on March 31, 2022 Rate (%)	As on March 31, 2021 Rate (%)
a) Discount rate	7.32	6.91
b) Future salary increase*	6.00	6.00
c) Expected rate of return on plan assets	7.44	6.95
d) Retirement age (years)	58.00	58.00
e) Mortality table	IALM (2012-2014)	IALM (2012-2014)
f) Ages (withdrawal rate %)		
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

* The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors.

Estimated amount of contribution in the immediate next year is ₹ **131.56 Million** (₹ 125.25 Million).

Sensitivity analysis of the defined benefit obligation

₹ Million

Impact of change in	Discount rate	Salary increase	Attrition rate
Present value of obligation as on March 31, 2022	1,841.62	1,841.62	1,841.62
Impact due to increase of 0.50%	(80.25)	87.80	0.55
Impact due to decrease of 0.50%	87.10	(81.58)	(0.46)

₹ Million

Impact of change in	Discount rate	Salary increase	Attrition rate
Present value of obligation as on March 31, 2021	1,583.90	1,583.90	1,583.90
Impact due to increase of 0.50%	(72.15)	78.66	0.50
Impact due to decrease of 0.50%	78.34	(73.07)	(0.40)

B. Foreign operations

The pension liability as recorded in the consolidated balance sheet relates to the defined benefit plan of Apollo Tyres (Germany) GmbH and Reifencom Gmbh Hannover where the actuarial calculation was performed by certified actuarial firms.

1 Apollo Tyres (Germany) GmbH

Principal assumptions

Particulars	As on March 31, 2022 Rate (%)	As on March 31, 2021 Rate (%)
Inflation	1.75	1.75
Indexation non-active members	1.75	1.75
Mortality table	Heubeck 2018G	Heubeck 2018G
Individual salary increase (dependent on age)	3.00	3.00
Discount rate	1.10	1.10

Changes in the present value of the defined benefit obligation

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Defined benefit obligation		
Present value of obligation as at the beginning of the year	834.65	899.02
Service cost	19.47	22.80
Interest cost	9.13	5.55
Benefits paid	(9.60)	(28.39)
Remeasurements due to experience	10.50	(9.70)
Remeasurements due to change in financial assumptions	(78.39)	(84.61)
	785.76	**804.67**
Foreign exchange translation impact	(15.82)	29.98
Present value of obligation as at the end of the year	**769.94**	**834.65**

Net asset / (liability) recognised in the consolidated balance sheet

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Fair value of plan assets as at the end of the year (a)	–	–
Present value of defined benefit obligation as at the end of the year (b)	769.94	834.65
Net asset / (liability) recognized in the consolidated balance sheet (a - b)	**(769.94)**	**(834.65)**

Sensitivity analysis

Particulars	Change in assumption 2021-22	Change in defined benefit obligation 2021-22	Change in assumption 2020-21	Change in defined benefit obligation 2020-21
Discount rate	Increase by 1.00%	(15.36%)	Increase by 1.00%	(16.25%)
Salary increase	Increase by 0.50%	1.32%	Increase by 0.50%	1.55%
Inflation	Increase by 0.25%	3.17%	Increase by 0.25%	3.29%

Maturity profile of defined benefit obligation

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
0-1 year	24.23	23.61
1-2 year	24.95	23.59
2-3 year	25.52	24.00
3-4 year	27.02	24.56
4-5 year	27.88	26.02
5-10 years	149.97	141.02
Total	**279.57**	**262.80**

2 **Reifencom Gmbh Hannover**

Principal assumptions

Particulars	As on March 31, 2022 Rate (%)	As on March 31, 2021 Rate (%)
Inflation	2.00	1.75
Mortality table	Heubeck 2018G	Heubeck 2018G
Retirement age (years)	65.00	65.00
Discount rate	1.70	1.10

Changes in the present value of the defined benefit obligation

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Present value of obligation as at the beginning of the year	127.04	127.79
Service cost	0.40	0.44
Interest cost	1.41	0.80
Remeasurements due to experience	0.52	0.51
Remeasurements due to change in financial assumptions	(6.66)	(6.67)
	122.71	**122.87**
Foreign exchange translation impact	(2.48)	4.17
Present value of obligation as at the end of the year	**120.23**	**127.04**

Changes in the fair value of plan assets

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Fair value of plan assets as at the beginning of the year	151.94	142.84
Actuarial gain on plan assets	2.88	3.64
Interest income	1.69	0.89
	156.51	**147.37**
Foreign exchange translation impact	(3.27)	4.57
Fair value of plan assets as at the end of the year	**153.24**	**151.94**

Net asset / (liability) recognised in the consolidated balance sheet

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Fair value of plan assets as at the end of the year (a)	153.24	151.94
Present value of defined benefit obligation as at the end of the year (b)	120.23	127.04
Net asset / (liability) recognized in the consolidated balance sheet (a - b)	**33.01**	**24.90**

Sensitivity analysis

Particulars	Change in assumption 2021-22	Change in defined benefit obligation 2021-22	Change in assumption 2020-21	Change in defined benefit obligation 2020-21
Discount rate	Increase by 1.0%	(8.56%)	Increase by 1.0%	(9.50%)
Discount rate	Decrease by 1.0%	9.59%	Decrease by 1.0%	10.74%
Inflation	Increase by 0.25%	0.22%	Increase by 0.25%	0.22%
Inflation	Decrease by 0.25%	(0.21%)	Decrease by 0.25%	(0.21%)

Maturity profile of defined benefit obligation

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
0-1 year	0.21	0.20
1-2 year	0.24	0.22
2-3 year	0.26	0.24
3-4 year	0.28	0.26
4-5 year	0.31	0.29
More than 5 years	118.93	125.83
Total	**120.23**	**127.04**

iii Other long term employee benefits

Long term compensated absences

Principal assumptions for long term compensated absences

Particulars	As on March 31, 2022 Rate (%)	As on March 31, 2021 Rate (%)
a) Discount rate	7.32	6.91
b) Future salary increase*	6.00	6.00
c) Retirement age (years)	58.00	58.00
d) Mortality table	IALM (2012-2014)	IALM (2012-2014)
e) Ages (withdrawal rate %)		
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

* The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors.

12 FINANCIAL INSTRUMENTS

A) Capital risk management

The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity shareholders which comprises issued share capital (including premium) and accumulated reserves disclosed in the consolidated statement of changes in equity.

The Group's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the Group's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is debt divided by total equity. The Group's policy is to keep an optimum gearing ratio. The Group includes within debt, interest bearing loans and borrowings.

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Non-current borrowings (refer note B14)	44,084.74	47,864.58
Current borrowings (refer note B18)	17,092.58	16,191.44
Sub-total (a)	**61,177.32**	**64,056.02**
Equity (refer note B13)	635.10	635.10
Other equity	116,886.22	113,796.21
Sub-total (b)	**117,521.32**	**114,431.31**
Capital gearing ratio (a) / (b)	**0.52**	**0.56**

B) Financial risk management

a) Market risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and changes in interest rates. The Group enters into a variety of derivative financial instrument to manage its exposure to foreign currency and interest rates.

There have been no major changes to the Group's exposure to market risk or the manner in which it manages and measures the risk in recent past."

i) Currency risk

The Group's exposure arises mainly on import (of raw material and capital items) and export (of finished goods). Wherever possible, the Group follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Group, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Derivative counter parties are limited to high credit quality financial institutions. The local management continuously monitors the entity's exposure to foreign currency risk as well as its use of derivative instruments as per the risk management policy of the respective entity.

Currency wise net exposure of the Group

₹ Million

Currency	As on March 31, 2022	Sensitivity + 1%	Sensitivity -1%	As on March 31, 2021	Sensitivity + 1%	Sensitivity -1%
USD	(1,232.76)	(12.33)	12.33	(12,963.53)	(129.64)	129.64
EURO	1,041.74	10.42	(10.42)	(415.71)	(4.16)	4.16
GBP	(85.20)	(0.85)	0.85	(70.19)	(0.70)	0.70
Others	1,436.10	14.36	(14.36)	934.99	9.35	(9.35)

ii) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The use of interest rate swaps are also entered into, especially to hedge the floating rate borrowings or to convert the foreign currency floating interest rates to the domestic currency floating interest rates.

Interest on variable rate borrowings in the Company are converted at fixed rate since the company has hedged interest rate risk fully and effectively with the hedging instruments.

The table below presents the impact on profit before tax for variable rate borrowings taken by subsidiary companies assuming a market interest rate shift of 0.25%:

Sensitivity analysis

₹ Million

Currency	As on March 31, 2022	Sensitivity +0.25%	Sensitivity -0.25%	As on March 31, 2021	Sensitivity +0.25%	Sensitivity -0.25%
Non-current borrowings (including current maturities)	10,963.08	(27.41)	27.41	12,332.05	(30.83)	30.83
Current borrowings	3,409.34	(8.52)	8.52	1,221.41	(3.05)	3.05

iii) Price risk

During the previous year, one of the subsidiary in the Group has executed commodity future contracts which are transacted in standardised amounts on regulated exchanges. The derivative financial instrument are measured at fair value through profit and loss and classified under Level 1 of the fair value measurement hierarchy.

b) Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. All entities in the Group have their approved commercial policy based on which the credit risk is managed. The Group has adopted a policy of only dealing with creditworthy customers.

Trade receivables comprise a widespread customer base and each entity undertakes on going credit evaluations of the financial condition of its customers, which may be based on the information supplied by the credit rating agencies, publicly available financial information and its own trading records and trends. In many cases, an appropriate advance is taken from the customer. In other cases, the entities use various methods to limit the credit risk viz. credit insurance, bank guarantee, post dated cheques etc.

At the year end, the Group did not consider there to be any significant concentration of credit risk which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

c) Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecasts and actual cash flows and by matching the maturity profiles of financial assets and liabilities for each entity.

The Group has established an appropriate liquidity risk management framework for each entity's short term, medium term and long term funding requirement.

The below tables summarise the maturity profile of the Group's financial assets and financial liabilities

i) Non derivative financial assets

₹ Million

Particulars	As on March 31, 2022			As on March 31, 2021		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Non-interest bearing	30,410.06	1,898.79	1,542.86	26,861.20	1,288.53	1,719.90
Fixed interest rate instruments	2,451.01	-	-	12,507.42	–	–

ii. Non derivative financial liabilities

₹ Million

Particulars	As on March 31, 2022			As on March 31, 2021		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Non-interest bearing	44,928.55	-	-	38,721.07	-	-
Lease liability	2,267.94	4,182.74	2,221.87	1,930.68	4,627.90	2,720.52
Variable interest rate instruments	12,269.23	19,445.33	7,242.39	10,464.06	21,660.82	6,445.69
Fixed interest rate instruments	6,264.94	12,267.49	5,129.53	7,258.47	13,573.67	6,184.40

iii. Derivative assets / (liabilities)

₹ Million

Particulars	As on March 31, 2022			As on March 31, 2021		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Net settled:						
– commodity future contract	–	–	–	(6.26)	–	–
– foreign currency forward contracts, futures and options	(36.05)	–	–	(16.74)	(30.72)	–
– foreign currency forward contracts, futures and options	87.29	–	–	40.55	3.47	–
Gross settled:						
– cross currency interest rate swaps	–	1,054.60	–	–	972.14	–
Total	**51.24**	**1,054.60**	**–**	**17.55**	**944.89**	**–**

e) The below tables summarise the fair value of the financial asset / (liabilities):

i) Fair value of derivative instruments carried at fair value

₹ Million

Particulars	As at March 31, 2022	As at March 31, 2021	Fair value hierarchy (Level 1, 2 or 3) *
Derivative financial assets (a)			
- Foreign currency forward contracts, futures and options	87.29	44.02	2
- Cross currency interest rate swaps	1,054.60	972.14	2
Total	**1,141.89**	**1,016.16**	
Derivative financial liabilities (b)			
- Foreign currency forward contracts, futures and options	36.05	47.46	2
- Commodity future contract	–	6.26	1
Total	**36.05**	**53.72**	
Net derivative financial assets / (liabilities) (a- b)	**1,105.84**	**962.44**	

ii) Fair value of financial assets (other than derivative instruments) carried at fair value:

₹ Million

Particulars	As at March 31, 2022	As at March 31, 2021	Fair value hierarchy (Level 1, 2 or 3) *
Financial assets			
– Non current investments - quoted	2.36	1.20	1
– Non current investments - unquoted	256.18	147.82	3
– Current investments - quoted	4,506.06	900.68	1
Total	**4,764.60**	**1,049.70**	

iii) Fair value of financial assets / liabilities (other than investment in joint venture and associates) that are not measured at fair value

The management considers that the carrying amount of financial assets and financial liabilities recognised at amortised cost in the consolidated balance sheet approximates their fair value.

* Level 1 - Quoted price in an active market.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the asset or liability.

f) Details of outstanding contracts

Currency pair	Currency	Currency value (Million)	Average exchange rate	Nominal value (Million)	Buy / Sell
As on March 31, 2022					
Foreign currency forward contracts					
USD / INR	US Dollar	21.95	75.80	1,663.76	Buy
USD / THB	US Dollar	6.00	33.21	199.27	Buy
USD / ZAR	US Dollar	1.13	14.58	16.40	Buy
EUR / INR	Euro	4.60	84.07	386.74	Sell
Futures and options					
USD / INR	US Dollar	29.00	75.80	2,198.13	Buy
USD / INR	US Dollar	44.50	75.80	3,372.99	Sell
Cross currency interest rate swaps					
USD / INR	US Dollar	104.50	75.80	7,920.58	Buy
As on March 31, 2021					
Foreign currency forward contracts					
USD / INR	US Dollar	32.18	73.12	2,352.77	Buy
USD / THB	US Dollar	6.00	31.25	187.47	Buy
USD / ZAR	US Dollar	1.13	14.77	16.62	Buy
EUR / INR	Euro	21.06	85.83	1,807.77	Buy
EUR / GBP	British Pound	0.80	1.17	0.94	Sell
EUR / SEK	Swedish krona	25.25	0.10	2.46	Sell
EUR / PLN	Polish zloty	12.50	0.22	2.69	Sell
Futures and options					
USD / INR	US Dollar	39.00	73.12	2,851.49	Buy
Cross currency interest rate swaps					
USD / INR	US Dollar	160.13	73.12	11,707.90	Buy
Commodity future contract	US Dollar	1.31	73.12	95.69	Buy / Sell

For fair value of outstanding contracts, refer note C12(B)(e)(i)

g) Impact of hedging activities

(1) Disclosures of effects of hedge accounting on consolidated balance sheet:

Type of hedge and risks	Notional amount (Million)	Carrying amount of hedging instruments (₹ Million)		Maturity dates	Hedge ratio	Strike price range	Change in fair value of hedging instruments (₹ Million)	Change in value of hedged item used as the basis for recognising hedge effectiveness (₹ Million)
		Assets	Liabilities					
As on March 31, 2022								
Cash flow hedge								
Foreign exchange and interest rate risk								
(i) Cross Currency Swaps								
USD / INR	USD 104.50	1,109.12	–	June-2022 to September -2024	1:1	63.95 to 67.5	(416.46)	416.46
Fair value hedge								
Foreign exchange risk								
Foreign currency forward contracts								
EUR / INR	EUR -							
USD / INR	USD 8.45	–	(0.99)	Apr-22	1:1	76.105 to 76.105	(0.99)	0.99

(Carrying value of firm commitments for capital assets is ₹ 0.99 million and is recognised in other non-current assets as others)

Type of hedge and risks	Notional amount (Million)	Carrying amount of hedging instruments (₹ Million)		Maturity dates	Hedge ratio	Strike price range	Change in fair value of hedging instruments (₹ Million)	Change in value of hedged item used as the basis for recognising hedge effectiveness (₹ Million)
		Assets	Liabilities					
As on March 31, 2021								
Cash flow hedge								
Foreign exchange and interest rate risk								
(i) Cross currency swaps								
USD / INR	USD 160.13	972.14	–	April-2022 to September -2024	1:1	63.95 to 68.60	(987.35)	987.35
Fair flow hedge								
Foreign exchange risk								
(i) Foreign currency forward contracts								
EUR / INR	EUR 21.06	0.54	(30.72)	April-2021 to May-2021	1:1	86.36 to 89.16	(30.18)	30.18
USD / INR	USD 16.18	2.93	–	April-2021	1:1	73.15 to 73.17	2.93	(2.93)

[Carrying value of firm commitments for capital assets is ₹ 27.25 million and is recognised in other non-current liabilities as others]

(2) Disclosure of effects of hedge accounting on consolidated statement of profit and loss

₹ Million

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffec-tiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
For the year ended March 31, 2022				
Cash flow hedge				
Foreign exchange and interest rate risk	(416.46)	–	(626.91) 59.09	Finance Cost Loss on foreign currency transactions and translations

₹ Million

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffec-tiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
For the year ended March 31, 2021				
Cash flow hedge				
Foreign exchange and interest rate risk	(987.35)	–	(603.49) (409.37)	Finance Cost Gain on foreign currency transactions and translations

(3) Movement in cash flow hedging reserve

₹ Million

Particulars	Foreign currency and interest rate risk
Cash flow hedge reserve	
Balance as on April 01, 2020	**(113.91)**
Add: Changes in fair value of cross currency swaps	(987.35)
Less: Amount reclassified to consolidated statement of profit and loss	1,012.86
Less: Deferred tax relating to above (net)	(8.91)
Balance as on March 31, 2021	**(97.31)**
Add: Changes in fair value of cross currency swaps	(416.46)
Less: Amount reclassified to consolidated statement of profit and loss	567.82
Less: Deferred tax relating to above (net)	(52.89)
Balance as on March 31, 2022	**1.16**

13 STATUTORY AUDITOR'S REMUNERATION

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
For audit and quarterly reviews	75.11	75.12
For other services	3.06	3.76
Total	**78.17**	**78.88**

14 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(A) Revenue expenditure		
Materials	220.29	148.38
Employee benefits expense	1,674.32	1,449.12
Travelling, conveyance and vehicle	103.35	50.52
Others	736.93	707.60
Total	**2,734.89**	**2,355.62**
(B) Capital expenditure	500.92	893.28
Total (A + B)	**3,235.81**	**3,248.90**

15a CONTINGENT LIABILITIES

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Sales tax	125.13	118.36
Income tax	1,670.51	1,470.70
Claims against the Group not acknowledged as debt		
- Employee related	161.09	170.08
- Others	32.30	28.60
Excise duty, custom duty and service tax *	661.81	641.70

* Show-cause notices received from various Government Agencies pending formal demand notices have not been considered as contingent liabilities. In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of appeals.

b The Competition Commission of India ('CCI') on February 02, 2022 has released its order dated August 31, 2018 on the Company, other Tyre Manufacturers and Automotive Tyre Manufacturer Association alleging contravention of the provisions of the Competition Act, 2002 in the year 2011-12 and imposed a penalty of Rs. 4,255.30 Million on the Company. The Company has filed an appeal against the CCI Order before the Honourable National Company Law Appellate Tribunal (NCLAT). Based on legal advice the Company believes that it has a strong case and accordingly no provision is considered in these financial statements.

16 CAPITAL COMMITMENTS

₹ Million

Particulars	As on March 31, 2022	As on March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	4,945.02	6,972.51

17 The Company conducts international transactions with associated enterprises. For the current year, the management maintained necessary documents as prescribed by the Income Tax Act, 1961 to establish that these international transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

18 FOLLOWING SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES HAVE BEEN CONSIDERED IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS:

S. no.	Name of the entity	Relationship	Country of incorporation	Ownership held by	% of holding and voting power either directly or indirectly through subsidiary		Remarks
					As on March 31, 2022	As on March 31, 2021	
1	Apollo Tyres Centre of Excellence Limited	Subsidiary	India	Apollo Tyres Ltd.	100%	100%	
2	Apollo Tyres (Greenfield) B.V.	Subsidiary	Netherlands	Apollo Tyres Ltd.	100%	100%	
3	Apollo Tyres Cooperatief U.A. (Apollo Coop)	Subsidiary	Netherlands	Apollo Tyres Ltd. and Apollo Tyres (Greenfield) B.V.	100%	100%	
4	Apollo (South Africa) Holdings (Pty) Ltd (ASHPL)	Subsidiary	South Africa	Apollo Coop	100%	100%	
5	Apollo Tyres Africa (Pty) Ltd	Subsidiary	South Africa	ASHPL	100%	100%	
6	Apollo Tyres (Thailand) Limited	Subsidiary	Thailand	Apollo Coop	100%	100%	
7	Apollo Tyres (Middle East) FZE	Subsidiary	Dubai	Apollo Coop	100%	100%	
8	Apollo Tyres Holdings (Singapore) Pte Ltd (ATHS)	Subsidiary	Singapore	Apollo Coop	100%	100%	
9	ATL Singapore Pte Ltd.	Subsidiary	Singapore	ATHS	100%	100%	Note (a)
10	Apollo Tyres (Malaysia) SDN BHD	Subsidiary	Malaysia	ATHS	100%	100%	Note (a)
11	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK)	Subsidiary	United Kingdom	Apollo Coop	100%	100%	
12	Apollo Tyres (London) Pvt Ltd	Subsidiary	United Kingdom	ATUK	100%	100%	
13	Apollo Tyres Global R&D B.V.	Subsidiary	Netherlands	Apollo Coop	100%	100%	
14	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH)	Subsidiary	Germany	Apollo Coop	100%	100%	
15	Apollo Tyres AG	Subsidiary	Switzerland	Apollo Coop	100%	100%	
16	Apollo Tyres Do (Brasil) Ltda	Subsidiary	Brazil	Apollo Coop and ATEU	100%	100%	
17	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU)	Subsidiary	Netherlands	Apollo Coop	100%	100%	
18	Apollo Tyres (Hungary) Kft. (ATH Kft)	Subsidiary	Hungary	ATEU	100%	100%	
19	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL)	Subsidiary	Netherlands	ATEU	100%	100%	
20	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)	Subsidiary	Germany	ATNL	100%	100%	
21	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	Subsidiary	Sweden	ATNL	100%	100%	
22	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	Subsidiary	United Kingdom	ATNL and Finlo B.V.	100%	100%	
23	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	Subsidiary	France	ATNL and Finlo B.V.	100%	100%	

S. no.	Name of the entity	Relationship	Country of incorporation	Ownership held by	% of holding and voting power either directly or indirectly through subsidiary		Remarks
					As on March 31, 2022	As on March 31, 2021	
24	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	Subsidiary	Belgium	ATNL and Finlo B.V.	100%	100%	
25	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	Subsidiary	Austria	ATNL	100%	100%	
26	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	Subsidiary	Switzerland	ATNL	100%	100%	
27	Apollo Tyres Iberica S.A. (Formerly Apollo Vredestein Iberica SAU)	Subsidiary	Spain	ATNL	100%	100%	
28	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.)	Subsidiary	USA	Apollo Coop	100%	100%	
29	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)	Subsidiary	Hungary	ATNL	100%	100%	
30	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	Subsidiary	Poland	ATNL and AT GmbH	100%	100%	
31	Vredestein Consulting B.V.	Subsidiary	Netherlands	ATNL	100%	100%	
32	Finlo B.V.	Subsidiary	Netherlands	ATNL	100%	100%	
33	Reifencom GmbH, Hannover	Subsidiary	Germany	Apollo Coop	100%	100%	
34	Reifencom Tyre (Qingdao) Co., Ltd.	Subsidiary	China	Reifencom GmbH, Hannover	100%	100%	
35	Saturn F1 Pvt Ltd	Subsidiary	United Kingdom	Apollo Coop	100%	100%	
36	Pan Aridus LLC	Joint Venture	USA	ATHS	50.00%	50.00%	Note (b)
37	KT Telematic Solutions Private Limited	Associate	India	Apollo Tyres Ltd.	25.00%	25.00%	Note (c)
38	CSE Deccan Solar Private Limited	Associate	India	Apollo Tyres Ltd.	27.20%	–	Note (d)

Notes

(a) In the process of liquidation.

(b) The investment in Pan Aridus LLC, has been fully impaired in the prior years and the Group discontinued recognizing further losses in accordance with Ind AS 28 Investments in Associates and Joint Ventures. The Group does not have any further obligations to satisfy with regard to this joint venture.

(c) As on March 31, 2022, the Company has as investment of ₹ 45.01 million in the said associate.

(d) During the year under review, the Company had made an investment of ₹ 93.30 million by purchasing 1,166,250 Equity Shares (27.2%) of CSE Deccan Solar Private Limited on January 14, 2022, to get a guaranteed supply of 40 million units of electricity per annum for its Chennai Plant. Consequent to this investment, CSE Deccan Solar Private Limited has become an Associate Company.

19 DISCLOSURE OF RELATED PARTY TRANSACTIONS IN ACCORDANCE WITH IND AS 24 RELATED PARTY DISCLOSURES

i) Name of the related parties

PARTICULARS	Year ended March 31, 2022	Year ended March 31, 2021
Companies in which directors are interested	Apollo International Limited	Apollo International Limited
	Apollo International FZC	Apollo International FZC
	Landmark Farms & Housing Pvt. Ltd.	Landmark Farms & Housing Pvt. Ltd.
	Sunlife Tradelinks (P) Ltd.	Sunlife Tradelinks (P) Ltd.
	Classic Industries and Exports Limited	Classic Industries and Exports Limited
	PTL Enterprises Ltd.	PTL Enterprises Ltd.
	Artemis Cardiac Care Pvt Ltd	Artemis Cardiac Care Pvt Ltd
	Premedium Pharmaceuticals Pvt Ltd	Premedium Pharmaceuticals Pvt Ltd
	Nutriburst India Private Limited	Nutriburst India Private Limited
	Swaranganga Consultants Private Limited	Swaranganga Consultants Private Limited
	Artemis Medicare Services Ltd.	Artemis Medicare Services Ltd.
	Shardul Amarchand Mangaldas & Co.	Shardul Amarchand Mangaldas & Co.
	Regent Properties	Regent Properties
Associates	CSE Deccan Solar Private Limited	N.A.
	KT Telematic Solutions Private Limited	KT Telematic Solutions Private Limited
Joint venture	Pan Aridus LLC	Pan Aridus LLC
Key management personnel	Mr. Onkar Kanwar	Mr. Onkar Kanwar
	Mr. Neeraj Kanwar	Mr. Neeraj Kanwar
	Mr. Satish Sharma	Mr. Satish Sharma
	Mr. Akshay Chudasama	Mr. Akshay Chudasama
	Gen. Bikram Singh (Retd.)	Gen. Bikram Singh (Retd.)
	Mr. Francesco Gori	Mr. Francesco Gori
	Ms. Pallavi Shroff	Ms. Pallavi Shroff
	Mr. Robert Steinmetz	Mr. Robert Steinmetz
	Mr. Sunam Sarkar	Mr. Sunam Sarkar
	Mr. Vikram S. Mehta	Mr. Vikram S. Mehta
	Mr. Vinod Rai	Mr. Vinod Rai
	Ms. Anjali Bansal *	Ms. Anjali Bansal
	Mr Francesco Crispino	Mr Francesco Crispino
	Mr Vishal Kashyap Mahadevia	Mr Vishal Kashyap Mahadevia
	Ms. Lakshmi Puri * *	NA

Notes: Related parties and their relationships are as identified by the management and relied upon by the auditors. All transactions are conducted in the ordinary course of business and at arm's length.

* Ceased to be director during the year

** Appointed during the year

ii) **Transactions and balances with related parties**

a) **Companies in which directors are interested**

₹ Million

Particulars	FY 2021-22	FY 2020-21
Description of transactions:		
Sales: finished goods		
Apollo International Limited	70.18	–
Apollo International FZC	380.88	378.02
	451.06	**378.02**
Sales: raw materials		
Classic Industries and Exports Limited	735.71	404.53
Cross charge of management & other expenses received:		
PTL Enterprises Ltd.	0.85	0.85
Classic Industries and Exports Limited	1.69	1.69
Artemis Medicare Services Ltd.	0.71	0.60
	3.25	**3.14**
Rent received:		
PTL Enterprises Ltd.	0.39	0.39
Classic Industries and Exports Limited	1.06	1.06
Artemis Medicare Services Ltd	0.05	–
Artemis Cardiac Care Pvt Ltd	0.03	–
Premedium Pharmaceuticals Pvt Ltd	0.02	–
	1.55	**1.45**
Reimbursement of expenses received:		
Classic Industries and Exports Limited	11.85	10.61
Freight & Insurance recovered:		
Apollo International FZC	0.02	–
Purchases of health supplements:		
Nutriburst India Private Limited	58.31	–
Purchases of stock in trade:		
Classic Industries and Exports Limited	3,836.80	2,946.00
Purchase of assets:		
Classic Industries and Exports Limited	757.19	1,344.05
Legal and professional charges paid:		
Shardul Amarchand Mangaldas & Co.	3.21	9.13
Reimbursement of expenses paid:		
PTL Enterprises Ltd.	669.66	653.33
Classic Industries and Exports Limited	19.44	4.66
	689.10	**657.99**
Payment for services received:		
Artemis Medicare Services Ltd.	94.95	22.54
Classic Industries and Exports Limited	13.70	7.80
	108.65	**30.34**
Lease rent paid:		
PTL Enterprises Ltd.	600.00	600.00
Rent paid:		
Sunlife Tradelinks (P) Ltd.	31.82	30.99
Swaranganga Consultants Pvt Ltd	1.58	–
Regent Properties	23.76	23.76
Classic Industries and Exports Limited	0.12	0.12
	57.28	**54.87**
Mixing charges paid:		
Classic Industries and Exports Limited	178.07	190.45

b) Associates

₹ Million

Particulars	FY 2021-22	FY 2020-21
Investments made:		
CSE Deccan Solar Private Limited	93.30	–
Payment for services received:		
KT Telematic Solutions Private Limited	0.88	–

₹ Million

Particulars	FY 2021-22	FY 2020-21
Amount outstanding:		
Other non-current financial assets*:		
PTL Enterprises Ltd.	600.00	600.00
Sunlife Tradelinks (P) Ltd.	5.86	5.86
Regent Properties	5.40	5.40
Swaranganga Consultants Pvt Ltd	3.15	–
	614.41	**611.26**
Other non-current assets:		
Classic Industries and Exports Limited	194.27	152.44
Trade receivables:		
Apollo International Limited	59.45	–
Artemis Cardiac Care Pvt Ltd	0.04	–
Premedium Pharmaceuticals Pvt Ltd	0.02	–
	59.51	**–**
Other current assets:		
PTL Enterprises Ltd.	51.74	64.97
Classic Industries and Exports Limited	263.31	213.60
	315.05	**278.57**
Trade payable:		
Classic Industries and Exports Limited	511.16	410.61
Artemis Medicare Services Ltd.	5.96	1.69
Shardul Amarchand Mangaldas & Co.	0.49	–
	517.61	**412.30**
Other current financial liabilities:		
Classic Industries and Exports Limited	123.26	419.85
Apollo International FZC	18.11	16.11
KT Telematic Solutions Private Limited	0.25	–
	141.62	**435.96**

c) Key management personnel (KMP)

₹ Million

Particulars	FY 2021-22	FY 2020-21
Managerial remuneration:		
Mr. Onkar Kanwar	140.14	420.82
Mr. Neeraj Kanwar	122.62	368.21
Mr. Satish Sharma	89.58	68.52
	352.34	**857.55**
Sitting fees:		
Non-executive directors	4.13	5.77
Commission:		
Non-executive directors	38.00	45.00

Certain KMPs also participate in post employment benefits plans provided by the Company. The amount in respect of these towards the KMPs can not be segregated as these are based on actuarial valuation for all employees of the Company.

* This represents undiscounted value.

20 SEGMENTAL REPORTING

The Group's operations comprise only one business segment – Automobile Tyres, Automobile Tubes & Automobile Flaps in the context of reporting business / geographical segment as required under Ind AS 108 - Operating Segments.

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segment. Accordingly, information has been presented along these business segments which have been defined based on the geographical presence of various entities:

a) APMEA (Asia Pacific, Middle East and Africa)

b) Europe

c) Others

APMEA segment includes manufacturing and sales operation through India and include entities in UAE, Thailand, Malaysia and South Africa. Europe segment includes manufacturing and sales operation through the entities in Europe. Others segment includes sales operations in Americas and all other corporate entities.

The accounting principles used in the preparation of the consolidated financial statements are consistently applied in individual segment to prepare segment reporting.

₹ Million

Particulars	APMEA		Europe		Others		Eliminations		Total	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
1. REVENUE										
Total revenue	148,265.16	119,187.49	65,543.45	56,754.17	40,971.73	25,443.34	(45,304.56)	(27,415.01)	209,475.78	173,969.99
Inter segment revenue	(6,168.88)	(2,222.36)	(1,778.35)	(1,319.16)	(37,357.33)	(23,873.49)	45,304.56	27,415.01	–	–
External revenue	**142,096.28**	**116,965.13**	**63,765.10**	**55,435.01**	**3,614.40**	**1,569.85**	**–**	**–**	**209,475.78**	**173,969.99**
2. RESULT										
Segment result	7,151.27	14,694.81	4,481.18	649.31	1,346.64	774.84	–	–	12,979.09	16,118.96
Interest expense	(3,831.35)	(3,804.17)	(524.47)	(523.93)	(88.41)	(101.53)	–	–	(4,444.23)	(4,429.63)
Share of profit / (loss) in associates / joint venture	0.96	0.27	–	–	–	–	–	–	0.96	0.27
Exceptional items	(59.08)	(121.42)	–	(5,956.02)	–	–	–	–	(59.08)	(6,077.44)
Income taxes	(938.91)	(3,324.93)	(890.99)	1,366.99	(260.84)	(152.09)	–	–	(2,090.74)	(2,110.03)
Net profit after tax	**2,322.89**	**7,444.56**	**3,065.72**	**(4,463.65)**	**997.39**	**521.22**	**–**	**–**	**6,386.00**	**3,502.13**
3. OTHER INFORMATION										
Depreciation and amortisation	8,306.47	7,197.09	5,268.76	5,486.07	421.50	466.36	–	–	13,996.73	13,149.52

₹ Million

Particulars	APMEA		Europe		Others		Eliminations		Total	
	As on March 31, 2022	As on March 31, 2021	As on March 31, 2022	As on March 31, 2021	As on March 31, 2022	As on March 31, 2021	As on March 31, 2022	As on March 31, 2021	As on March 31, 2022	As on March 31, 2021
Segment assets	177,718.34	169,391.24	84,429.81	84,738.89	15,871.02	11,764.69	(10,969.58)	(5,542.05)	267,049.59	260,352.77
Segment liabilities	105,874.14	97,856.52	42,460.92	47,225.60	11,864.25	6,233.51	(10,671.04)	(5,394.17)	149,528.27	145,921.46
Capital employed	71,844.20	71,534.72	41,968.89	37,513.29	4,006.77	5,531.18	(298.54)	(147.88)	117,521.32	114,431.31
Non-current assets*	124,302.83	114,994.30	54,282.85	58,024.49	2,007.45	2,276.79	–	–	180,593.13	175,295.58

*Non-current assets consists of property, plant and equipment, capital work-in-progress, capital advances, right of use assets and other intangible assets.

Information about major customers	None of the individual customer accounted for more than 10% of the consolidated revenue for the years ended March 31, 2022 and March 31, 2021.

21 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE ACT

S. No	Name of the entity	Net assets as on March 31, 2022		Share in profit or (loss) for the year ended March 31, 2022		Share in other comprehensive income for the year ended March 31, 2022		Share in total comprehensive income or (loss) for the year ended March 31, 2022	
		As a % of consolidated net assets	₹ Million	As a % of consolidated profit or (loss)	₹ Million	As a % of consolidated other comprehensive income	₹ Million	As a % of consolidated total comprehensive income or (loss)	₹ Million
	Company								
1	Apollo Tyres Limited	80.99	95,184.74	40.88	2,610.64	(6.65)	71.34	50.48	2,681.98
	Indian subsidiary								
2	Apollo Tyres Centre of Excellence Limited	0.04	48.85	(0.02)	(1.08)	-	-	(0.02)	(1.08)
	Foreign subsidiaries								
3	Apollo Tyres (Greenfield) B.V.	0.02	24.44	0.01	0.37	-	-	0.01	0.37
4	Apollo Tyres Cooperatief U.A. & Others (refer Note 1 below)	138.18	162,390.36	198.63	12,684.42	(5.46)	58.54	239.85	12,742.96
	Indian associates								
5	KT Telematic Solutions Private Limited	0.01	15.21	0.02	1.59	-	-	0.03	1.59
6	CSE Deccan Solar Private Limited	0.08	91.27	(0.01)	(0.63)	-	-	(0.01)	(0.63)
7	Add / (Less): Effect of IND AS adjustments / eliminations arising out of consolidation	(119.32)	(140,233.55)	(139.51)	(8,909.31)	112.11	(1,203.02)	(190.34)	(10,112.33)
	Total	**100.00**	**117,521.32**	**100.00**	**6,386.00**	**100.00**	**(1,073.14)**	**100.00**	**5,312.86**

Note 1 Apollo Tyres Cooperatief U.A. and Others:

₹ Million

S. No	Name of the entity	Net assets as on March 31, 2022	Share in profit or (loss) for the year ended March 31, 2022	Share in other comprehensive income for the year ended March 31, 2022	Share in total comprehensive income or (loss) for the year ended March 31, 2022
1	Apollo Tyres Cooperatief U.A. (Apollo Coop)	65,671.54	4,767.58	-	4,767.58
2	Apollo (South Africa) Holdings (Pty) Ltd (ASHPL)	340.79	0.06	-	0.06
3	Apollo Tyres Africa (Pty) Ltd	168.38	56.43	-	56.43
4	Apollo Tyres (Thailand) Limited	254.22	(26.81)	-	(26.81)
5	Apollo Tyres (Middle East) FZE	257.62	(134.33)	-	(134.33)
6	Apollo Tyres Holdings (Singapore) Pte Ltd (ATHS)	2,494.42	655.98	-	655.98
7	ATL Singapore Pte Ltd.	-	4.99	-	4.99
8	Apollo Tyres (Malaysia) SDN BHD	5.35	(27.24)	-	(27.24)
9	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK)	1,830.94	54.39	-	54.39
10	Apollo Tyres (London) Pvt Ltd	1,044.76	-	-	-
11	Apollo Tyres Global R&D B.V.	272.81	166.96	-	166.96
12	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH)	175.52	16.91	-	16.91
13	Apollo Tyres AG	468.06	112.76	-	112.76
14	Apollo Tyres Do (Brasil) Ltda	(6.41)	1.52	-	1.52
15	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU)	37,895.54	2,936.52	-	2,936.52
16	Apollo Tyres (Hungary) Kft. (ATH Kft)	32,644.73	1,264.06	-	1,264.06

₹ Million

S. No	Name of the entity	Net assets as on March 31, 2022	Share in profit or (loss) for the year ended March 31, 2022	Share in other comprehensive income for the year ended March 31, 2022	Share in total comprehensive income or (loss) for the year ended March 31, 2022
17	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL)	13,679.72	2,521.86	-	2,521.86
18	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)	3,088.19	223.79	52.23	276.02
19	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	90.85	20.71	-	20.71
20	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	254.30	24.98	-	24.98
21	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	179.40	37.98	-	37.98
22	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	110.55	45.39	-	45.39
23	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	25.02	42.98	-	42.98
24	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	279.82	10.34	-	10.34
25	Apollo Tyres Iberica S.A. (Formerly Apollo Vredestein Iberica SAU)	452.69	19.41	-	19.41
26	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.)	(229.43)	(196.98)	-	(196.98)
27	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)	(38.99)	(56.21)	-	(56.21)
28	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	181.66	23.95	-	23.95
29	Vredestein Consulting B.V.	266.11	(0.01)	-	(0.01)
30	Finlo B.V.	(18.90)	-	-	-
31	Reifencom GmbH, Hannover	375.83	110.12	6.31	116.43
32	Reifencom Tyre (Qingdao) Co., Ltd.	(0.63)	0.60	-	0.60
33	Saturn F1 Pvt Ltd	175.90	5.73	-	5.73
	Total	**162,390.36**	**12,684.42**	**58.54**	**12,742.96**

22 EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors have recommended a final dividend of ₹ **3.25** (₹ 3.50) per share amounting to ₹ **2,064.08 Million** (₹ 2,222.85 Million) on Equity Shares of ₹ 1/- each for the year, subject to approval from Shareholders.

23 INFORMATION ON DETAILS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE ACT READ WITH COMPANIES (MEETINGS OF BOARD AND ITS POWERS) RULES, 2014

i) Details of investments made are given in note B2 and B3.*

ii) There are no loans / guarantees given by the Company (other than on behalf of wholly owned subsidiary) in accordance with Section 186 of the Act read with rules issued thereunder.

* All transactions are in the ordinary course of business

24 RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

Effective April 1, 2017, the Group adopted the amendment to Ind AS-7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the consolidated balance sheet for liabilities arising from financing activities, to meet the disclosure requirements. The required disclosure is presented below:

₹ Million

Particulars	As on April 01, 2021	Cash flows	Non cash changes				As on March 31, 2022
			Foreign exchange movement*	Interest expense	New leases	Others	
Non-current borrowings (including current maturities)	61,022.59	(7,637.12)	(364.54)	-	-	76.12	53,097.05
Current borrowings	3,033.43	5,002.03	45.48	-	-	(0.67)	8,080.27
Lease liability	9,279.10	(2,694.07)	(79.47)	511.81	1,718.88	(63.70)	8,672.55

₹ Million

Particulars	As on April 01, 2020	Cash flows	Non cash changes				As on March 31, 2021
			Foreign exchange movement*	Interest expense	New leases	Others	
Non-current borrowings (including current maturities)	52,986.45	7,756.55	193.58	–	–	86.01	61,022.59
Current borrowings	14,320.01	(11,226.62)	(64.12)	–	–	4.16	3,033.43
Lease liability	10,209.64	(2,649.42)	83.32	505.77	1,254.13	(124.34)	9,279.10

* Foreign exchange movement for the Company is covered by derivative instrument and includes currency translation impact for subsidiaries arising out of consolidation.

25 Effective April 01, 2018, the Group has adopted Ind AS 115 " Revenue from Contracts with Customers" using the cumulative effect. The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue in the consolidated financial statements of the Group.

The Group's revenue disaggregated by geographical markets has been disclosed in note C20.

Reconciling the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per contracted price (as invoiced)	214,095.45	179,482.47
Reduction towards variable consideration components	(8,287.31)	(9,936.40)
Revenue from contract with customers	**205,808.14**	**169,546.07**

The Group has applied the practical expedient and has not disclosed the transaction price allocated to the remaining performance obligations as the Group does not have any open contract for which the expected duration is more than one year as at the reporting period.

26 On February 26, 2020, the Company executed an agreement with Emerald Sage Investment Ltd (an affiliate of Warburg Pincus LLC) to issue 108,000,000 6.34% Compulsorily Convertible Preference Shares (CCPS) having a face value of ₹ 100 each, at par, for cash, by way of preferential allotment on a private placement basis. The Members of the Company approved the issue of CCPS (Tranche 1) through its Extraordinary General Meeting held on March 23, 2020 and issue of CCPS (Tranche 2) through Postal Ballot held on September 24, 2020. The Company had allotted 54,000,000 CCPS (Tranche 1) and 54,000,000 CCPS (Tranche 2), for cash, for an aggregate amount of ₹ 10,800 Million on April 22, 2020 and October 7, 2020 respectively. These CCPS have been accounted for as compound instruments in the financial statements. On December 5, 2020, one of the conditions for conversion were met and accordingly the Company has issued 63,050,966 equity shares having a face value of ₹ 1 per share. After issue of the aforesaid equity shares, the paid-up equity share capital of the Company has increased by ₹ 63.05 Million and securities premium account by ₹ 10,450.95 Million, net of share issue expenses.

27 a) In order to improve the performance of its subsidiary company, Apollo Tyres (NL) B.V. ("ATNL") located in Enschede, the Netherlands, the management of ATNL had initiated certain steps which included a plan ("the Plan") to change the product / sourcing mix and its resultant impact on the current work force of ATNL. During the quarter ended September 30, 2020, the management of ATNL had reached an agreement with the Works Council of ATNL on the Plan and necessary steps were being taken to implement the Plan.

During the previous year ended March 31, 2021, the management of ATNL has completed the implementation of the Plan and recorded one-time expense amounting to ₹ 5,956.02 Million as an exceptional item. The said amount includes expense related to employee benefits and write off / impairment of certain assets (Property, plant & equipment and inventories) amounting to ₹ 4,560.54 Million and ₹ 1,395.48 Million respectively.

b) The Company and other subsidiaries in APMEA had carried out an employee re-organisation exercise for its employees. The amount (including foreign exchange) paid to the employees who opted for this scheme aggregated to ₹ **59.08 Million** (₹ 121.42 Million) for the year ended March 31, 2022, has been disclosed as an exceptional item.

28 Previous year's figures has been regrouped and/ or reclassed wherever necessary to confirm to the current year's groupings and classifications.

29 AGEING OF TRADE PAYABLES

₹ Million

Particulars	As on March 31, 2022						
	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	713.70	0.03	-	-	-	713.73
Others	4,953.01	23,560.07	6,345.30	192.28	167.17	137.16	35,355.00
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	**4,953.01**	**24,273.78**	**6,345.33**	**192.28**	**167.17**	**137.16**	**36,068.73**

₹ Million

Particulars	As on March 31, 2021						
	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	628.62	0.39	0.02	-	-	629.03
Others	5,468.06	14,957.23	6,725.12	162.51	113.62	11.47	27,438.00
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	**5,468.06**	**15,585.85**	**6,725.51**	**162.53**	**113.62**	**11.47**	**28,067.03**

30 AGEING OF TRADE RECEIVABLES

₹ Million

Particulars	As on March 31, 2022							
	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	54.83	14,738.23	1,294.37	3.49	3.50	2.19	7.86	16,104.47
Undisputed trade receivables – which have significant increase in credit risk	-	-	191.19	16.79	138.21	60.79	451.64	858.62
Undisputed trade receivables – credit impaired	-	-	(191.19)	(16.79)	(138.21)	(60.79)	(451.64)	(858.62)
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**54.83**	**14,738.23**	**1,294.37**	**3.49**	**3.50**	**2.19**	**7.86**	**16,104.47**

₹ Million

Particulars	As on March 31, 2021							
	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	60.56	13,060.17	670.71	4.08	4.62	3.00	5.04	13,808.18
Undisputed trade receivables – which have significant increase in credit risk	-	-	169.75	30.56	143.32	63.76	459.95	867.34
Undisputed trade receivables – credit impaired	-	-	(169.75)	(30.56)	(143.32)	(63.76)	(459.95)	(867.34)
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**60.56**	**13,060.17**	**670.71**	**4.08**	**4.62**	**3.00**	**5.04**	**13,808.18**

31 CAPITAL WORK IN PROGRESS (CWIP)

a) CWIP aging schedule

₹ Million

Particulars	As on March 31, 2022				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,552.44	732.39	351.68	545.84	6,182.34
Total	**4,552.44**	**732.39**	**351.68**	**545.84**	**6,182.34**

₹ Million

Particulars	As on March 31, 2021				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	6,368.48	3,309.82	1,003.16	383.66	11,065.12
Total	**6,368.48**	**3,309.82**	**1,003.16**	**383.66**	**11,065.12**

There are no projects which are temporarily suspended

b) There is no project in CWIP, whose completion is overdue or has exceeded its cost compared to its original plan.

32 Other Statutory Information

(i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group do not have any transactions with companies struck off.

(iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

33 EARNINGS PER SHARE (EPS) – THE NUMERATOR AND DENOMINATOR USED TO CALCULATE BASIC AND DILUTED EARNINGS PER SHARE:

₹ Million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Basic and diluted earnings per share		
Profit attributable to the equity shareholders used as numerator (₹ Million) - (A)	6,386.00	3,502.13
The weighted average number of equity shares outstanding during the year used as denominator - (B)	635,100,946	616,962,997
Basic / Diluted earnings per share (₹) – (A) / (B) (Face value of ₹ 1 each)	10.06	5.68

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Gurugram
May 12, 2022

Form AOC 1

(pursuant to first proviso to sub section (3) of sec. 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associates / joint venture

Part A: Subsidiaries

₹ Million

S. No	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Reporting currency	Exchange rate as on 31.03.2022	As on March 31, 2022					Year ended March 31, 2022			
					Share capital	Reserves & surplus	Total assets	Total liabilities	Investment (other than in subsidiary)	Turnover (including other income)	Profit before tax	Tax expense	Profit after tax
1	Apollo Tyres Centre of Excellence Limited	October 10, 2020	INR	1.00	50.00	(1.15)	142.93	94.08	-	10.54	(1.32)	(0.24)	(1.08)
2	Apollo Tyres (Greenfield) B.V.	June 4, 2014	EURO	84.03	3.03	21.41	25.04	0.60	-	0.49	0.37	-	0.37
3	Apollo Tyres Cooperatief U.A. (Apollo Coop)	May 1, 2009	EURO	84.03	25,725.99	39,945.55	67,391.55	1,720.01	182.88	4,800.46	4,756.62	(10.96)	4,767.58
4	Apollo (South Africa) Holdings (Pty) Ltd (ASHPL)	September 29, 2006	ZAR	5.20	-	340.79	340.81	0.02	-	0.41	0.09	0.03	0.06
5	Apollo Tyres Africa (Pty) Ltd	July 29, 2013	ZAR	5.20	2,078.89	(1,910.51)	984.91	816.53	-	1,933.55	56.43	-	56.43
6	Apollo Tyres (Thailand) Limited	January 22, 2013	THB	2.28	228.10	26.12	916.75	662.53	-	2,772.86	(26.81)	-	(26.81)
7	Apollo Tyres (Middle East) FZE	January 2, 2011	AED	20.67	41.34	216.28	1,474.36	1,216.74	-	5,799.90	(134.33)	-	(134.33)
8	Apollo Tyres Holdings (Singapore) Pte Ltd (ATHS)	September 8, 2010	USD	75.93	995.42	1,499.00	11,624.07	9,129.65	-	37,494.17	837.28	181.30	655.98
9	ATL Singapore Pte Ltd.	May 11, 2017	USD	75.93	90.12	(90.12)	-	-	-	9.50	4.99	-	4.99
10	Apollo Tyres (Malaysia) SDN BHD	March 15, 2016	MYR	18.06	117.10	(111.75)	6.53	1.18	-	98.67	(11.28)	15.96	(27.24)
11	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK)	March 16, 2012	GBP	99.75	1.85	1,829.09	2,167.30	336.36	-	1,788.54	89.47	35.08	54.39
12	Apollo Tyres (London) Pvt Ltd	December 12, 2014	GBP	99.75	0.10	1,044.66	1,046.05	1.29	-	-	-	-	-
13	Apollo Tyres Global R&D B.V.	January 2, 2013	EURO	84.03	0.01	272.80	888.69	615.88	-	2,934.03	223.21	56.25	166.96
14	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH)	November 11, 2015	EURO	84.03	2.10	173.42	189.01	13.49	-	283.17	24.38	7.47	16.91
15	Apollo Tyres AG	July 4, 2007	CHF	82.27	308.41	159.65	498.64	30.58	-	278.88	127.50	14.74	112.76
16	Apollo Tyres Do (Brasil) Ltda	September 15, 2011	BRL	16.02	12.65	(19.06)	19.87	26.28	-	-	1.52	-	1.52
17	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU)	March 2, 2012	EURO	84.03	1.51	37,894.03	49,647.70	11,752.16	-	-	3,797.67	861.15	2,936.52
18	Apollo Tyres (Hungary) Kft. (ATH Kft)	June 4, 2014	HUF	0.23	23.42	32,621.31	40,385.90	7,741.17	-	19,912.06	1,275.63	11.57	1,264.06
19	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL)	May 15, 2009	EURO	84.03	3.61	13,676.11	34,261.68	20,581.96	-	44,808.93	2,727.19	205.33	2,521.86
20	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)	May 15, 2009	EURO	84.03	43.02	3,045.17	4,682.12	1,593.93	-	12,408.64	327.34	103.55	223.79

₹ Million

S. No	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Reporting currency	Exchange rate as on 31.03.2022	As on March 31, 2022					Year ended March 31, 2022			
					Share capital	Reserves & surplus	Total assets	Total liabilities	Investment (other than in subsidiary)	Turnover (including other income)	Profit before tax	Tax expense	Profit after tax
21	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	May 15, 2009	SEK	8.08	7.67	83.18	705.36	614.51	-	1,292.50	20.71	-	20.71
22	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	May 15, 2009	GBP	99.75	99.85	154.45	254.30	-	-	1,945.00	29.64	4.66	24.98
23	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	May 15, 2009	EURO	84.03	3.52	175.88	179.40	-	-	2,837.56	55.15	17.17	37.98
24	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	May 15, 2009	EURO	84.03	5.21	105.34	699.72	589.17	-	2,722.16	65.63	20.24	45.39
25	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	May 15, 2009	EURO	84.03	3.05	21.97	595.37	570.35	-	2,980.55	44.24	1.26	42.98
26	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	May 15, 2009	CHF	82.27	185.11	94.71	333.40	53.58	-	1,038.53	12.18	1.84	10.34
27	Apollo Tyres Iberica S.A. (Formerly Apollo Vredestein Iberica SAU)	May 15, 2009	EURO	84.03	260.59	192.10	452.70	0.01	-	2,463.56	32.75	13.34	19.41
28	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.)	May 15, 2009	USD	75.93	1,006.04	(1,235.47)	2,101.68	2,331.11	-	3,484.03	(196.71)	0.27	(196.98)
29	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)	May 15, 2009	HUF	0.23	0.68	(39.67)	507.45	546.44	-	1,487.61	(53.52)	2.69	(56.21)
30	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	May 15, 2009	PLN	18.06	0.90	180.76	1,060.84	879.18	-	2,327.40	34.80	10.85	23.95
31	Vredestein Consulting B.V.	May 15, 2009	EURO	84.03	1.91	264.20	(12.20)	(278.31)	-	-	(0.01)	-	(0.01)
32	Finlo B.V.	May 15, 2009	EURO	84.03	0.76	(19.66)	-	18.90	-	-	-	-	-
33	Reifencom GmbH, Hannover	January 1, 2016	EURO	84.03	63.02	312.81	5,309.13	4,933.30	-	16,042.14	171.46	61.34	110.12
34	Reifencom Tyre (Qingdao) Co., Ltd.	January 1, 2016	CNY	11.98	5.90	(6.53)	0.92	1.55	-	1.23	0.60	-	0.60
35	Saturn F1 Pvt Ltd	September 16, 2016	GBP	99.75	317.96	(142.06)	190.86	14.96	-	130.63	6.97	1.24	5.73

Note 1 Name of subsidiaries which are yet to commence operations/non-operating - Finlo B.V.

Note 2 For details of shareholding and name of subsidiaries which have been liquidated/sold/merged during the year, refer note C18.

Note 3 Financial period for all the subsidiaries is April to March.

Note 4 Details of dividend proposed by subsidiaries to their parent entity as on March 31, 2022 are as under:

Name	₹ Million
Apollo Tyres (Hungary) Kft. (ATH Kft)	1,022.85
Apollo Tyres AG	74.05

Part B: Joint Venture & Associates

1	**Name of the Associates**	KT Telematic Solutions Private Limited	CSE Deccan Solar Private Limited
2	**Latest Balance Sheet date**	March 31, 2022	March 31, 2022
3	**Shares of associate entity held by the company at the year end**		
	No.	3,334	1,166,250
	Extent of Holding %	25.00%	27.20%
	Amount of Investment in associate entity (₹ Million)	45.01	93.30
4	**Description of how there is significant influence**	Refer note 1 below	Refer note 2 below
5	**Reason why the associate is not consolidated**	Not applicable	Not applicable
6	**Net worth attributable to Shareholding as per latest Balance Sheet (₹ Million)**	15.21	91.27
7	**Profit / (Loss) for the year**		
	i. Considered in Consolidation (₹ Million)	1.59	(0.63)
	ii. Not Considered in Consolidation (₹ Million)	4.77	(5.74)

Note 1 By virtue of significant influence in certain business decisions under an agreement, KT Telematic Solutions Private Limited had become an associate of the Company w.e.f. February 21, 2018.

Note 2 During the year under review, the Company had made an investment of ₹ 93.30 million by purchasing 1,166,250 Equity Shares (27.2%) of CSE Deccan Solar Private Limited on January 14, 2022, to get a guaranteed supply of 40 million units of electricity per annum for its Chennai Plant. Consequent to this investment, CSE Deccan Solar Private Limited has become an Associate Company.

Note 3 For details of investment in joint venture (Pan Aridus LLC), refer note C18

Note 4 **Name of associates or joint ventures which are yet to commence operations**

CSE Deccan Solar Private Limited

Note 5 **Name of associates or joint ventures which have been liquidated or sold during the year**

None

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman & Managing Director
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Gurugram
May 12, 2022

APOLLO TYRES LTD

APOLLO TYRES LTD.

ANNEXURE - A

Information as per Section 197 of the Companies Act ,2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014, and forming part of the Board's Report for the Year ended March 31, 2022

S. No.	Name	Designation	Qualification	D.O.J.	Age	Exp.	Remuneration (₹ Million)	Previous Employment	Last Designation
Employed throughout the year									
1	Mr. Anand Maithani	Group Head - SCM & IT (APMEA)	MBA, BE	February 15, 2011	47	24	17.79	Philips Electronics India Ltd	General Manager
2	Mr. Anand Sathyamoorthy	Unit Head - Chinnapanduru Plant	B.Sc.	January 13, 2006	48	27	10.83	MRF Ltd.	Senior Supervisor
3	Mr. Aneet Chaku	Head - Customer Service (APMEA)	Executive Program in Mgmt, BBH(HM)	September 8, 2015	52	31	15.10	Vodafone India Limited	AVP-Quality
4	Mr. Anil Chopra	Group Head - CoE	B.Com, A.C.A.	August 18, 1992	67	41	29.70	Altos India Ltd	Manager - Finance
5	Mr. Ankur Thakur	Head - Product Marketing (Passenger Vehicle)	MBA, BBA	December 12, 2016	45	19	11.89	Reliance Retail (Online Fashion E.Com)	V.P. Marketing
6	Mr. Davendra Mittal	Head - Finance	MBA, BE	March 21, 2013	53	28	16.63	Lanco Infratech Ltd.	Sr. Vice President - Projects Finance
7	Mr. Deepak Gupta	Head - Business Quality	BE, Diploma in Business Mgmt	July 22, 2014	53	30	12.80	Frigoglass India Pvt Ltd	Head-Quality & Product Integrity
8	Mr. Dominic George Martin	Head - Product Marketing (CV/OHT)	MBA, B.Com	November 01, 2001	55	29	12.16	MRF Ltd.	District Manager
9	Mr. Gaurav Kumar	Chief Financial Officer	B.Tech., M.B.A.	March 1, 2004	52	29	81.73	HCL Technologies Ltd.	AVP - Mergers & Acquisitions
10	Mr. George Oommen	Unit Head - Kerala Plants	BE	August 30, 2007	59	37	13.16	Carborundum Universal Limited	AGM
11	Mr. Harish Bahadur	Head - Corporate Investments	B.Com (H)	February 2, 1975	69	47	36.09	-	-
12	Ms. Harshita Pande	Group Head - HR (APMEA)	M.Sc. (Sustainability), Dip. In CSR	March 18, 2002	55	29	15.53	Discovery Communications India	Associate Director
13	Mr. Hideki Otsuji	Head - Two Three Wheeler (R&D)	BE	June 1, 2020	58	35	14.12	Sumitomo Rubber Industries Ltd.	Manager - Test Department
14	Mr. Hisashi Ishibashi	Head-Business Development (OE)	M.Tech (Mechnical)	January 1, 2020	62	37	18.47	Bridgestone Corporation	General Manager
15	Mr. K. Prabhakar	Chief - Projects	B.Tech., PGD Ind. Engg. ICWA	March 1, 2019	67	41	50.04	Apollo Tyres (Hungary) KFT	Managing Director
16	Mr. K Sunil	Group Head-Mfg Strategy & Development (APMEA)	B.Tech	July 1, 1987	58	35	12.04	-	-
17	Ms. Leenaja EM Janardanan Nambiar	Group Head - Corporate Controlling	CIMA	October 1, 2018	51	26	20.67	Apollo Tyres Global R&D B.V.	Head Manufacturing Controling
18	Ms. Neelima Kataria	Head - HR Business Partner	PGDBM	January 9, 2017	49	14	10.32	HT Media Ltd	Head HR
19	Mr. Neeraj Kanwar	Vice Chairman & Managing Director	B.Sc., ACMS	February 24, 1997	50	27	122.62	Apollo Finance Ltd	Joint President
20	Mr. Onkar Kanwar	Chairman & Managing Director	B.Sc., Bach. of Admn.	February 1, 1988	80	61	140.14	Bst Manufacturing Ltd	Managing Director
21	Mr. Piush Bansal	Unit Head - Limda Plant	B.E. (Mech.), PGDBM	August 20, 2013	56	36	26.78	Moser Bear India	Vice President
22	Mr. Praveen Tripathi	Group Head - Corporate Procurement	MBA, ICWA	October 15, 1990	52	32	22.41	-	-
23	Mr. Praveen Moon	Group Head-Internal Systems	CA, B.Com (H)	October 16, 2012	48	28	15.37	PricewaterhouseCoopers Pvt Ltd	Associate Director
24	Mr. Prem Prakash Sharma	Head-HR - Limda Plant	PGDBM, PGDBA	July 30, 2013	58	35	14.00	India Yamaha Motor Pvt Ltd	Group Head - GA, Personal & HR
25	Mr. P. K. Mohamed	Chief Advisor - Research & Development	B.Sc., LPRI	February 19, 2001	81	58	41.22	Ceat Ltd.	Executive Director - Technical
26	Mr. Rajesh Dahiya	Vice President-Marketing & Sales (ISO)	B.Com, MBA	August 20, 1990	55	33	43.47	Indian Express	Business Executive
27	Mr. Ravi Kumar Shingari	Group Head-Corporate Taxation & Accounts	CA, B.Com (H)	September 28, 2018	43	22	23.77	KPMG	National Head - India Japan Corridor
28	Ms. Ritu Kumar	Group Head - Corporate Strategy & Legal	CA, CS	April 19, 2006	48	22	17.08	American Express	Team Leader
29	Mr. Rohit Arora	Group Head - Accounts (APMEA)	CA	September 19, 2000	50	28	22.58	ACC Ltd	Asst. Manager - Accounts
30	Mr. Sandeep Mathur	Group Head - OE & Inst. Business	MBA, M.Sc.	July 25, 1994	53	28	15.54	-	-
31	Mr. Satish Sharma	President - APMEA	BE, PGDBM	October 15, 1997	54	33	89.58	Jk Industries Ltd	Manager
32	Mr. S.K.P. Amarnath	Group Head - R&D (Asia)	B.Tech, B.Sc.	February 21, 2000	53	30	19.61	Monotond Tyres Ltd.	Dy. Manager
33	Mr. Suresh Damodaran	Head - OHT	MBA, B.Tech	February 16, 2018	62	39	12.84	ATC Tires (P) Ltd	Exe-Vice President
34	Mr. Thomas Mathew C.	Unit Head - Chennai	BE / B.Tech, MBA	July 1, 1987	59	35	18.81	-	-
35	Mr. Yoichi Sato	Chief - Quality & Safety Officer	B.Sc. (Engg)	June 1, 2020	65	25	46.82	SWOT Management Solutions Private Limited	Director - Business Quality
Employed part of the year									
	Not Applicable								

Note :

1 None of the above is related to any Director of the Company except Mr. Onkar Kanwar & Mr. Neeraj Kanwar being father and son.

2 All appointments are contractual.

For and on behalf of the Board of Directors

Place : Gurugram
Date : May 12, 2022

ONKAR KANWAR
Chairman & Managing Director
DIN: 00058921

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