

**Apollo Tyres (Greenfield) B.V.**

Amsterdam, the Netherlands

**ANNUAL REPORT 2019/2020**

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## 1. FINANCIAL STATEMENTS

## Apollo Tyres (Greenfield) B.V.

### 1.1 Balance sheet as of 31 March 2020

(After result appropriation)

ASSETS	31 March 2020		31 March 2019	
	EUR	EUR	EUR	EUR
<b>Fixed assets</b>				
<i>Financial fixed assets</i>				
Participations in group companies	[1] 7,184		7,184	
		7,184		7,184
<b>Current assets</b>				
<i>Receivables</i>				
Receivables from group companies	[2] 252,845		351,229	-
Taxes and premiums social insurance	9,635		5,544	
		262,480		356,773
<i>Cash at bank and in hand</i>	[3]	23,217		6,815
<b>Total assets</b>		292,881		370,772

## Apollo Tyres (Greenfield) B.V.

### 1.1 Balance sheet as of 31 March 2020

(After result appropriation)

SHAREHOLDERS' EQUITY AND LIABILITIES	31 March 2020		31 March 2019	
	EUR	EUR	EUR	EUR
<b>Shareholders' equity</b>				
Issued share capital	36,001		36,001	
Other reserves	251,554		243,658	
		287,555		279,659
<b>Current liabilities</b>				
Taxes	-		85,346	
Accrued liabilities	5,326		5,767	
		5,326		91,113
<b>Total shareholders' equity and liabilities</b>		292,881		370,772

## Apollo Tyres (Greenfield) B.V.

### 1.2 Profit and loss account as of 31 March 2020

		31 March 2020		31 March 2019	
		EUR	EUR	EUR	EUR
Net financing income	[6]		2,433		4,148
<b>Gross operating result</b>			<b>2,433</b>		<b>4,148</b>
Other operating costs	[7]		11,134		16,742
<b>Total operating costs</b>			11,134		16,742
<b>Operating result</b>			<b>(8,701)</b>		<b>(12,594)</b>
<b>Result before taxation</b>			<b>(8,701)</b>		<b>(12,594)</b>
Taxation	[8]		(16,597)		-
<b>Result after taxation</b>			<b>7,896</b>		<b>(12,594)</b>

## **Apollo Tyres (Greenfield) B.V.**

### **1.3 Notes to the financial statements**

#### **GENERAL**

The financial statements have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code, in conformity with the Guidelines for Annual Reporting for small enterprises.

#### **Company**

Apollo Tyres (Greenfield) B.V., a private limited liability company based in Amsterdam, the Netherlands has been registered at the Chamber of Commerce under file number 60817283.

#### **Activities**

The activities of Apollo Tyres (Greenfield) B.V., having its registered office at Amsterdam, the Netherlands primarily consist of:

- Holding activities
- Financing activities

The actual activities are carried out at Ir. Schiffstraat 370, Enschede, the Netherlands.

#### **Group structure**

The company is part of a group, headed by Apollo Tyres Limited, an Indian stocklisted company, with registered address at 3rd Floor, Areekal Mansion, Panampilly Nagar, 68203 Kochi, India.

#### **Consolidation**

The Company does not hold a substantial interest in the equity of its participation and does therefore not require to present consolidated financial statements.

#### **Impairment of fixed assets**

At each balance sheet date is judged whether there is any indication that an asset may be subject to impairment. If any such indication exists, the recoverable amount of the asset is determined. An impairment is recognized if the carrying amount of an asset is greater than its recoverable amount, the recoverable amount is the higher of net realizable value and value in use.

#### **Financial instruments**

Financial instruments include both primary financial instruments, such as receivables and liabilities, and financial derivatives. Reference is made to the treatment per balance sheet item for the principles of primary financial instruments.

The notes to the specific items of the balance sheet disclose the fair value of the related instrument if this deviates from the carrying amount. If the financial instrument is not recorded in the balance sheet the information on the fair value is disclosed in the notes to the 'Off-balance sheet incorporated rights and obligations'.

## Apollo Tyres (Greenfield) B.V.

### 1.3 Notes to the financial statements

#### Estimates

The preparation of the financial statements requires management to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed.

#### Currency

The annual accounts have been prepared in Euros. Receivables, debts and obligations in foreign currencies are converted at the rate as of the balance sheet date. Foreign currency transactions during the reporting period are processed in the annual accounts at the settlement rate. Any rate differences are incorporated in the profit and loss account.

#### Proposed appropriation of result for the financial year 2019/2020

The board of directors proposes to the general meeting that the result for the 2019/2020 financial year, amounting to EUR 7,896 (2018/2019 EUR -12,594), should be transferred fully to other reserves and that no dividend should be paid.

This proposal has already been incorporated in the financial statements.

#### Subsequent events

No major post balance sheet events affecting the financial statements have occurred to date.

#### Estimation of uncertainties relating to the global health pandemic from COVID-19

The outbreak of Coronavirus (COVID-19) pandemic is causing disturbance and slowdown of economic activity throughout the world and is impacting operations of the businesses, by way of interruption in production, supply chain disruption, unavailability of personnel, closure of production facilities etc. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of, investments, loan receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources on the expected future performance of the Company. Based on current indicators of future economic conditions, the Company expects the carrying amount of these assets will be recovered.

### BALANCE SHEET VALUATION POLICIES

#### General

Valuation of assets and liabilities and determination of the result take place under the historical cost convention. Unless mentioned otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

#### Financial fixed assets

##### *Participations in associated companies*

Participations in associated companies in which no significant influence is exerted on business and financial policies are valued at acquisition price, less any impairments.

#### Receivables

Upon initial recognition the receivables are recorded at the fair value and subsequently valued at the amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for doubtful accounts are deducted. These provisions are determined by individual assessment of the receivables.

#### Cash at bank and in hand

Cash at bank and in hand is valued at nominal value and, insofar as not stated otherwise, is at the free disposal of the company. Cash at bank and in hand relate to immediately due and payable withdrawal claims against credit institutions and cash resources.

#### Current liabilities

Current liabilities concern debts with a term of less than one year. Upon initial recognition the current liabilities are recorded at the fair value and subsequently valued at the amortized cost.



## **Apollo Tyres (Greenfield) B.V.**

### **1.3 Notes to the financial statements**

#### **PRINCIPLES FOR THE DETERMINATION OF THE RESULT**

##### **General**

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Profit or loss is determined taking into account the recognition of unrealised changes in fair value of: investment property, securities included in current assets and derivative financial instruments not designated as hedging instruments.

##### **Gross margin**

The gross margin represents the spread on the financial income for to the year.

##### **Operating costs**

Costs are attributed to the financial year to which they relate. Profits are accounted for in the year in which services have been performed. Losses are assumed in the year in which these are foreseeable.

##### **Taxation**

Taxation is based on the result in the annual accounts, taking into account tax losses from previous years and the permanent differences between the profit calculation according to the annual accounts on the one hand and according to profit calculation for tax purposes on the other hand. The calculation is made at the current tax rate.

#### **PRINCIPLES FOR THE PREPARATION OF THE CASH FLOW STATEMENT**

The Company takes advantage of section 360.104 of the Richtlijnen voor Jaarverslaggeving and does not prepare a cashflow statement as the consolidated financial statements of Apollo Tyres Ltd. are publicly available on the internet.

## Apollo Tyres (Greenfield) B.V.

### 1.4 Notes to the balance sheet

#### ASSETS

#### FIXED ASSETS

#### Financial fixed assets [1]

##### Participations in associated companies

Participations in associated companies have been divided as follows:

Name	Place of business	Share in capital	Equity in accordance with last annual account	Result in accordance with last annual account
		%	EUR	EUR
Apollo Tyres Cooperatief U.A.	Netherlands	0.0003	2,361	48

	<u>31 March 2020</u>	<u>31 March 2019</u>
	EUR	EUR
<b>Participations in associated companies</b>		
Apollo Tyres Cooperatief U.A.	7,184	7,184

No movements occurred in the participations in associated companies.

#### CURRENT ASSETS

#### Receivables [2]

	<u>31 March 2020</u>	<u>31 March 2019</u>
	EUR	EUR
<b>Receivables from group companies</b>		
Short term loans Apollo Tyres Coop. U.A.	252,845	351,229
	<u>252,845</u>	<u>351,229</u>

## Apollo Tyres (Greenfield) B.V.

### 1.4 Notes to the balance sheet

	31 March 2020	31 March 2019
	EUR	EUR
Short term loan Apollo Tyres Co-op U.A.		
<b>Value as on 1<sup>st</sup> April</b>	351,229	11,781,910
Interest	6,075	41,541
Repayment	(104,459)	(11,472,222)
<b>Value as on 31<sup>st</sup> March</b>	<b>252,845</b>	<b>351,229</b>

The loans provided to Apollo Tyres Co-operatief were partially repaid during the year along with accrued interest. As on 31<sup>st</sup> March 2020, the loan amount outstanding was EUR 250,000 and interest accrued EUR 2,845

	31 March 2020	31 March 2019
	EUR	EUR
<b>Taxes</b>		
Value added tax	6,486	5,544
Corporation Tax	3,149	-
<b>Cash at bank and in hand [3]</b>		
Current account Rabobank	23,217	6,815

## Apollo Tyres (Greenfield) B.V.

### 1.4 Notes to the balance sheet

#### SHAREHOLDERS' EQUITY AND LIABILITIES

##### SHAREHOLDERS' EQUITY [4]

	<u>31 March 2020</u>	<u>31 March 2019</u>
	EUR	EUR
<b>Issued share capital</b>		
Value as of 31 March	36,001	36,001

The issued share capital amounts to EUR 36,000.72, divided into 50,001 shares with a face value of EUR 0.72.

	<u>31 March 2020</u>	<u>31 March 2019</u>
	EUR	EUR
<b>Other reserves</b>		
Value as of 1 April	243,658	256,252
From proposal profit appropriation	7,896	(12,594)
Value as of 31 March	251,554	243,658

The retained part of the result for the year 2019/2020 is EUR 7,896

##### CURRENT LIABILITIES [5]

##### Debts to participants and companies

	<u>31 March 2020</u>	<u>31 March 2019</u>
	EUR	EUR
<b>Short term loan Apollo Tyres Limited</b>		
<b>Value as of 1 April</b>	-	11,434,830
Receipt of short term loans	-	-
Interest	-	-
Repayment	-	(11,434,830)
<b>Value as of 31 March</b>	-	-

The short term loans received from Apollo Tyres Limited have been repaid during the year 2018/2019 along with interest.

	<u>31 March 2020</u>	<u>31 March 2019</u>
<b>Taxes</b>		
Corporate income tax	-	85,346
<b>Accrued liabilities</b>	5,326	5,767

## **Apollo Tyres (Greenfield) B.V.**

### **1.4 Notes to the balance sheet**

#### **Off-balance sheet incorporated rights and obligations**

##### **Conditional rights**

The Company has no conditional rights or obligations.

## Apollo Tyres (Greenfield) B.V.

### 1.5 Notes to the profit and loss account

	31 March 2020	31 March 2019
	EUR	EUR
<b>Net financing income [6]</b>		
Income from financing activities	6,075	70,334
Expenses from financing activities	(3,642)	(66,186)
<b>Net Income /(Expense) from financing activities</b>	<b>2,433</b>	<b>4,148</b>

The Company is acting as an agent and, therefore, total interest income and expenses related to the short-term loans receivable and liability is not presented in the profit and loss account statement on page 6. The total interest income and expenses related to the short-term loans are presented above.

	31 March 2020	31 March 2019
	EUR	EUR
<b>General and administrative expenses [7]</b>		
<b>General costs</b>	<b>11,135</b>	<b>16,742</b>
Auditor's costs	6,212	5,830
Administrative costs	4,484	10,783
Consulting fee		
Bank charges	439	129
General Costs	11,135	16,742
<b>Taxation [8]</b>		
Corporate income tax	(16,597)	-
Corporate income tax over 2019-2020 (2018-2019) was calculated in the following manner:		
Results before taxes	(8,701)	(12,594)
Taxation (at 25%)	(2,175)	(3,149)
Adjustments for tax losses	2,175	3,149
Prior year adjustments	(16,597)	-
<b>Taxation (At 25%)</b>	<b>(16,597)</b>	<b>-</b>

For Apollo Tyres (Greenfield) BV



(V.K. Mittal)

Enschede

Date: 28th August 2020



(R. Dewan)

## **Apollo Tyres (Greenfield) B.V.**

### **2. Other information**

#### **2.1 Independent auditor's report**

In accordance to the Guidelines for Annual Reporting for small enterprises the Company does not require an external audit.

#### **2.2 Statutory rules concerning appropriation of result**

Article 33 of the articles of association stipulates the following with regard to the appropriation of the result:

The General Meeting shall be authorised to allocate the profits that have been determined through the adoption of the Annual Accounts or to determine how a loss will be accounted for.  
A deficit may only be applied against reserves maintained pursuant to the law to the extent permitted by law.

