

# Board's Report

Dear Member,

Your Directors have the pleasure in presenting the 50<sup>th</sup> 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, 2023.

## FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended March 31, 2023 is summarised below:

(₹ Million)

Particulars	Year Ended		Year Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Standalone		Consolidated	
Sale of products	168,899.09	143,067.87	241,223.24	205,808.14
Other operating income	4,111.10	3,426.17	4,458.06	3,667.64
<b>Revenue from operations</b>	<b>173,010.19</b>	<b>146,494.04</b>	<b>245,681.30</b>	<b>209,475.78</b>
<b>Operating profit (EBITDA excluding other income)</b>	<b>21,109.19</b>	<b>14,307.93</b>	<b>33,136.53</b>	<b>25,741.01</b>
Other income	751.26	1,268.96	410.92	1,234.81
Less: Finance costs	4,672.28	3,821.56	5,312.35	4,444.23
Less: Depreciation & amortization expenses	9,070.50	8,239.13	14,191.42	13,996.73
<b>Profit before share of profit/ (loss) in associate / joint venture, exceptional items &amp; tax</b>	<b>8,117.67</b>	<b>3,516.20</b>	<b>14,043.68</b>	<b>8,534.86</b>
Share of profit / (loss) in associate / joint venture	0.00	0.00	2.42	0.96
Exceptional items	0.00	(12.68)	225.77	(59.08)
<b>Profit before tax</b>	<b>8,117.67</b>	<b>3,503.52</b>	<b>14,271.87</b>	<b>8,476.74</b>
Less: Provision for tax	2,330.29	892.88	3,225.51	2,090.74
<b>Profit after tax</b>	<b>5,787.38</b>	<b>2,610.64</b>	<b>11,046.36</b>	<b>6,386.00</b>

## OPERATIONS

According to a data from the Rubber Board, for a six-month period of fiscal 23, the tyre industry cumulatively produced more than 98 million units as against 90 million units in first six months in FY23. The production of PV tyres (both radial and bias) grew 16% as compared to the same period a year ago. Meanwhile, the Truck & Bus and LCV segment witnessed a modest growth of 3.4%. The production volumes of two-wheelers also increased by 5.7% in FY23.

The tyre industry in Europe witnessed a positive trend in the first six months for CY22 for the replacement consumer tyres with a 7.4% growth compared to CY21, combined with 10.3% growth for Truck and Bus tyres. However, this could not be sustained for the next six months. According to data released by the European Tyre and Rubber Manufacturers' Association (ETRMA), the overall replacement consumer tyres segment in Europe saw a decline of 2% in CY22 compared to a year ago, with a sharp decline of 10.1% in the last six months in the 2<sup>nd</sup> half of the calendar year. The overall replacement truck and bus tyre market remained stable (+1%), despite a sharp decline of 8.2% in the second half. Agricultural tyres also posted a decline of 22% in CY22.

The standalone revenue from operations of your Company was ₹173,010.19 million during FY23 as against ₹146,494.04 million during the previous financial year. EBITDA (excluding other income) was at ₹21,109.19 million as compared to ₹14,307.93 million during the previous financial year. The Net Profit for the year under review was ₹5,787.38 million, as against ₹2,610.64 million in the previous fiscal.

The consolidated revenue from operations of your Company was ₹245,681.30 million during FY23, as compared to ₹209,475.78 million in FY22. The consolidated EBITDA (excluding other income) was ₹33,136.53 million for FY23 as compared to ₹25,741.01 million for the previous financial year. On consolidated basis, the Company earned a Net Profit of ₹11,046.36 million for FY23 as against ₹6,386.00 million for the previous financial year.

## RAW MATERIALS

The year under review witnessed ~10% increase in the raw material cost, touching all time new peaks. The first half of the year experienced significant raw material cost push which was partially mitigated in the later half of the year.

The year 2022 has been a year of high inflation and steep rise in interest rates by Central Banks across the world. The energy costs soared in Europe on the back of continued Russia Ukraine conflict and the sanctions on Russia. China's Zero Covid Policy led to some moderation in economic activity.

The Rupee started the year at a level of 76 against the US Dollar and weakened to a level of 82 by the end of the year. The Ocean Freight Rates which had gone upto 10 times of pre covid levels now stands around 2 times of pre covid levels.

The year began with oil prices maintaining its strength due to geo-political factors. Thereafter it witnessed a slide due to weakness in global demand, Fed interest rate hikes and weak growth outlook in major global economies around the world. Brent Crude Oil rose by 19% on a year-on-year basis in FY23 on account of geo-political factors, supply disruptions, and rise in Natural Gas prices.

Natural Rubber availability in India continued to be deficient against the requirement of the consuming industry and the shortfall was met through imports from ASEAN countries. The port restriction on imports of natural rubber continued 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 Company has partnered with the Government of India in developing new natural rubber plantations in the Northeast region of India under the Prime Ministers' Atma Nirbhar Bharat Scheme. The project is designed to develop 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. In the first 2 years of its operations till FY23, 27,000 hectares have been planted already, and with a target of another 50,000 hectares in the FY24 under the project. This is expected to increase the natural rubber availability in the next 5 years in the country.

The Crude based raw materials – Carbon Black, Synthetic Rubber, Fabric and Chemicals also experienced high input cost inflation during the fiscal.

The Company held its virtual Global Partners Summit 2022 for its raw material business partners with over 700 participants. During the summit, it shared its vision FY26. The Company used the platform to stress the importance of technology and the use of sustainable materials for the Company.

The Company maintained the agility and resilience in the supply chain amidst uncertain geo-political environment and volatile markets globally to efficiently supply the raw materials to the plants as per requirements while optimizing the inventory with a continued focus on near sourcing and leveraging raw material business partner relationships.

## DIVIDEND

Your Company has a consistent track record of dividend payment. The Directors are pleased to recommend the Final Dividend of ₹4.00 per Equity Share and a Special Dividend of ₹0.50 per Equity Share on occasion of 50<sup>th</sup> AGM of the Company, aggregating to ₹4.50 (i.e. 450%) per Equity Share having face value of ₹1 each for FY23 for your approval.

The dividend, if approved, shall be payable to the Members holding shares as on cut-off date i.e. July 14, 2023.

## RESERVES

The amount available for appropriations, including surplus from previous year amounted to ₹98,363.93 million. Surplus of ₹3,814.29 million has been carried forward to the balance sheet. A general reserve of ₹17,006.63 million has been provided.

## BOARD OF DIRECTORS

### A) Appointment/ Re-appointment of Directors

Dr. Jaimini Bhagwati (DIN:07274047) 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 February 2, 2023 to February 1, 2028 by the Members on March 31, 2023 through Postal Ballot.

In line with the succession planning of the Company & to separate the roles of Chairman and Managing Director, Mr. Onkar Kanwar (DIN:00058921) has stepped down from the position of Managing Director and will continue to act as Non-Executive Director designated as 'Chairman' with effect from February 1, 2023. The same was approved by the Members of the Company at the Annual General Meeting held on July 11, 2022.

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, who retired by rotation, were re-appointed by the Members of the Company at the Annual General Meeting held during the year under review. Further, Mr. Vishal Mahadevia (DIN:01035771) and Mr. Francesco Gori (DIN:07413105), Directors of the Company, are liable to retire by rotation and being eligible offers themselves for re-appointment at the 50<sup>th</sup> Annual General Meeting of the Company.

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.

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.

## 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/ continuation of Directors, there were no changes in Directors/ 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(1)(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, its 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 March 30, 2023.

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/content/dam/orbit/apollo-corporate/investors/corporate-governance/codes-policies/codes-policies/nrc-policy.pdf>

## 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.

## ISO 20400 CERTIFICATION

The Company's Raw Material Procurement Processes have been successfully validated in a third-party process for ISO 20400:2017 Sustainable Procurement standard.

This standard provides organizations with guidelines for integrating sustainability practices into their procurement processes. Sustainability has been one of the pillars of Company's Vision FY26 and this is an important milestone in that journey. We are the first Company in the automotive sector in India to get the ISO 20400.

## 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 FY23, 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.

According to internal estimates, the Company retained its leadership position in the PV replacement market, now for the third year in a row. With a sharp focus on its Premiumisation strategy, EV leadership and dual brand strategy, the Company continued to consolidate its leadership position in this segment.

In the CV segment, it continued to introduce new products to strengthen its market leadership. It launched the steer fitment tyres - 295/90 R20 EnduRace RA and Endutrax MA in the regional and mixed categories. Further, to cater to the growing ecommerce logistics and perishables sectors, it introduced 9.00 R20 Endurace LD+ and 9.00 R20 Endurace RA, the LCV range's succession products for superior performance delivery. During the fiscal, the Company achieved a huge milestone for its flagship CV product, Endurace LD, posting sales of over 10 million units since its inception in 2010. This feat has been possible with the decade long trust customers have placed in the performance of the product.

In the two-wheeler segment, the Company expanded its radial portfolio by introducing a Moto-Cross Tyre brand 'Tramplr'. Several products were added to the 'Tramplr' brand portfolio, catering to varying motorcycles. With this addition, its two-wheeler tyre segment addressability has gone up substantially.

In Europe, the Company continued to expand its offerings to meet the evolving needs of customers. During FY23, it focussed on building on the expansion spree that happened in the past fiscals for PV All-Season tyres, light truck tyres and winter ranges with Quatrac, Wintrac, Comtrac 2, strengthening its market offering. It celebrated 30 years in the All-Season segment by launching a new key product to extend its range in strategic segments. In the first half of the fiscal, Quatrac Pro EV was launched, specifically designed for electric vehicles, commemorating the launch of its first All-Season Tyre in 1993. In OHT, it completed 25 years journey of the remarkable and extremely successful Vredestein

Traxion+ tractor tyres, which became a revolutionary tyre with a strong divergent pattern compared to the usual tractor tyre patterns of its time.

A detailed analysis of the Company's key initiatives have been shared in the Management Discussion and Analysis section of the annual report.

## FUTURE OUTLOOK

According to data from International Monetary Fund (IMF), the global economy growth is expected to fall from 3.4% in CY22 to 2.8% in CY23, before inching up to 3.0% in CY24. Advanced economies are expected to see a muted growth from 2.7% in CY22 to 1.3% in CY23. Euro Area will continue in line with the global slowdown as its growth drops to 0.8% in CY23 and then move upwards to 1.4% in CY24.

According to Reserve Bank of India (RBI) and IMF, the overall growth rate for the Indian economy for FY24 is forecasted to be between 6.0-6.5%. The Indian economy is likely to benefit from increased infrastructure spend, banking credit growth, and a possible rural bounce-back due to easing inflation and will continue to be the fastest growing economy in the world. On the other side, risks include a lower-than-average monsoon, weak global demand, slow pickup of private capex, and FII outflows due to rising US policy rates.

Amid such uncertain economic and geo-political conditions, the Company has adopted a prudent fiscal approach. The focus continues to be on investing in good costs and cutting down bad costs, employee safety and conserving cash. The Company will focus on sustainable profitable growth as it focusses to achieve its Vision targets by FY26.

## MATERIAL CHANGES AND COMMITMENTS

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) issued an order on February 2, 2022 mentioning that it has held five tyre manufacturers and Automotive Tyre Manufacturers 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 filed an appeal against the aforesaid order before the National Company Law Appellate Tribunal, New Delhi ('NCLAT'). The NCLAT through its judgement dated December 1, 2022 disposed off the appeals by remanding back the case to CCI for review. CCI has filed an appeal in the Supreme Court against the Order passed by the NCLAT. Hearing to consider admission of appeal is likely to come after September 2023.

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's internal financial control framework is commensurate with the size, nature and complexity of its operations and is in line with the requirements of the Companies Act, 2013. 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 transaction 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, 2023, your Company had 33 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 ₹65 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 a second tranche investment of ₹2.70 million by purchasing 33,750 Equity Shares (0.07%) of CSE Deccan Solar Private Limited, an Associate Company on May 26, 2022, post which, the total investment would aggregate to 12,00,000 Equity Shares (27.27%) amounting to ₹95.70 million to get a guaranteed supply of electricity for its Chennai Plant.

Apollo Tyres (Malaysia) Sdn. Bhd. (a wholly owned Subsidiary of Apollo Tyres Holdings (Singapore) Pte. Ltd) is in the process of liquidation from the Companies Commission of Malaysia as the Company had 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) was liquidated and its name got struck off from the Registrar and Accounting and Corporate Regulatory Authority (ACRA).

Apart from the above, no other Company has become or ceased to be Subsidiary, Associate or Joint Venture of the Company during FY23.

## 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, 2023.

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 1, 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 and sale of various categories of passenger and agriculture tyres. The Company has its production facility based in Enschede, Netherlands. The Company has Subsidiary Companies across Europe, engaged in the sales and distribution of tyres.

#### 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 FY23, the Company has made required investments for debottlenecking and line balancing the capacity in passenger vehicle tyres.

#### 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. 56% of the raw material

procurement was Natural Rubber in the year FY23. Major sourcing countries are Thailand and Indonesia.

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. The team is also responsible for outsourcing finished goods for APMEA and Europe regions for certain specific tyre categories.

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. The Company focuses on developing, sourcing, 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 base at Amsterdam, Netherlands. Sales operations are managed by various Subsidiary Companies across Europe.

#### 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.

## CONSOLIDATED FINANCIAL STATEMENTS

As stipulated by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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, 2023 is also attached with financial statements.

## DEBENTURES

The following series of Secured Redeemable Non-Convertible Debentures (NCDs) were issued and allotted during the year under review through Private Placement: -

Sl. No.	Series of NCDs	No. of NCDs @ Face Value of ₹10,00,000 each	Value (₹ in Million)	Date of Allotment
1	Apollo Tyres 6.93% 2023 Opt I	2,500	2,500	September 13, 2022
2	Apollo Tyres 7.53% 2027 Opt II	2,500	2,500	September 13, 2022

The aforesaid NCDs are listed on the debt segment of the National Stock Exchange of India Limited (NSE).

## DEPOSITS

During the year under review, your Company did not accept deposits covered under Chapter V of the Companies Act, 2013.

## AUDITORS

M/s. S.R. Batliboi & Co. LLP (Firm Registration No. 301003E/E300005), Chartered Accountants (Member firm of Ernst & Young Global) were appointed as the Statutory Auditors of the Company for a period of 5 years, from the conclusion of 49<sup>th</sup> AGM until the conclusion of the 54<sup>th</sup> AGM, at the AGM held on July 11, 2022.

## AUDITORS' REPORT

The report given by M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, Statutory Auditors on financial statements of the Company for FY23 forms 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 FY23.

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 FY24 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 FY24 is subject to ratification by 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 FY23 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 Auditor is annexed with the report as **Annexure I**.

M/s. PI & Associates, Company Secretaries have been re-appointed to conduct the Secretarial Audit of the Company for FY24. They have confirmed that they are eligible for the said appointment.

## 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 forms part of the 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 the 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

- 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.
- 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) & (3) 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 conducts, from time to time, 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 complaint/ case at the beginning as well as at the end of financial year.

## HEALTH, SAFETY AND 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 Chennai plant of your Company has been awarded the Deming Prize, perhaps the most important recognition in the field of Quality. This award is sponsored by the Japanese Union of Scientists and Engineers and since 1951 when it was instituted, it is the gold standard in quality that all around the world aspire to. This was a moment of great pride for all of us at Apollo Tyres.

The Company bagged certification of Top Employers in Singapore and the UK for 2023. The Top Employers Institute is the global authority on recognising excellence in people practices.

Other prominent Awards are listed below for your reference.

Name of the Award	Category	Awarded by
Compliance Team 2022	Compliance	Legasis Services and Bombay Stock Exchange
ASSOCHAM WORKVISION 2022 HR Excellence Award	Effective Drivers of Recruitment, Engagement & Retention	ASSOCHAM
18 <sup>th</sup> Indo-American Corporate Excellence (IACE) Awards 2022		Indo-American Chamber of Commerce (IACC)
SEEM National Energy Management Award (SNEMA)	Industries & Facilities (Tyres)	Society of Energy Engineers and Managers (SEEM)
Best Kaizen, Best Idea and Maximum Contributor of Ideas	Water Conservation and Management (Reduce, Recycle, Reuse and Regenerate)	Confederation of Indian Industry (CII)
Green Champions Award 2021		Government of Tamil Nadu
Good Design Awards 2021	Transportation category	Chicago Athenaeum: Museum of architecture and design and the European Centre for Architecture Art Design and Urban Studies
ISO 20400 certification for Sustainable Procurement	Sustainable procurement	
Best Organisation for Promoting QC		Quality Circle Forum of India

## 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, United States (US) region and Corporate Functions headed by President (APMEA), President (Europe), Group Head (New Market & Channels) 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.

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/content/dam/orbit/apollo-corporate/investors/corporate-governance/codes-policies/codes-policies/atl-csr-policy.pdf>

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, has mandated the top 1000 Listed Companies by market capitalisation to include Business Responsibility and Sustainability Report ('BRS Report') in their Annual Report with effect from FY23. This BRS Report will replace the existing Business Responsibility Report.

Accordingly, a BRS 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) of the said Act has been placed on the website of the Company [www.apollotyres.com](http://www.apollotyres.com) under the Investors Section (Refer link: <https://corporate.apollotyres.com/investors/corporate-governance/#?activeTab=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. S.R. Batliboi & 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, 2023, 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

DIN: 00058921

Place: Amsterdam

Date: May 9, 2023

## Annexure I

## FORM NO. MR - 3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 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")**. The Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon for the financial year ended on March 31<sup>st</sup>, 2023 ("**Audit Period**"). The principal business activity of the Company is the manufacturing and sale of automotive tyres.

#### Limitation of the Auditors

- (i) Based on our verification of the Company's books, papers, minute books, forms and returns filed, and other records maintained by the Company and also 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, complied with the statutory provisions listed hereunder; and
- (ii) Based on the management representation, confirmation and explanation wherever required by us, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

#### Auditors Responsibility

- (i) Our responsibility is to express the opinion on the compliance with the applicable laws and maintenance of records based on audit. We conducted our audit in accordance with the Guidance Note on Secretarial Audit ("**Guidance Note**") and Auditing Standards issued by the Institute of Company Secretaries of India ("**ICSI**"). The Guidance Note and Auditing Standards require that we comply with statutory and regulatory requirements and also that we plan and perform the audit so as to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

- (ii) Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
- (iii) Our audit involves performing procedures to obtain audit evidence about the adequacy of compliance mechanism exist in the Company to assess any material weakness, and testing and evaluating the design and operating effectiveness of compliance mechanism based upon the assessed risk. The procedures selected depend upon the auditor's judgement, including assessment of the risk of material non-compliance whether due to error or fraud.
- (iv) 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 Board processes and compliance-mechanism.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period, 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 and 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 to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- 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 (hereinafter referred to as 'Listing Regulations').

It is further reported that with respect to the compliance of other applicable laws, we have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances under general laws (including Labour Laws, Tax Laws, etc.)

Based upon the Management Representation wherever required from the Company, 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 the following pertinent laws, rules, regulations and guidelines as specifically applicable to the Company: -

- a. Pneumatic Tyres and Tubes for Automotive Vehicles (Quality Control), Order, 2009; and
- b. Bureau of India Standards Act, 1986 and the Rules made thereunder as applicable to Tyre Industry.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the ICSI wherein the Company is generally complying with the standards; and
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) and Listing Regulations.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned hereinabove.

### We further report that:

- (i) The Board of Directors of the Company was duly constituted with proper balance of Executive Director(s), Non-Executive Directors and Independent Directors during the Audit Period. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act. The following changes took place during the audit period:
  - (a) Dr. Jaimini Bhagwati (DIN:07274047) was appointed as an Independent Director of the Company for a period of 5 consecutive years from February 02, 2023 to February 01, 2028.
- (ii) Further, the composition of all statutory committees was also in compliance with the Act and applicable Rules and Regulations.
- (iii) Adequate notice was given to all directors to schedule the Board Meetings, Statutory Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance 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.
- (iv) The majority of decisions were carried through and there were no instances where any director expressed any dissenting views.

**We further report that** in our opinion, the Company has, in all material respects, adequate systems and processes 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 events have occurred in the Company having major bearing on the Company's affairs:

- i. That the Company issued 5,000 fully Secured, Rated, Listed, Redeemable Non-Convertible Debentures ("NCDs") at a face value of ₹10,00,000 (Rupees Ten Lakhs) aggregating to ₹500,00,00,000 (Rupees Five Hundred Crores), 2,500 each to ICICI Bank Ltd and Axis Bank Ltd.
- ii. The Company has received an order dated December 1, 2022 from National Company Law Appellate Tribunal (NCLAT) in respect of the appeal filed by the Company against the order of Competition Commission of

India (CCI) dated August 31, 2018 wherein NCLAT has remanded the matter back to the CCI to hear the parties again and review its findings.

For **PI & Associates**  
Company Secretaries

**Ankit Singhi**  
Partner

FCS No.: 11685

CP No.: 16274

Peer Review No.: 1498/2021

UDIN: F011685E000281207

Place: New Delhi

Date: 09.05.2023

### Disclaimer :

This report is to be read with our letter of even date which is annexed as "Annexure A" which forms an integral part of this report.



To,  
The Members,  
**Apollo Tyres Limited**

Our Secretarial Audit Report of even date is to be read along with this letter:

- (i) 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.
- (ii) 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 sampling 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.
- (iii) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (iv) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
- (v) The compliance of the provisions of corporate and other sector specific laws as applicable on the Company, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on sampling basis.
- (vi) 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

CP No.: 16274

Peer Review No.: 1498/2021

UDIN: F011685E000281207

Place: New Delhi  
Date: 09.05.2023

## Annexure II

# ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (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 address the need of the community. The main aim of the CSR activities is to create positive impact on the everyday lives of our stakeholders. Environment is also considered as a crucial stakeholder, hence Biodiversity features as a global initiative with projects ranging in India and Hungary.

The CSR initiatives are delivered through Apollo Tyres Foundation (ATF) registered in 2008 as a Trust. 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 wider outreach. Our ethos is to work in collaboration.

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 Women;
4. Biodiversity Conservation.

In addition to the above there are a few Local Initiatives around our manufacturing locations. These are Watershed Management and Renewable Energy Proliferation projects.

Further, the organisation also undertakes philanthropic initiatives through Taru Foundation.

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 transshipment 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 transshipment 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, local market for business development and with government schemes and involving more number of women in livelihood activities. Expansion at Baroda, Kottayam, Chennai, and AP location (ongoing). One new location Dahod (aspirational district-Gujarat) initiated in the FY23 for livelihood activities with Scheduled Tribe community.
- 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), Miyawaki afforestation project at Gujarat (ongoing).
- 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:** Treatment support to the patient suffering from rare neurological disorder, vocational training, and education support to underprivileged youth through (Deepstambh NGO), Jalgaon, Maharashtra.

## 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	Onkar Kanwar	Chairman	2	2
2	General Bikram Singh (Retd.)	Independent Director	2	2
3	Sunam Sarkar	Non- Executive Director	2	2
4	Lakshmi Puri*	Independent Director	2	1

\*Ms. Lakshmi Puri, Independent Director was appointed as a Member of CSR Committee by the Board at its meeting held on May 12, 2022.

3. Provide the web-link (s) 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/#?activeTab=Policies>

4. Provide the executive summary along with weblink (s) of impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable
5. (a) Average net profit of the Company as per sub-section (5) of Section 135: ₹ 6612.59 million  
 (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹ 132.25 million  
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: Nil  
 (d) Amount required to be set off for the financial year, if any: Nil  
 (e) Total CSR obligation for the financial year ((b) +(c) -(d)).: ₹ 132.25 million
6. (a) Amount spent on CSR Projects (both ongoing project and other than ongoing project): ₹ 125.95 million  
 (b) Amount spent in Administrative Overheads: ₹ 6.30 million  
 (c) Amount spent on Impact Assessment, if applicable: Nil  
 (d) Total Amount spent for the financial year ((a)+(b)+(c)): ₹ 132.25 million  
 (e) CSR amount spent or unspent of the financial year: ₹ 132.25 million

Total Amount Spent for the Financial Year (in million)	Amount Unspent (in ₹ million)				
	Total Amount transferred to Unspent CSR Account as per sub section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 132.25	Nil	NA	NA	NA	NA

- (f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub section(5) of Section 135	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil



7. Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub section (6) of Section 135 (in ₹ million)	Balance amount in unspent CSR account under sub-section	Amount spent in the Financial Year (in ₹ million)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub section (6) of Section 135 (in ₹ million)	Amount remaining to be spent in succeeding financial years (in ₹ million)	Deficiency, if any
					Amount (in ₹ million)	Date of transfer.	
1.	2022-23	0	0	0	0	0	0
2.	2021-22	0	23.28	23.28	0	0	0
3.	2020-21	23.28	23.28	0	0	0	0

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility Amount spent in the Financial Year:

Yes

If yes, enter the number of capital assets created/acquired 6

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short Particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ million)	Details of entity/ authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
1	Canon Printer (BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042)	110042	23.09.2022	0.19	CSR00000622	Apollo Tyres Foundation	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042
2	General WAC 1.5 TN AXGB18BAWA (BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042)	110042	04.03.2023	0.04	CSR00000622	Apollo Tyres Foundation	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042
3	General WAC 1.5 TN AXGB18BAWA (BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042)	110042	04.03.2023	0.04	CSR00000622	Apollo Tyres Foundation	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042
4	General WAC 1 TN AMGB12BAWA 5S (BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042)	110042	04.03.2023	0.03	CSR00000622	Apollo Tyres Foundation	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042



Sl. No.	Short Particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ million)	Details of entity/ authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
5	General SAC ASGG18CGTB INV (BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042)	110042	04.03.2023	0.06	CSR00000622	Apollo Tyres Foundation	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042
6	General SAC 2 TN ASGG24CGTB INV (BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042)	110042	04.03.2023	0.07	CSR00000622	Apollo Tyres Foundation	BG-218, Sanjay Gandhi Transport Nagar, Delhi-110042

All the fields should be captured as appearing in the revenue record, flat no, house no, municipal office/municipal corporation/ gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of Section 135:

**Not Applicable**

For and on behalf of the Board of Directors

Place: Amsterdam  
Date: May 9, 2023

**ONKAR KANWAR**  
Chairman of CSR Committee  
DIN: 00058921

**NEERAJ KANWAR**  
Vice Chairman & Managing Director  
DIN:00058951

## Annexure III

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

## Section A: General Disclosures

## Details of the listed entity:

S. No.	Question	Response
1.	Corporate Identity Number (CIN) of the Entity	L25111KL1972PLC002449
2.	Name of the Listed Entity	Apollo Tyres Ltd
3.	Year of Incorporation	1972
4.	Registered Office Address	3 <sup>rd</sup> Floor, Areekal Mansion, Panampilly Nagar, Kochi-682036 (Kerala)
5.	Corporate Address	No.7, Apollo House, Institutional Area, Sector-32, Gurugram-122001
6.	E-mail	<a href="mailto:investors@apolloytyres.com">investors@apolloytyres.com</a>
7.	Telephone	0124 2721000
8.	Website	<a href="http://www.apolloytyres.com">www.apolloytyres.com</a>
9.	Financial Year for which report is being done	2022 – 23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	Paid-up Capital (₹)	635,100,946
12.	Name and contact details (telephone, email) of the person who may be contacted in case of queries on the BRSR report	Ms. Seema Thapar 0124 2721000 <a href="mailto:investors@apolloytyres.com">investors@apolloytyres.com</a>
13.	Reporting Boundary (Standalone or Consolidated basis)	Standalone Basis

## Products and Services:

## 14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	%Turnover of the entity
1.	Manufacturing	Tyres, Tubes & Flaps	100%

## 15. Product/ Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/ Service	NIC Code	%of total turnover contributed
1.	Tyres, Tubes, and Flaps	22111	100

## Operations:

## 16. Number of locations where plants and/or operations/ offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	5	173	178
International	2	8	10

## 17. Markets Served by the Entity:

### a. Number of Locations:

Location	Number
National (No. of States)	Pan India
International (No. of Countries)	100+ countries served

### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Export is 15.25% as percentage of total turnover.

### c. A Brief on types of customers?

OEMs, Business Partners, Tyre retailers and distributors, fleets, and end consumers.

## Employees:

## 18. Details as at the end of Financial Year 2022- 23

### a. Employees and Workers

S. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (C)	Percentage (C/A)
<b>Employees (including differently abled)</b>						
1.	Permanent Employees	3,040	2,965	98%	75	2%
2.	Other than Permanent Employees	91	72	79%	19	21%
<b>3.</b>	<b>Total Employees (1+2)</b>	<b>3,131</b>	<b>3,037</b>	<b>97%</b>	<b>94</b>	<b>3%</b>
<b>Workers (including differently abled)</b>						
4.	Permanent Workers	4,795	4,789	99.9%	6	0.1%
5.	Other than Permanent Workers	8,164	7,878	96.5%	286	3.5%
<b>6.</b>	<b>Total Workers (4+5)</b>	<b>12,959</b>	<b>12,667</b>	<b>97.7%</b>	<b>292</b>	<b>2.3%</b>

### b. Differently abled Employees and Workers

S. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (C)	Percentage (C/A)
<b>Differently Abled Employees</b>						
1.	Permanent Employees	6	6	100%	0	0%
2.	Other than Permanent Employees	0	0	0	0	0%
<b>3.</b>	<b>Total Employees (1+2)</b>	<b>6</b>	<b>6</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>Differently Abled Workers</b>						
4.	Permanent Workers	10	10	100%	0	0%
5.	Other than Permanent Workers	0	0	0	0	0%
<b>6.</b>	<b>Total Workers (4+5)</b>	<b>10</b>	<b>10</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

## 19. Participation/ Inclusion/ Representation of Women

	Total (A)	Number of Female (B)	Percentage (B/A)
Board of Directors	15	2	13%
Key Management Personnel	4	1	25%

**20. Turnover rate for permanent employees and workers:**

	FY 2022- 23			FY 2021- 22			FY 2020- 21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11%	30%	12%	9%	18%	10%	4%	12%	5%
Permanent Workers	6%	20%	6%	8%	0%	8%	3%	50%	3%

**Holding, Subsidiary and Associate Companies (including joint ventures):****21. (a). Names of holding/ subsidiary/ associate companies/ joint ventures**

S. No.	Name of the holding/ subsidiary/ associate Company/ joint venture (A)	Indicate whether holding/ subsidiary/ associate Company/ joint venture	% of shares held by listed entity	Does the entity indicated at Column A, participate in the Business Responsibility initiatives of the entity (Yes/ No)
1.	Apollo Tyres Centre of Excellence Limited	Subsidiary	100%	No
2.	Apollo (South Africa) Holdings (Pty) Ltd	Subsidiary	100%	No
3.	Apollo Tyres Africa (Pty) Ltd	Subsidiary	100%	No
4.	Apollo Tyres (Thailand) Limited	Subsidiary	100%	No
5.	Apollo Tyres (Middle East) FZE	Subsidiary	100%	No
6.	Apollo Tyres Holdings (Singapore) Pte Ltd	Subsidiary	100%	No
7.	Apollo Tyres (Malaysia) SDN BHD	Subsidiary	100%	No
8.	Apollo Tyres Cooperatief U.A.	Subsidiary	100%	No
9.	Apollo Tyres (Greenfield) B.V	Subsidiary	100%	No
10.	Apollo Tyres Global R&D B.V	Subsidiary	100%	No
11.	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.)	Subsidiary	100%	No
12.	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.)	Subsidiary	100%	No
13.	Vredestein Consulting B.V.	Subsidiary	100%	No
14.	Finlo B.V.	Subsidiary	100%	No
15.	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK)	Subsidiary	100%	No
16.	Apollo Tyres (London) Pvt Ltd	Subsidiary	100%	No
17.	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	Subsidiary	100%	No
18.	Saturn FI Pvt Ltd	Subsidiary	100%	No
19.	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH)	Subsidiary	100%	No
20.	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH)	Subsidiary	100%	No
21.	Reifencom GmbH, Hannover	Subsidiary	100%	No
22.	Reifencom Tyre (Qingdao) Co., Ltd.	Subsidiary	100%	No
23.	Apollo Tyres AG	Subsidiary	100%	No
24.	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	Subsidiary	100%	No
25.	Apollo Tyres Do (Brasil) Ltda	Subsidiary	100%	No
26.	Apollo Tyres (Hungary) Kft.	Subsidiary	100%	No
27.	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft)	Subsidiary	100%	No
28.	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	Subsidiary	100%	No
29.	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	Subsidiary	100%	No

S. No.	Name of the holding/ subsidiary/ associate Company/ joint venture (A)	Indicate whether holding/ subsidiary/ associate Company/ joint venture	% of shares held by listed entity	Does the entity indicated at Column A, participate in the Business Responsibility initiatives of the entity (Yes/ No)
30.	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	Subsidiary	100%	No
31.	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	Subsidiary	100%	No
32.	Apollo Tyres Iberica S.A. (Formerly Apollo Vredestein Iberica SAU)	Subsidiary	100%	No
33.	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.)	Subsidiary	100%	No
34.	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	Subsidiary	100%	No
35.	Pan Aridus LLC	Joint Venture	50%	No
36.	KT Telematic Solutions Private Limited	Associate	25%	No
37.	CSE Deccan Solar Private Limited	Associate	27.27%	No

### CSR Details:

22.

Location	Number
(i). Whether CSR is applicable as per Section 135 of Companies Act, 2013 (Yes/No)	Yes
(ii). Turnover (in ₹)	168,899,090,000
(iii). Net Worth (in ₹)	98,999,030,000

### Transparency and Disclosures Compliances:

23. Complaints/ Grievances on any of the Principles (1-9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group	Grievance Redressal Mechanism in place (Y/N) (Provide web-link of policy)	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
		Number of complaints filed	Number of complaints pending at close of year	Remarks	Number of complaints filed	Number of complaints pending at close of year	Remarks
Investors (other than shareholders)	Yes	0	0	We have considered the Debenture Holders (NCDs)	0	0	We have considered the Debenture Holders (NCDs)
Shareholders	Yes	16	0	These are based on the fillings made with the Stock Exchange	15	0	Based on the BRR for FY 2022

Stakeholder Group	Grievance Redressal Mechanism in place (Y/N) (Provide web-link of policy)	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
		Number of complaints filed	Number of complaints pending at close of year	Remarks	Number of complaints filed	Number of complaints pending at close of year	Remarks
Employees and Workers (including contract laboures)	Yes (Apollo COC, HR Policy, Human Rights Policy, & Individual Forums in Plants)	0	0	No complaints registered	0	0	No complaints registered
Customers	Yes 1800-212-7070 - Toll Free Number	422	1	Only service dealers are available	383	0	All complaints resolved
Consumers	Yes 1800-212-7070 - Toll Free Number	614,061	710	Consumer complaints	571,504	0	Consumer complaints
Contractors	Yes	0	0	No complaints	0	0	No complaints
Communities	Yes	0	0	No complaints registered	0	0	No complaints registered
Implementing Partner (NGOs)	Yes	0	0	No complaints registered	0	0	No complaints registered

## 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Market	Risk	<ul style="list-style-type: none"> <li>Ever-changing customer behavior.</li> <li>Increased indirect (operating) costs.</li> </ul>	To evaluate financial risks and opportunities,	Negative Impact
2	Emerging Regulation	Risk	<ul style="list-style-type: none"> <li>Ongoing and emerging Climate change regulation landscape.</li> <li>Enhanced climate reporting and emissions obligations.</li> </ul>	Apollo Tyres risk management approach was aligned with the business risk management framework.	Negative Impact

S. No.	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Extreme Weather Conditions	Risk	<ul style="list-style-type: none"> <li>Climate change is causing extreme heat waves leading to increase in both frequency and intensity of extreme events like drought.</li> </ul>		Negative Impact
4	Markets	Opportunity	<ul style="list-style-type: none"> <li>Scarcity of Resources- sustainable materials, Natural Rubber, new and recycled materials.</li> </ul>		Positive Impact
5	Energy	Opportunity	<ul style="list-style-type: none"> <li>Adoption of lower-emission sources of energy.</li> </ul>		Positive Impact

## Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes out in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Principle Name	Ethics and Transparency	Sustainable Business	Employee Wellbeing	Stakeholder Engagement	Human Rights	Environment Conservation	Public Advocacy	Community Development	Consumer Welfare
<b>Policy and Management Processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the policies, if available	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>								
2. Whether the entity has translated the policy into procedures? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. <sup>1</sup>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

<sup>1</sup>The policies follow 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.



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Principle Name	Ethics and Transparency	Sustainable Business	Employee Wellbeing	Stakeholder Engagement	Human Rights	Environment Conservation	Public Advocacy	Community Development	Consumer Welfare
5. <b>Specific commitments, goals, and targets set by the entity with defined timelines, if any.</b>	In line with Apollo Tyres' Vision & Value of creating an inclusive culture, building a responsible and sustainable business that benefits partners, community, and society; the Company has been working on developing climate adaptive operations and increasing its diversity and inclusion amongst its workforces. To realize the Company's ambition, following commitments and targets have been adopted:								
6. <b>Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.</b>	<ul style="list-style-type: none"> <li>Ambition to become Carbon Neutral by 2050</li> <li>Reduce Scope 1 emission intensity by 25% in FY26 compared to FY20</li> <li>Reduce Scope 2 emission intensity by 35% in FY26 compared to FY20</li> <li>Source 30% of total power usage from Renewable Sources by FY26</li> <li>Improve water withdrawal intensity by 25% in FY26 compared to FY19</li> <li>Increase usage of sustainable raw material to 40% by 2030</li> <li>Improve its diversity and inclusion (D&amp;I) to 12% globally by 2026</li> <li>Committed to sustainable development of its communities by reaching out to over 13.5 million beneficiaries by 2026 through CSR initiatives.</li> </ul> <p>Apollo Tyres has made significant and sustainable progress in its Environmental, Social, and Governance (ESG) commitments by steadily investing in energy-saving initiatives, renewable energy capacity, R&amp;D, innovation, and manufacturing of sustainable materials (including conducting life cycle assessment of products), and community development initiatives. All sites are ISO 9001, 14001, and 45001 certified and Apollo Tyres Ltd also adopted ISO 26000:2010, an International Framework on Social Responsibility, under which all the adopted ESG procedures are independently assured by a third-party. In India, Apollo Tyres Ltd, is the first Company in the automotive sector to adopt ISO 20400 framework on Social responsibility for its supply chain.</p>								
<b>Governance, leadership, and oversight</b>									
7. <b>Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)</b>	<p>Apollo Tyres Ltd continuously works towards achieving sustainability across its operations and value chain. Our sustainability governance framework provides for both identification of key material issues, risks and opportunities of the organisation and strategies to address them. Our efforts are to minimize the environmental and social impacts of our business activities while creating value for our stakeholders. Further progress on sustainability is shared in the ESG Report FY23.</p>								
8. <b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)</b>	<p><b>Name:</b> Sunam Sarkar  <b>Designation:</b> President &amp; Chief Business officer  <b>Email:</b> sunam.sarkar@apolloytyres.com  <b>Telephone No:</b> +65 6804 6262  <b>Address:</b> Apollo Tyres Holdings (Singapore) Pte Ltd            9 Temasek Boulevard #42-01 Suntec Tower 2 Singapore 038989</p>								
9. <b>Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If "Yes", provide details</b>	Yes, Business Responsibility and Sustainability Committee.								

## 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any Other- please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Business Responsibility & Sustainability Report (BRSR) (erstwhile BRR) is reviewed by the Business Responsibility and Sustainability Committee on an Annual Basis. The same is placed before the Board annually as it forms an integral part of the Company's Annual Report.																	

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).**

If "Yes", provide name of the agency.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
<ul style="list-style-type: none"> <li>Apollo Tyres had considered 'External Consultation' during formulation of Governance framework as per Business Responsibility Report (BRR).</li> <li>Apollo Tyres has adopted ISO 26000:2010, an International Standard on Social Responsibility, which encompasses 6 core subjects namely, Environment, Community Involvement &amp; Development, Fair Operating Practices, Customer Issues, Labour Practices, and Human Rights. All the adopted procedures across the 6 core subjects are also independently assured by a Third-Party.</li> </ul>									

**12. If Answer to Question (1) Above is "NO", i.e., not all Principles are covered by a Policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any Other Reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note: NA- Not Applicable

**Section C: Principle Wise Performance Disclosure**

**Principle 1**

**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable.**

**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programs held	Topics/ Principles covered under training and its impact	%age of persons in respective category covered by the awareness programmes
<b>Board of Directors</b>	11	<b>Session on:</b> <ul style="list-style-type: none"> <li>Sustainability</li> <li>Sustainability Roadmap</li> <li>Sustainability Pillars</li> <li>Corporate Social Responsibility (CSR) projects empowering women</li> <li>HR processes related to Gender Diversity</li> </ul>	100%

Segment	Total number of training and awareness programs held	Topics/ Principles covered under training and its impact	%age of persons in respective category covered by the awareness programmes
		<ul style="list-style-type: none"> <li>• Cyber Security</li> <li>• Regulatory Updates</li> <li>• Digitalisation</li> <li>• Technology and Innovation</li> <li>• People</li> <li>• Brand</li> </ul>	
<b>Key Managerial Personnel (KMP)</b>	11	<b>Session on:</b> <ul style="list-style-type: none"> <li>• Sustainability</li> <li>• Sustainability Roadmap</li> <li>• Sustainability Pillars</li> <li>• Corporate Social Responsibility (CSR) projects empowering women</li> <li>• HR processes related to Gender Diversity</li> <li>• Cyber Security</li> <li>• Regulatory Updates</li> <li>• Digitalisation</li> <li>• Technology and Innovation</li> <li>• People</li> <li>• Brand</li> </ul>	100%
<b>Employees other than BoD and KMP</b>	646	<ul style="list-style-type: none"> <li>• Compliance Programs, including Code of Conduct and POSH trainings</li> <li>• Functional Training Programs</li> <li>• Onboarding and Leadership Journey Programs</li> <li>• Sales Program and Technical product base programs</li> <li>• Behavioural training programs and communication skills</li> <li>• ATQM and Plant specific technical trainings</li> <li>• Health and Safety Programs</li> <li>• Waste Management and Process trainings</li> </ul>	92%
<b>Workers</b>	Over 1,000	<ul style="list-style-type: none"> <li>• Compliance Programs, including Code of Conduct and POSH trainings</li> <li>• Basic Safety awareness trainings and Fire Training/ Mock drills</li> <li>• Functional programs on Workflow, and Quality awareness trainings</li> <li>• EMS, BBS, Production Safety, 5's, QC Tools, and Incoming &amp; Outgoing Material Quality trainings</li> <li>• Machine Operation and Work Instruction trainings</li> <li>• Customer Requirement, ATQM Training, 7 QC Tools, Core Values, Product Safety, and IMS trainings</li> </ul>	80%

## 2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as discussed on the entity's website)

No monetary and non-monetary fine has been paid in the current financial year 2022- 23.

	NGRBC Principle	Name of the Regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of Case	Has an appeal been preferred? (yes/ No)
<b>Monetary</b>					
Penalty/ Fine			Nil		
Settlement					
Compounding Fee					
<b>Non-Monetary</b>					
Imprisonment			Nil		
Punishment					

**3. Of the instances disclosed in Question 2, above detail of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
<p>The Competition Commission of India (CCI) 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.</p> <p>The Company filed an appeal against the aforesaid order before the National Company Law Appellate Tribunal, New Delhi ("NCLAT"). The NCLAT through its judgement dated December 1, 2022 disposed off the appeals by remanding back the case to CCI for review. CCI has filed an appeal in the supreme court against the Order passed by the NCLAT. Hearing to consider admission of appeal is likely to come after September 2023.</p>	Competition Commission of India (CCI)

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide web-link to the policy.**

Yes. Refer to Code of Conduct Policy.

<https://corporate.apollotyres.com/investors/corporate-governance/>

**5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Directors	0	0
Key Managerial Personnel (KMPs)	0	0
Employees	0	0
Workers	0	0

**6. Details of complaints with regard to conflict of interest:**

	Current Financial Year 2022- 23		Previous Financial Year 2021- 22	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

**7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

We had appealed against the judgement of CCI in NCLAT, which has remanded back the case to CCI for fresh adjudication. CCI has filed an appeal in the supreme court against the Order passed by the NCLAT. Hearing to consider admission of appeal is likely to come after September 2023.

**Leadership Indicators**

**1. Awareness programmes conducted for the value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/ Principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	<p><b>Sustainability Workshop for all Apollo Supplier Partners held in July 2022, covering the following topics:</b></p> <ul style="list-style-type: none"> <li>a) Apollo Sustainability Journey</li> <li>b) Sustainable Material development</li> <li>c) Awareness on ISO20400:2017 Sustainable Procurement Guidance</li> <li>d) Guidelines for Apollo RM Supply Chain</li> <li>e) Apollo Tyres Sustainable Procurement Policy (ATSP)</li> <li>f) Apollo Sustainable Natural Rubber Policy (ASNR)</li> </ul>	100%
2	<p><b>Apollo Sustainable Natural Rubber Workshop for all Apollo NR Supplier Partners:</b> conducted 2 workshops in January 2022 to enlighten partners about our requirements around Business integrity, ethics, transparency, and accountability for the upstream natural rubber supply chain as per Apollo Sustainable Natural Rubber Policy, which is developed around Global Platform for Sustainable Natural Rubber (GPSNR) Policy framework.</p>	100%

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No).**

**If "Yes", provide details of the same.**

Yes. Apollo Tyres has processes in place to avoid/ manage conflict of interests involving members of Board and Company's Code of Conduct for Directors and Senior Management covers guidelines related to Conflict of Interest. It is applicable to all Board of Directors and Senior Management and provides guidelines for avoiding any conflict of interest, both actual or apparent, and the mechanism to report any such situations that may give rise to a potential conflict. The Company's Policy on Related Party Transactions intends to ensure that proper reporting, approval, and disclosure processes are in place for all transactions between the Company and related parties. Further in accordance with the provisions of Section 184 of the Companies Act, 2013 read with the relevant rules, every Director and Key Managerial Personnel (KMP) at the first meeting of the Board in which he/ she participates as a Director and thereafter, at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, discloses his/her concern or interest in FORM MBP-1 in any Company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding. If the Director is interested in any Agenda item, the Director does not participate/ vote in the said item to avoid conflict of interest.

**Principle 2** Businesses should provide goods and services in a manner that is sustainable and safe

**Essential Indicators**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year 2022- 23	Previous Financial Year 2021- 22	Previous Financial Year 2021- 22
<b>R&amp;D Opex</b> (Excluding Manpower)	8.10%	5.99%	<p><b>Reduce:</b> Low rolling resistance and Lightweight of tyres significantly reduced CO<sub>2</sub> emissions which positively impacted the scope 3 emissions in the usage phase.</p> <p><b>Recycle:</b> Increasing the Utilisation of recycled materials in tyres helped in achieving a circular economy in the tire industry.</p> <p><b>Reuse:</b> Extending the usage lifespan of tyres through enhanced durability and re-treading, reduced the environmental impact caused by discarded tyres.</p> <p><b>Replace:</b> Using sustainable raw materials in place of conventional fossil-based materials in tyre compounds improved the carbon footprint.</p> <p><b>Redesign:</b> Optimizing raw materials and dimensions of components enhanced the strength-to-weight ratio &amp; conserved the raw materials used in tyres.</p>
<b>R&amp;D Opex</b> (Including Manpower)	23.37%	20.71%	
<b>R&amp;D Capex</b>	79.08%	26.02%	

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No).**

b. **If "Yes", what percentage of inputs were sourced sustainability?**

Yes, At Apollo Tyres,

- We have defined our 'Sustainable Procurement' Vision, Policy, and Guiding Principles.
- The guidelines for the Apollo Suppliers are laid down and deployed through the Apollo Tyres Sustainable Procurement Policy (ATSPP) for raw materials other than Natural Rubber and Apollo Sustainable Natural Rubber Policy (ASNRP) for Natural Rubber Supply Chain.
- Social, Ethical, and Environmental key performance indicators (KPIs) are integrated into the supplier selection process in line with the guidance on Sustainable Procurement as per ISO20400:2017 Standard.

100% of new supplier screening includes these factors in the assessment system and selection beginning from April 2022 onwards. At Apollo Tyres, we monitor data on sourcing of material from ISO 14001 and ISO 45001 certified partners. In the current FY 2022- 23, 79% of total raw material (by value) was sourced from ISO certified suppliers, globally and 61% of total raw material (by value) was from ISO certified suppliers for Apollo operations in India.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life for (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste, and (d) Other waste.**

Apollo Tyres, follows environmental safe industry practices ( Reuse and Recycle ), all the empty plastic boxes and bags are returned to vendor and other non-returnable plastic materials are sold to authorized scrap dealer to reuse/recycle. We have agreement in place with authorized recyclers for safe disposal of hazardous waste and E-waste to authorized TSDF and recyclers, respectively. As a process, all the waste generated at sites are disposed in accordance with the State Pollution Control Board Guidelines.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No).**

- **If "Yes", whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board?**
- **If "Not", provide steps taken to address the same.**

Yes, Extended Producer Responsibility (EPR) is applicable to Apollo Tyres Ltd, and Company plans to buy the EPR certificates from registered Recyclers through the Central Pollution Control Board (CPCB), as part of its compliance commitment.

## Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/ Assessment (LCA) for any of its products (for manufacturing industries) or for its services (for service industry)? If "Yes", provide details in the following format:

NIC Code	Name of product/ service	% of Total Turnover contributed	Boundary for which the Life cycle perspective/ assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If "Yes", provide web-link
22111	Endurace LD	6.5%	Cradle to Grave	Yes	No
22111	Amazer 4G	0.56%	Cradle to Grave	Yes	No
22111	Alnac 4G	0.85%	Cradle to Grave	Yes	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along with action-taken to mitigate the same.

Name of Product/ Service	Description of the risk/ concern	Action Taken
<b>Amazer 4G</b>	The major global warming potential contribution in the value chain is from the use phase.	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.
<b>Alnac 4G</b>	The major global warming potential contribution in the value chain is from the use phase.	During the fiscal FY 2022, 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.
<b>Endurace LD</b>	The major global warming potential contribution in the value chain is from the use phase.	The Company uses efficient techniques for re-treading 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.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	Current Financial Year 2022-23	Previous Financial Year 2021-22
Reclaim Rubber	0.23%	0.20%
Crumb Rubber	0.10%	0.10%
Chlorobutyl Reclaim	0.11%	0.09%

**Principle 3** Businesses should respect and promote the well-being of all employees, including those in their value chains

**Essential Indicators**

**1. a. Details of measures for the well-being of Employees:**

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	2,965	2,965	100%	2,965	100%	-	-	2,965	100%	2,965	100%
Female	75	75	100%	75	100%	75	100%	-	-	75	100%
<b>Total</b>	<b>3,040</b>	<b>3,040</b>	<b>100%</b>	<b>3,040</b>	<b>100%</b>	<b>75</b>	<b>2%</b>	<b>2,965</b>	<b>98%</b>	<b>3,040</b>	<b>100%</b>
<b>Other than Permanent Employees</b>											
Male	72	72	100%	72	100%	-	-	72	100%	72	100%
Female	19	19	100%	19	100%	19	100%	-	-	19	100%
<b>Total</b>	<b>91</b>	<b>91</b>	<b>100%</b>	<b>91</b>	<b>100%</b>	<b>19</b>	<b>21%</b>	<b>72</b>	<b>79%</b>	<b>91</b>	<b>100%</b>

**1. b. Details of measures for the well-being of Workers:**

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	4,789	4,789	100%	4,789	100%	-	-	4,789	100%	4,789	100%
Female	6	6	100%	6	100%	6	100%	-	-	6	100%
<b>Total</b>	<b>4,795</b>	<b>4,795</b>	<b>100%</b>	<b>4,795</b>	<b>100%</b>	<b>6</b>	<b>0.1%</b>	<b>4,789</b>	<b>99%</b>	<b>4,795</b>	<b>100%</b>
<b>Other than Permanent Workers</b>											
Male	7,878	7,878	100%	7,878	100%	-	-	-	-	-	-
Female	286	286	100%	286	100%	286	100%	-	-	-	-
<b>Total</b>	<b>8,164</b>	<b>8,164</b>	<b>100%</b>	<b>8,164</b>	<b>100%</b>	<b>286</b>	<b>4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**2. Details of retirement benefits, for Current FY 2022-23 and Previous FY 2021-22**

Benefits	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/ No/ NA)	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/ No/ NA)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	1%	7%	Yes	2%	5%	Yes
Others- WC	67%	100%	Yes	65%	100%	Yes

WC: Workmen Compensation



### 3. Accessibility of Workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

If "Not", then whether any steps are being taken by the entity in this regard.

At Apollo Tyres, we value diversity of people with whom we work and commit to equal opportunity and intolerance of discrimination and harassment. Apollo Tyres 'Equal Opportunity Policy' is in line with the statutory compliance as stipulated under "The Rights of Persons with Disabilities Act, 2016 and Rules, 2017". The Company ensures to provide support and facilities for the wellbeing of its employees, including those with special needs to effectively discharge their duties in the Company.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, please provide the web-link of the policy.

Apollo Tyres Ltd's Code of Conduct for Employees states "equal opportunity is a matter of fairness, respect, and dignity". The Company always provides and maintains equal opportunities during recruitment as well as course of employment, irrespective of caste, creed, gender, race, religion, disability, or sexual orientation. There is 'Equal Opportunity Policy' in place and accessible to all employees on ATL Intranet.

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	100%	98.3%	100%	100%
Female	100%	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>99.2%</b>	<b>100%</b>	<b>100%</b>

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If "Yes", give details of the mechanism in brief:

<b>Permanent Workers</b>	Yes.
<b>Other than Permanent Workers</b>	<p>At Apollo Tyres Ltd, there is a well-established mechanism available for all cadres of employees and workers to raise and redress their grievances. The concerns can be raised in the following manner, via</p> <ul style="list-style-type: none"> <li>Line Manager</li> <li>The HR Business Partner (HRBP) for business area/region</li> </ul> <p>In addition, if somebody wants to report a concern maintaining confidentiality, he/she can put that in writing to an exclusive email ID: <a href="mailto:coc.report@apolloytyres.com">coc.report@apolloytyres.com</a></p> <p>Depending on the assessment of the raised concern, appropriate action is taken.</p>
<b>Permanent Employees</b>	
<b>Other than Permanent Employees</b>	

### 7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of Association(s) or Unions (B)	Percentage (%) (B/A)	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of Association(s) or Unions (B)	Percentage (%) (B/A)
<b>Total Permanent Employees</b>	<b>3,040</b>	<b>0</b>	<b>0%</b>	<b>3,240</b>	<b>0</b>	<b>0%</b>
- Male	2,965	0	0%	3,150	0	0%
- Female	75	0	0%	90	0	0%

Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of Association(s) or Unions (B)	Percentage (%) (B/A)	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of Association(s) or Unions (B)	Percentage (%) (B/A)
<b>Total Permanent Workers</b>	4,795	4,527	94.4%	5,081	5,071	99.8%
- Male	4,789	4,521	94.4%	5,077	5,067	99.8%
- Female	6	6	100%	4	4	100%

8. (a). Details of training given to employees and workers on "Health and Safety Measures"

Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
<b>Employees</b>						
Male	2,965	3,254	110%	3,150	2,676	85%
Female	75	93	124%	90	79	88%
<b>Total</b>	<b>3,040</b>	<b>3,347</b>	<b>110%</b>	<b>3,240</b>	<b>2,755</b>	<b>85%</b>
<b>Workers</b>						
Male	12,667	12,667	100%	13,109	13,109	100%
Female	292	292	100%	321	321	100%
<b>Total</b>	<b>12,959</b>	<b>12,959</b>	<b>100%</b>	<b>13,430</b>	<b>13,430</b>	<b>100%</b>

Note : Employee headcount is considered as on date as per the guideline; however, the training coverage is on cumulative basis i.e., all employees trained during the reporting period (1st April 2022- 31st March 2023) as there is mandatory Induction safety training and job specific safety trainings for its all employees and workers.

(b). Details of training given to employees and workers on "Skill Upgradation"

Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
<b>Employees*</b>						
Male	2,965	2,728	92%	3,150	2,268	72%
Female	75	71	95%	90	68	75%
<b>Total</b>	<b>3,040</b>	<b>2,799</b>	<b>92%</b>	<b>3,240</b>	<b>2,336</b>	<b>72%</b>
<b>Workers</b>						
Male	12,667	7,600	60%	13,109	6,555	50%
Female	292	190	65%	321	177	55%
<b>Total</b>	<b>12,959</b>	<b>7,790</b>	<b>60%</b>	<b>13,430</b>	<b>6,732</b>	<b>50%</b>

Note : Only includes permanent employees, as no separate programmes for contract employees

9. Details of Performance and Career Development reviews of employees and workers:

Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
<b>Employees</b>						
Male	2,827	2,714	96%	3,072	2,918	95%
Female	67	67	100%	80	80	100%
<b>Total</b>	<b>2,894</b>	<b>2,781</b>	<b>96%</b>	<b>3,152</b>	<b>2,998</b>	<b>95%</b>

Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
<b>Workers</b>						
Male	4,789	4,789	100%	5,077	5,077	100%
Female	6	6	100%	4	4	100%
<b>Total</b>	<b>4,795</b>	<b>4,795</b>	<b>100%</b>	<b>5,081</b>	<b>5,081</b>	<b>100%</b>

Note: We follow the Performance Year (Company Performance or Employee Performance cycle) as 1st April to 31st March (FY). Employees who join post 1st Jan are not considered for the Performance review for that year. This number only includes the total number of people who are eligible for performance reviews on our horizon platform plus Limda (Team Members).

## 10. Health and Safety Management System:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)

If "Yes", then coverage of the system.

At Apollo Tyres Ltd, the Occupational Health and Safety (OHS) Management System is implemented as per ISO 45001 Standard and plants are certified for ISO 45001 Standard

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis of the entity?

The Company adopts various methods and processes to identify work-related hazards and risks, which are illustrated below:

- Hazard Identification and Risk Assessment (HIRA) Register covering routine and non-routine activities carried across departments.
- Job Safety Analysis on non-routine activity and development of method statement for non-routine activities.
- GEMBA, Switch ON, Safety Interactions, Hazard identification and Near Miss Reporting.

- And, carrying out Health and Safety Audits, both internally and externally on a periodic basis.

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/No)

Yes.

- Hazard Identification and near-miss reporting process is available to enable workers to report on work-related hazards including near-misses, unsafe working conditions, and unsafe acts.
- Behaviour Based Safety (BBS)/ Safety Interaction (SI) program is available to enable workers to share work related hazards/ risks including unsafe working conditions and unsafe acts.

### d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes

Apollo Tyres provides non-occupational medical and health-care services to its employees and workers such as occupational health centre, ambulance, duty Doctor, and nursing staff being available at plant premises.

## 11. Details of safety related incidents, in the following format:

Safety Incidents/ Number	Category	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
<b>Lost Time Injury Frequency Rate (LTIFR)</b> (per one million-person hours worked)	Employees	0.16	0.16
	Workers	0.60	0.79
<b>Total recordable work-related injuries</b>	Employees	2	2
	Workers	15	16
<b>Number of fatalities</b>	Employees	0	0
	Workers	0	2
<b>High consequence work-related injury or ill-health</b> (excluding fatalities)	Employees	1	0
	Workers	0	1

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

In line with Company’s health and safety mission “**achieving well-being with always and absolute safety**”, the Company continuously strives to improve its safety performance and drive health and safety awareness among employees and workers.

To achieve it, Apollo Tyres Ltd has adopted various measures to ensure a safe and healthy workplace for all its stakeholders:

- Mandatory Induction safety training and job specific safety trainings is conducted for its all employees and workers, regularly.
- Identification of hazards and proactive reporting of near misses and unsafe conditions is encouraged among all employees and workers through Hazard and Near Miss reporting program and implementing actions to close the observations.
- Reinforcement of safe behaviours of employees and workers and counselling the at-risk behaviours through Behaviour Based Safety (BBS) Program/

Safety interaction programme (SI) and implementing actions to close the observations.

- Periodical safety audits reviewing workplace conditions and implementing remedial actions to further improve its safety measures, procedures, and reporting systems.
- Encouraging timely and effectively reporting and investigation of all incidents and implementing corrective and preventive actions, within a stipulated period.
- Hazard identification and risk assessment of all operations in the department
- Safety committee members reviews along with other stakeholders on a weekly and monthly basis to act and conform with local safety regulations, identify gaps, implement corrective actions, and evaluate the key performance lagging and leading indicators.
- Finally, health and safety are an integral part of the Risk Management projects which aids in strengthening risk controls in the Company.

**13. Number of complaints on the following made by employees and workers:**

Benefits	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Filed	Pending Resolution at end of year	Remark	Filed	Pending Resolution at end of year	Remark
Working Conditions	0	0	-	0	0	-
Health and Safety	0	0	-	0	0	-

**14. Assessment for the Year (2022- 23):**

	% of plants and offices that were assessed (by entity or statutory authorities or third party)
Health and Safety Practices	100%
Working Conditions	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risk/ concerns arising from assessment of health and safety practices and working conditions.**

Apollo Tyres Ltd, acknowledges that timely identification of gaps and appropriate corrective action implementation is core for building a responsible and sustainable business. Following are few initiatives and actions taken to bridge the identified gaps during health and safety assessments:

- a) Improvement of additional engineering controls / safety poka yokes (avoid unexpected surprises) based on Risk Management Projects.

- b) Strengthening the safety training, standards, and SOPs with adequate health and safety instructions to ensure adequate risk awareness and safe behaviour.
- c) Strengthening the BBS programs with improved quality of safety interactions with workers.
- d) All safety related accidents are being investigated and learnings from investigation reports are shared across Company for deployment of corrective actions to mitigate recurrence of such incidents. Effectiveness of corrective actions deployment being checked during safety audits.
- e) Roof lifeline system installations are in progress.

## Leadership Indicators

### 1. Does the entity extend any life insurance or compensatory package in the event of death of (A). Employees; and (B). Workers (Yes/No). Provide detail.

Yes. Apollo Tyres Ltd has Life Insurance cover for all the employees and workers in tie-up with the Life Insurance Corporation (LIC) of India.

### 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

At Apollo Tyres Ltd, driving business ethics, transparency, and accountability is core and we expect the same from our business partners. Some activities carried out by the Company to ensure business partner compliance with statutory and regulatory requirements are as follows:

- **GST dues in the Raw Material Billing to Apollo Tyres:** The GST paid to the Raw Material Value Chain Suppliers is being deposited with tax authorities of Govt of India. Once the Invoice data including GST details is uploaded by Apollo suppliers in the GST portal, the GST details appear in Form 2A which Apollo uses to take credit of the GST against the FG Sales.
- **PF and ESI payment by Labour contractors -** Apollo's plant accounts commercial teams are

ensuring that before settling the dues to the labor contractors, that labor contractor has complied with the deposit of statutory dues e.g., PF, ESI for his employees on a continuous basis before settling the invoice payment.

For the RM Partners, further compliance with respect to other labor issues are addressed through the Apollo Supplier Code of Conduct deployment, and compliance in the RM Supply Chain:

- As a part of Apollo Tyres Sustainable Procurement Policy - ATSPP Section III, Labour Practice -** It is a requirement and expectation that compensation is paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours, piece rates and other elements of compensation, and provide legally mandated benefits stipulated under local or international laws.
- As a part of Apollo Sustainable Natural Rubber Policy - ASNRP Section 1: Labour and Human Rights - Support Decent Living Wages and Benefits:** Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours, piece rates and other elements of compensation, and provide legally mandated benefits stipulated under local or international laws.
- As a part of the periodic Apollo audit assessment of the suppliers -** The aspect of fair working practices for worker and employees is being assessed during the audit by Apollo audit team.

### 3. Provide the number of employees/ workers having suffered high consequence work-related injury/ ill-health/ fatalities (as reported in Qs. 11 of Essential Indicators above), who have been/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Indicate input material	Total Number of affected employees/ workers		No. of employees/ workers that are rehabilitated or whose family member have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022- 23	FY 2021- 22
Employees	1	0	0	0
Workers	0	3	0	1

### 4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Regular transition assistance program is provided with respect to wellness, financial planning, and counselling support. In addition, based on business requirement, fixed term work contract is extended to retiring employees, whenever required. Further, depending on business requirement, opportunity of being a business partner at Apollo Tyres Ltd is also extended to such employees.

**5. Details on assessment of value chain partners (FY 2022-23):**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Health and Safety Practices	100%
Working Conditions	100%

**6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

A special checkpoint is there in Apollo Tyres Ltd checklist for downgrading the supplier audit assessment score- check for the incidence of fatal accident at supplier end. No significant risks were identified from assessment of health and safety practices and working conditions of value chain partners during the assessment in FY 2022- 23.

**Principle 4** Businesses should respect the interests of and be responsive to all its stakeholders

**Essential Indicators**

**1. Describe the process for identifying key stakeholder groups of the entity.**

Apollo Tyres Ltd, recognizes that the stakeholder is an essential part of business operation. Systematic identification of its stakeholders, understanding their concerns and involving them in managing risks, are important aspects to ensure sustainability of the business. The entire process is in accordance with Stakeholder Engagement Policy approved by the Board. The Company has identified and prioritised its key stakeholder groups: Customers, Supply Chain Partners, Community, NGOs, Government/Corporate partners, Investors etc.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

<b>Stakeholder Group</b>	<b>Identified as Vulnerable or Marginalized Group (Yes/ No)</b>	<b>Channels of Communication</b>	<b>Frequency of engagement</b>	<b>Purpose and scope of engagement including key topics and concerns raised during each engagement</b>
Customers- OEM & Replacement (Trucking community)	Yes	<ul style="list-style-type: none"> <li>a. One-to-one &amp; one-to-group communication</li> <li>b. Social media engagement</li> <li>c. Awareness through IEC materials like posters, pamphlets, hoardings, foe behavior change</li> <li>d. Mid-media events (street-plays, game shows, etc.)</li> </ul>	Daily and Monthly	<p><b>Scope of Engagement &amp; key topics, concerns raised during each engagement:</b> The programme targets to provide health care solution to its stakeholders in form of healthcare centres. This is at their doorstep so that they can easily access it. To provide the healthcare services, the organisation has opened 32 Healthcare Centres in transshipment hubs, spanning across 19 Indian states. The programme engages with stakeholders through various mediums.</p> <p>i) <u>Awareness generation and filed visits:</u> Apollo Tyres Foundation staff -Outreach workers and Peer Volunteers (Dhaba owners, mechanics, barber etc. Local from the community, with whom truck drivers remains in constant contact) conducts the filed visits on regular basis. One to one and one to group awareness sessions on healthcare issues are organised with truck drivers and allied population. The staff also address the queries related to availing healthcare facilities through Apollo Tyres Healthcare Centres.</p>

Stakeholder Group	Identified as Vulnerable or Marginalized Group (Yes/No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during each engagement
				<p>ii) <u>Health Camps, OPDs and Mobile Medical Units</u>: The Company engages with the stakeholder to provide the doorstep healthcare solutions. OPD service (through 32 healthcare centres), doctor consultation facility is organised. Periodic health camps are also organised at transshipment hubs for the maximum outreach. Through Mobile Medical Units also we engage with the trucking community. Mobile medical units provide doctor consultation and other healthcare services at highways, junctions and driver halt points. These services address the healthcare issues faced by the stakeholder.</p> <p>Other engagement includes sessions on health and safety awareness.</p>
<b>Community</b> <i>(Women and children from the community around our manufacturing locations)</i>	Yes	a. SHG Meetings b. Village Development Committee Meeting c. Livelihood and Income Generation Trainings	Monthly and Quarterly	<p><b>Scope of Engagement &amp; key topics, concerns raised during each engagement:</b> The livelihood Programme, Navya aims at providing livelihood opportunities to the rural women at their doorsteps. Women are trained in farm based and non-farm activities. Trained women are further linked with market and financial institution for sale and fund support.</p> <p>The programme engages with women stakeholders through various mediums.</p> <p>i) <u>SHG Meetings</u> are organized on monthly basis to bring women at a common platform and help them in developing the habit of savings. In SHG meetings mostly issues related to availability of loan, financial literacy, and livelihood options are raised and addressed.</p> <p>2) <u>Village Development Committee (VDC) Meeting</u> in each village at Baroda is a representation of SHG leaders, Anganwadi workers, Panchayat members and ATF staff. VDCs meetings provides the transparency amongst the community member related to programme implementation, it also serves as a platform to resolve community issues with SHGs participation.</p> <p>3) <u>Livelihood and Income Generation Trainings</u>: The programme provides the livelihood opportunity to the women at their doorsteps. Issues related to type of income generation activities, financial and technical support required for setting up the income generation units.</p> <p>4) Environment, health, and safety engagement</p> <p><b>Purpose:</b> The Company work closely with the grass root level Organisation, local governments and corporate partners for the implementation of CSR projects and maximum outreach.</p> <p><b>Scope of Engagement &amp; key topics, concerns raised during each engagement:</b> With Government and Corporates the Company engages for exploring partnership opportunities. One of the key tasks under CSR function is to work in partnership for better beneficiary outreach. With Government departments lesioning is done for government linkages and technical and financial support for the projects. The Company identifies the corporates working on the same cause/issue and collaborates with them for technical and financial partnership model.</p> <p>Other engagement includes sessions on health and safety awareness.</p>
<b>NGO, Corporate Partners, and Government Bodies</b>	No	Meetings	Quarterly and Six Monthly	

Stakeholder Group	Identified as Vulnerable or Marginalized Group (Yes/ No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during each engagement
Supply Chain partners	No	a. Meetings b. Field Visits	Quarterly and Six Monthly	<p><b>Purpose:</b> The Company engages with Supply Chain partners for sustainable supply chain initiatives. As a part of the Sustainable Natural Rubber procurement initiative the Company has initiated livelihood projects with the rubber dealers for rubber tapping community.</p> <p><b>Scope of Engagement and Key Topics:</b> The Company ensures the well-being of its supply chain partner and engages with them for the healthcare awareness initiatives. Employees from the supply chain team conduct periodic awareness sessions with supply chain partners on the issues related HIV/ AIDS awareness, Substance abuse and TB awareness.</p> <p>Other engagement includes sessions on health and safety awareness.</p>
Raw Material Suppliers	No	a. Physical visits b. Virtual meetings c. Emails d. Telephone calls e. Vendor Quality manuals f. Supplier engagement meets	Quarterly, Monthly, and Need Based	<p>Engage with our RM suppliers on a regular basis through different channels on different aspects such as:</p> <ul style="list-style-type: none"> <li>- Procurement Negotiations and contracting,</li> <li>- Vendor Quality audits and assessments,</li> <li>- Sustainability,</li> <li>- Joint technical partnership,</li> <li>- Collaboration projects with Apollo suppliers</li> </ul> <p>Other engagement includes sessions on health and safety awareness.</p>
Investor and Shareholder	No	Stock Exchange Filings, Annual Report, Annual General Meetings, Emails, Postal Ballots etc.	Periodic	Statutory Requirements
Employee and Workers	No	Newsletter, Training & Awareness sessions, FGDs, Townhall, e-mails, health-helpline, etc.	Ongoing & Need basis	<p>Company undertakes various awareness initiatives across ESG themes, some of which are illustrated mentioned below:</p> <ul style="list-style-type: none"> <li>- Refresher Training on Code of Conduct</li> <li>- POSH and Human Rights awareness sessions</li> <li>- Apollo Learning</li> <li>- Environment, Health, and Safety Engagements</li> </ul>
Consumers	No	Digital websites-product and BOFO website and social media	Daily	Product information



## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company work towards minimizing the environmental, economic and social impacts to our business, in a compliant and responsible manner, by adopting sustainable procurement policies and practices. We strive to continuously enhance customer satisfaction by providing cost effective and quality materials on a timely basis, while working together with our stakeholders on ESG aspects to enable sustainable business practices.

To achieve the same, the Board provides the strategic oversight and has constituted a Business Responsibility and Sustainability Committee, inter alia, to provide guidance and monitor the ESG progress. The Company has diverse approach for stakeholder engagement. The Board is updated from time to time on various sustainability initiatives taken/to be undertaken by the Company. At Apollo Tyres Ltd, sustainability report reflecting the ESG initiatives under the review and guidance of the Board is available on the website and is circulated to the Shareholders as a part of the Annual Report.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topic? (Yes/No)

**If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. Apollo Tyres Ltd have diverse approach for stakeholder engagement which are detailed out for collecting stakeholder feedback and incorporating them into policies and activities of the Company:

- 1) **Stakeholder Committees and Groups:** Under each community development initiative stakeholder groups are formed for the continues feedback and local issues redressal.
  - Under Healthcare initiative, stakeholder committee is formed, which has representation from transport unions, business owners from the transshipment hubs, and government representatives. On a quarterly basis stakeholder consultation meeting is organized and feedback is sought.
  - Under Livelihood project, Village Development Committee (VDC) is formed and has member

representation from Asha worker, teacher, Panchayat representative etc., and any issue related to beneficiary and/or village problem is discussed during the VDC meeting and through collective participation, VDC members try to address the issues of the community.

- Under Solid Waste Management initiative, steering committee is formed, which has representation of Panchayat members, schoolteachers, NGO workers at village level. The steering committee reviews the overall functioning of the project on a periodic level and provides feedback for program improvement.

- 2) **Field Assessments:** The Company engages with third party Organisation to undertake mid-line assessments of its projects and during the assessment focused stakeholder consultations are conducted to review the project delivery, outcome, and impact. Based on the stakeholder feedback and suggestions, mid-course-corrections are incorporated under the programme strategy and implementation.

- 3) **Beneficiary/ Representative feedback:** Apollo Tyres Ltd has developed a strategy to gauge beneficiary feedback of the programme and its services. A suggestion box/register is kept at all locations and beneficiaries are encouraged to provide their feedback. During programme monitoring visit, our staff tries to address their concerns; and ensure integration of suggestion in the programme, wherever and to whatever extent possible.

**Illustration:** The customers (*Truck Drivers*), suffers from vision issues and are vulnerable to road accidents. During the stakeholder consultation meetings same issue was highlighted by the Transport Unions and Association. The Company accepted the feedback and suggestions from the stakeholders and in the year 2015 Vision Care service was integrated in the healthcare initiative.

### 3. Provide detail of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Apollo Tyres' CSR program aims to enhance the livelihood opportunities of the marginalised and vulnerable communities and below highlights few instances of our action in this direction:

- a). **Truck Drivers:** The Company is committed towards providing continues healthcare support to the customers. Limited access to healthcare facility and continuity in treatment are the major concerns faced by the trucking community. Through its healthcare centre the Company provides access to healthcare facilities at the doorsteps of the trucking community. Truck drivers who are identified as HIV

positive, TB positive are linked with ART and DOTs treatment facility. *Example:* During the COVID time the Company ensured to arrange the medicines and nutrition support to the truck drivers identified with TB and ensured the continuity of the treatment.

- b). Rural Women:** Market linkage and access to finance are the major livelihood issues faced by the rural women; to address this challenge, the Company invests in financial literacy capacity building, financial and government linkages. For example, at Baroda, the Company has formed over 700 Self Help Groups (SHGs) and have provided income generation trainings to the underprivileged women. The Company has supported the women to form the Organic Farming Agri Women Cooperative and Marketing Society and these women have been trained on the organic farming practices and techniques. The Company has provided them the support for organic farming certification and as an outcome of these trainings over 400 women are engaged in organic farming activity and earning decent income from it. Over 7,000 women at Baroda location are linked with National Rural Livelihood Mission (NRLM) scheme of Government of India.

## Principle 5 Businesses should respect and promote human rights

### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
<b>Employees</b>						
Permanent	3,040	3,040	100%	3,240	3,240	100%
Other than permanent	91	91	100%	94	94	100%
<b>Total Employees</b>	<b>3,131</b>	<b>3,131</b>	<b>100%</b>	<b>3,334</b>	<b>3,334</b>	<b>100%</b>
<b>Workers</b>						
Permanent	4,795	4,795	100%	5,081	5,081	100%
Other than permanent	8,164	8,164	100%	8,349	8,349	100%
<b>Total Workers</b>	<b>12,959</b>	<b>12,959</b>	<b>100%</b>	<b>13,430</b>	<b>13,430</b>	<b>100%</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	Current Financial Year 2022- 23					Previous Financial Year 2021- 22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>3,040</b>	<b>0</b>	<b>0%</b>	<b>3,040</b>	<b>100%</b>	<b>3,240</b>	<b>0</b>	<b>0%</b>	<b>3,240</b>	<b>100%</b>
- Male	2,965	0	0%	2,965	100%	3,150	0	0%	3,150	100%
- Female	75	0	0%	75	100%	90	0	0%	90	100%
<b>Other than Permanent</b>	<b>91</b>	<b>0</b>	<b>0%</b>	<b>91</b>	<b>100%</b>	<b>94</b>	<b>0</b>	<b>0%</b>	<b>94</b>	<b>100%</b>
- Male	72	0	0%	72	100%	66	0	0%	66	100%
- Female	19	0	0%	19	100%	28	0	0%	28	100%
<b>Workers</b>										
<b>Permanent</b>	<b>4,795</b>	<b>0</b>	<b>0%</b>	<b>4,795</b>	<b>100%</b>	<b>5,081</b>	<b>0</b>	<b>0%</b>	<b>5,081</b>	<b>100%</b>
- Male	4,789	0	0%	4,789	100%	5,077	0	0%	5,077	100%
- Female	6	0	0%	6	100%	4	0	0%	4	100%
<b>Other than Permanent</b>	<b>8,164</b>	<b>2,278</b>	<b>28%</b>	<b>5,887</b>	<b>72%</b>	<b>8,349</b>	<b>2,595</b>	<b>31%</b>	<b>5,755</b>	<b>69%</b>
- Male	7,878	2,206	28%	5,672	72%	8,032	2,490	31%	5,542	69%
- Female	286	72	25%	215	75%	317	105	31%	213	69%

### 3. Details of remuneration/ salary/ wages, in the following format (Amount in ₹ lakhs per annum):

	Male		Female	
	Number	Median salary/ wage of respective category	Number	Median salary/ wage of respective category
Board of Directors (BoD)	11	3134.5	2	113.9
Key Managerial Personnel (KMP)*	3	4732.8	1	102.1
Employees other than BoD and KMP	2965	9.2	75	16.5
Workers	4789	7.2	6	2.7

\* Includes Managing Director (MD) and Whole-time Director

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Apollo Tyres Ltd has identified Mr. Dipankar Ghosh - Group Head Human Resources, Asia-Pacific Middle East, and Africa (APMEA) and Ms. Ruchika Pal, Group Head- Corporate HR, Apollo Tyres Ltd as the Nodal person responsible for addressing any concerns/ issues related to human rights in the Company.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At Apollo Tyres Ltd, there is a well-established mechanism available for all cadres of employees and workers to raise and redress their grievances. The concerns can be raised in the following manner, via:

- Line Manager
- The HR Business Partner (HRBP) for business area/ region

In addition, if somebody wants to report a concern maintaining confidentiality, he can put that in writing to an exclusive email ID: [coc.report@apolloytyres.com](mailto:coc.report@apolloytyres.com)

The raised concern/ issue is thoroughly investigated and depending on the assessment of the concern/ issue, appropriate action is taken.

### 6. Number of complaints on the following made by employees and workers:

	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Filed during the year	Pending resolution at end of year	Remark	Filed during the year	Pending resolution at end of year	Remark
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

### 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Apollo Tyres values the diversity of the people with whom it works and the unique contribution they make. The Company have a long-standing commitment to equal opportunities and intolerance of discrimination and harassment.

The Process of Complaint registration upholds the below values.

- When complainant register or report breach of the code of conduct; the Company
  - 1) Protect their rights, 2) Ensure support through transparent process, 3) Uphold confidentiality

**The Steps to register the complaint.**

- The complainant may raise informal concern by telephone, in person or in writing to their line manager or HR Business Partner (HRBP). If, exceptionally, the concern is more serious, the complainant can put the complaint in writing, via email to: [coc.report@apolloytyres.com](mailto:coc.report@apolloytyres.com)

**The role of HRBP**

The HRBP ensures to maintain confidentiality, Listen to the complaint in an empathetic way, provide any policy clarification required, provide options to find a comfortable way forward and provide requisite recommendations to report directly at prescribed email ID.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

**Yes, Human Rights requirements form an integral part of Apollo Tyres' business agreements because of the following:**

- The **Supplier Code of Conduct** is aligned with the ISO20400:2017 standard on Sustainable

Procurement and the guiding principles defined therein. In addition, the guidelines for deployment in the Apollo supply chain are based on the framework of 7 core subjects and 37 sustainability issues, which includes "**Human Rights**" as one of the 7 core subjects.

- Apollo is a member of the GPSNR (Global Platform for Sustainable Natural Rubber), which drives sustainability with all the stakeholders in the Natural Rubber Supply Chain. The Natural Rubber supply chain requirements are aligned with the Policy framework and guidelines from the GPSNR, which includes "**Human Rights**" as one of the sections.
- The Supplier Code of Conduct is a part of minimum requirement at the time of selection and onboarding of new suppliers, and it is to be treated in conjunction with the terms and conditions of the commercial procurement contracts and would be applicable if an active procurement relationship exists between Apollo Tyres Ltd and supplier partner.

**9. Assessment for the FY 2022-23:**

	<b>% of plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child Labour	40%
Forced/ Involuntary Labour	Nil
Sexual harassment	40%
Discrimination at workplace	40%
Wages	40%
Other Labor law compliances	40%

Note: 2 out of 5 plants assessed.

**10. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Qs. 9, above.**

In the FY 2022- 23, no significant risk was found during the assessments.

**Leadership Indicators**

**1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/complaints.**

Nil

**2. Details of the scope and coverage of any Human Rights due-diligence conducted.**

During FY 2022- 23, no human rights due-diligence was carried out.

**3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

At Apollo Tyres, we value diversity of people with whom we work and commit to equal opportunity and intolerance of discrimination and harassment. Apollo Tyres 'Equal Opportunity Policy' is in line with the statutory compliance as stipulated under "The Rights of Persons with Disabilities

Act, 2016 and Rules, 2017". The Company ensures to provide support and facilities for the wellbeing of its employees, including those with special needs to effectively discharge their duties in the Company.

#### 4. Details on assessment of Value Chain Partners:

	% of value chain partners (by value of business done with such partners) that were assessed:
Child Labour	100%
Forced/ Involuntary Labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

Note: Apollo Tyres have a Supplier Audit System where the suppliers are audited on a periodic basis based on defined audit criteria and frequency. As a part of the audit checklist, we assess our suppliers on requirements pertaining to Child Labor, Forced Labor/ Involuntary Labor, Sexual Harassment, Discrimination at workplace, and Wages, and others.

#### 5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessment at Qs. 4 above.

Apollo Tyres Ltd has a well-defined supplier audit system and a standard supplier audit checklist covering all aspects of health, safety, environment, and human rights. Based on the supplier audits conducted for the reporting period, there are no significant risks / concerns observed. Hence Not applicable.

### Principle 6 Businesses should respect and make efforts to protect and restore the environment

#### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Total Electricity Consumption (A) GJ	1,849,597	1,855,605
Total Fuel Consumption (B) GJ	3,443,786	3,514,845
Energy consumption through Other Sources (C) GJ	985,695	1,087,213
<b>Total Energy Consumption (A+B+C) GJ</b>	<b>6,279,078</b>	<b>6,457,663</b>
<b>Energy intensity per rupee of turnover (GJ/₹ Lakhs)</b> (Total energy consumption/turnover in rupees)	3.71	4.51
<b>Energy intensity (GJ/Tonne of products)</b>	10.55	11.23

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency. **Yes, by TUV India Pvt Ltd**

#### 2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India? (Yes/No)

If "Yes", disclose whether targets set under the PAT Scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. None of our manufacturing facilities are Designated Consumer under (PAT), Scheme of the Government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
<b>Water withdrawal by source (in kilo-litres)</b>		
(i) Surface Water	1,623,129	1,829,885
(ii) Groundwater	14,674	-
(iii) Third Party Water	404,368	403,183
(iv) Seawater/ Desalinated water	-	-
(v) Others	23,573	-
<b>Total Volume of water withdrawal (in KL) (i + ii + iii + iv + v)</b>	<b>2,065,744</b>	<b>2,233,068</b>
<b>Total volume of water consumption (in KL)</b>	<b>2,065,744</b>	<b>2,233,068</b>
<b>Water intensity per rupee of turnover (KI/₹ Lakh) (water consumed/ turnover)</b>	1.22	1.56
<b>Water intensity (m3/MT of product)</b>	3.47	3.88

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency. **Yes, by Bureau Veritas (India) Pvt Ltd.**

**4. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If "Yes", provide details of its coverage and implementation.**

At all Apollo Tyres Ltd manufacturing facilities, all the process/Domestic wastewater is treated through either effluent treatment plants (ETP) / Sewage Treatment Plant (STP) followed by tertiary treatment, as per requirements or applicable norms which is reused in the system.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
NOx	mg/Nm3	65.78	60.89
SOx	mg/Nm3	45.00	45.38
Particulate Matter (PM)	mg/Nm3	66.24	79.86
Persistent organic pollutant (POP)	mg/Nm3	57.00	59.86
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency. - **NO**

**6. Please provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:**

Parameter	Please specify unit	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Total Scope 1 Emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	292,368	331,220
Total Scope 2 Emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	303,089	360,127
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO <sub>2</sub> eq/ ₹ Lakh	0.353	0.483
Total Scope 1 and Scope 2 emission intensity	tCO <sub>2</sub> eq/MT of product	1.00	1.20

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency. **Yes, by TUV India Pvt Ltd**

## 7. Does the entity have any project related to reducing Greenhouse gas emissions?

### If "Yes", then provide details.

There is a climate change strategy in the organisation, where an Environment Working Group (EWG) is formed. The EWG has representation from Apollo world operations. The remit of the group is to comply with upcoming legislations, and most importantly to identify solutions to reduce emissions. EWG has identified 3 areas,

- 1) **Increase in green fuels** – The Company has started to move away from fossil fuel use to biofuel and Andhra Pradesh facility in India is already running completely on biomass. Similar opportunity is under investigation for others manufacturing locations also.

- 2) **Increase in RE mix** – the organisation's investment in solar, hybrid capacity to move away from the use of grid energy. In FY23, approximately 16% of its power requirement in the reporting period were met by renewable sources. The Chennai plant has guaranteed a supply of 40 million units of through its investment in solar power. The Company has also invested in Solar Power 9.3 MW in its Hungary plant and Hybrid power of 5 MW capacity for its Limda Plant, Gujarat, India.

- 3) **Improve energy efficiency** - The Company has been making efforts to achieve energy efficiency through improvements in its process design, conversion & retrofitting of equipment and use of energy-efficient equipment. Which has resulted nearly 74 thousand GJ of energy savings in FY23.

## 8. Provide details related to waste management by the entity, in the following format:

Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
<b>Total Waste Generated (in metric tonnes)</b>		
Plastic Waste (A)	1,449	1,405
E-Waste (B)	60	90
Bio-medical Waste (C)	0.12	0.35
Construction and Demolition Waste (C&D) (D)	0	15
Battery Waste (E)	20	43
Radioactive Waste (F)	0	0
Other Hazardous Waste generated (G) (Please specify, if any)	877	766
Other Non-Hazardous Waste generated (H) (Please specify, if any)	24,883	25,550
<b>Total Waste Generated (A+B+C+D+E+F+G+H)</b>	<b>27,289</b>	<b>27,487</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category Waste Name:</b>		
(i) Recycled	25,764	26,173
(ii) Re-used	995	1,314
(iii) Other recovery operations	4	0
<b>Total</b>	<b>26,763</b>	<b>27,487</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category Waste Name:</b>		
(i) Incineration	175	178
(ii) Landfilling	351	184
(iii) Other disposal operations	0	19
<b>Total</b>	<b>526</b>	<b>381</b>

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency

## 9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Apollo Tyres Ltd has adopted various measures for managing the waste generated during business operations which is explained below:

- 4Rs (Recycle, Reuse, Reduce, Recover) is the strategy adopted towards reduction of waste and reduce usage of hazardous and toxic chemicals in products and processes.

- All waste generated is collected and stored in designated locations in Value yard and is disposed-off as per applicable regulatory requirements. The quantity of waste generated and disposed of is monitored and records are maintained. This data is reviewed periodically, and waste reduction activities initiated are monitored.

**10. If the entity has operations/ offices in & around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/ clearances are required, please specify details in the following format:**

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Yes/No) If "No", the reasons thereof and corrective action taken, if any.
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None of Apollo Tyres Ltd manufacturing units nor offices are in and/or around ecologically sensitive areas where environmental approvals/ clearance is required or mandatory.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year 2022- 23**

Name and brief of the project	EIA Notification No.	Date	Whether conducted by independent agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web-link
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Environmental Impact Assessment (EIA) of projects has not been undertaken by us based on applicable law in FY 2022- 23.

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Yes/ No).**

If "Not", provide details of all such non-compliances, in the following format:

S. No.	Specify the law/ regulation/ guidelines which is not compliant	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control board or by courts	Corrective action taken, if any
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Apollo Tyres Ltd's all manufacturing facility are compliant with applicable laws, regulations, and guidelines in India.

**Leadership Indicators**

**1. Provide break up of the total energy consumed (in Joules or multiples) from Renewable Energy and Non-Renewable sources, in the following format:**

Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
<b>From Renewable Sources</b>		
Total electricity consumption (A) GJ	323,556	214,520
Total fuel consumption (B) GJ	329,079	46,348
Energy consumption through other sources (C) GJ	-	-
<b>Total energy consumed from renewable sources (A+B+C) GJ</b>	<b>652,635</b>	<b>260,868</b>
<b>From Non-Renewable Sources</b>		
Total electricity consumption (D) GJ	1,526,041	1,641,086
Total fuel consumption (E) GJ	3,114,706	3,468,497
Energy consumption through other sources (F) GJ	985,695	1,087,213
<b>Total energy consumed from renewable sources (D+E+F) GJ</b>	<b>5,626,443</b>	<b>6,196,795</b>

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency. **Yes, by TUV India Pvt Ltd.**



## 2. Provide the following details related to water discharge:

At all Apollo Tyres Ltd manufacturing facilities, all the process/Domestic wastewater is treated through either effluent treatment plants (ETP) / Sewage Treatment Plant (STP) followed by tertiary treatment, as per requirements or applicable norms which is reused in the system.

## 3. Water withdrawal, consumption, and discharge in areas of 'Water Stress' (in kilo litres):

For each facility/ plant located in areas of water stress, provide the following information:

- Name of area
- Nature of operations
- Water withdrawal, consumption, and discharge in the following format

None of Apollo Tyres Ltd manufacturing facility operates in area of 'water stress' region, therefore this question is not applicable.

## 4. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Please specify unit	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Total Scope 3 Emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	162,351	148,012
<b>Total Scope 3 emissions per rupee of turnover</b>	tCO <sub>2</sub> eq/₹ LAKH	<b>0.10</b>	<b>0.10</b>
Total Scope 3 emission intensity (optional)- the relevant metric may be selected by the entity	tCO <sub>2</sub> eq/MT of product	0.27	0.26

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency. **Yes, by TUV India Pvt Ltd**

## 5. With respect to the ecologically sensitive areas reported in Qs. 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

None, of our manufacturing site nor office premises are in and/or around ecological sensitive areas where environmental approvals/ clearances are required, hence it is not applicable to us.

## 6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the Initiative
1	Recycling treated effluents	Recycling of treated process effluent from ETP through Ultra Filtration (UF) & Reverse Osmosis.	Water Conservation
2	Multiple Effect Evaporator	Treatment of the reject effluent from Effluent Treatment Plant (ETP)	Zero liquid discharge plant
3	Water Conservation initiative	1. Increased reuse of rainwater into process. 2. Recycling of treated process effluent from ETP through Ultra Filtration (UF) & Reverse Osmosis 3. Treatment of STP outlet water with Ultra filtration and use it for toilet flushing	Reduction in freshwater withdrawal and increased of recycled water in the plant operation. The total recycled water used in FY23 is approximate 43%.
4	Energy conservation initiative	Energy conservation through process redesign, conversion & retrofitting of equipment and use energy efficient appliances.	Total Energy Saved in FY23 is nearly 74 thousand GJ, and GHG avoidance through energy saving was 10,547 tCO <sub>2</sub> .
5	Recovery/ Reclamation	Reclamation of hydraulic oil through oil filtration process	Oil waste reduction
6	3 Diesel forklifts replaced with Electric forklifts	2 Nos of Diesel forklift of banbury and 1 no at RMS replaced with electric forklifts	Emission reduction

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web-link.**

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.

Emergency Management plan is available in all Apollo Tyres Ltd plants and the plan is developed considering various emergency scenarios pertaining to operations (e.g., Fire etc.) and Natural calamities (e.g., Earthquake etc.). Dedicated teams have been identified and people are periodically trained with respect to the Emergency plan. The Emergency Plan is tested and reviewed periodically; Emergency mock drills are conducted regularly for the same.

**Business Continuity Plan**

The purpose of this plan is to recover the Information Technology (IT) systems at an alternative location and to provide user access to them within a response time objective of 48 hours. The procedures set out in this document should be used only as guidance when responding to an incident and responsibility of response. It ensures that business operations can continue in limited form until IT systems are restored and information security controls always remain in place to protect classified information.

Apollo firmly believes in setting up processes and plans in place to enable the Company to continue the delivery of products or services at acceptable levels following a disruptive incident. Apollo has set up process of creating systems of prevention and recovery to deal with potential threats to the Company. In addition to prevention, the goal is to enable ongoing operations before and during execution of disaster recovery. Business Continuity Plans and procedures are periodically tested based on contingency test plan and audited periodically by internal and external audit agencies.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Apollo Tyres is a member of Global Platform for Sustainable Natural Rubber (GPSNR), which is formed

by Tyre Industry Project under World Business Council for Sustainable Development (WBCSD) and aims to work towards sustainable natural rubber by focusing on Socio-Economic, Environment, and Governance issues in natural rubber supply chain.

To mitigate adverse impacts to environment, Apollo Tyres Ltd has rolled out its Sustainable Natural Rubber Policy, Apollo Sustainable Natural Rubber policy (ASNRP), which is built around GPSNR Policy framework and includes policy commitments towards risk identification and mitigation of adverse impacts to environment, biodiversity such as deforestation, preventing degradation of High Conservation Value and High Carbon Stock areas. ASNRP has been shared with all our natural rubber supplier partners and obtained acceptance on it.

Furthermore, Apollo Tyres Ltd conducted a virtual sustainability workshop for its global supplier partners in 2022 to share its requirements and expectations for the upstream supply chain and sought commitment from our global supplier partners towards use of non-fossil based fuels in operation, use of renewable energy in operation to lower carbon emission, practice sustainable consumption, ensure resource conservation, ensure water efficiency, optimize operations, set ambitions to lower carbon emissions, minimize waste in the manufacturing process, and to become responsible towards environment and society.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

100% of our suppliers are assessed for environmental impacts during the periodic audits as per pre-defined and standard audit checklist, an audit criteria and frequency standard. Our supplier audit questionnaire comprises of Health, Safety, and Environment (HSE) section, wherein requirements pertaining to environmental management systems are also being verified. Waste management process such as initiatives to reduce, re-use and re-cycle the waste generated from the operations, system for waste collection, segregation, and disposal across the plant including the office premises are also verified for supplier's manufacturing plant, which helps in minimizing impact to environment.

## Principle 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Essential Indicators

#### 1. (a). Number of affiliations with trade and industry chambers/ associations.

5

#### (b). List the top 10 trade and industry chambers/ associations (determined based on the total numbers of such body) the entity is member of/ affiliated to.

S. No.	Name the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1.	Confederation of Indian Industry [CII]	National
2.	Federation of Indian Chamber of Commerce and Industry [FICCI]	National
3.	PHD Chamber of Commerce and Industry	National
4.	Society of Indian Automobile Manufacturers	National
5.	Automotive Tyre Manufacturers' Association	National

#### 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the Case	Corrective action taken
Competition Commission of India (CCI)	<p>The Competition Commission of India (CCI) 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.</p> <p>The Company filed an appeal against the aforesaid order before the National Company Law Appellate Tribunal, New Delhi ("NCLAT"). The NCLAT through its judgement dated December 1, 2022 disposed off the appeals by remanding back the case to CCI for review.</p>	<p>We had appealed against the judgement of CCI in NCLAT, which has remanded back the case to CCI for fresh adjudication. CCI has filed an appeal in the supreme court against the Order passed by the NCLAT. Hearing to consider admission of appeal is likely to come after September 2023.</p>

## Principle 8 Businesses should promote inclusive growth and equitable development

### Essential Indicators

#### 1. Details of Social Impact Assessments (SIA) projects undertaken by the entity based on applicable laws, in the current financial year 2022- 23:

Name and brief detail of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No)	Relevant web-link
Not Applicable					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	%of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not Applicable						

**3. Describe the mechanisms to receive and redress grievances of the community.**

At Apollo Tyres Ltd, the Company has developed a robust community engagement mechanism for grievance redressal and programme improvement under its Corporate Social Responsibility (CSR) initiatives. Details of community engagement plan are given below:

- a. **Field Visits:** Physical field visit plays an important role in assessing the real time progress of any project. The local team visits the field programme on a weekly basis and ensures that all the deliverables are met as per the plan. The team individually meets the stakeholder to know whether they have received the benefits of the programme or not. During the field visit ATF representatives engage with the community on a one-to-one basis by conducting meetings, interactions etc.
- b. **Involvement of Community Resource Person (CRP):** Include or engage local beneficiaries to implement the programme as they have a strong local connection with the community. For instance, Peer Educators (PEs) deliver awareness sessions at the Transshipment Hub. Community Resource Person (CRPs), where in each village one woman from the SHG is identified and trained on documentation and programme monitoring. CRP and PEs are the

face of the community, they help in resolving the issues with active community participation.

- c. **Formation of Village Development Committee (VDC):** Community plays an important role in the success of any community initiatives. The programme has developed a process of regular stakeholder dialogue, consultation, and feedback through SHG and Village Development Committee (VDC) meetings. This also ensures that stakeholder’s feedback is captured and the same is implemented. Remedial measures are arrived at through these forums to resolve the issues and enhance stakeholder participation.
- d. **Midline and Impact Assessment:** To evaluate the overall performance of the project midline assessment is conducted at 3rd year of the implementation of project and impact assessment study is conducted after completion of 5 years. Focused Group Discussions are conducted with the different stakeholder groups to identify and problem and improvement areas. Based on the community recommendation and study findings mid-course correction is conducted.

We ensure by following above steps to address the grievance of the community and provide solution to the problem; however, no grievance was reported by the community in the reporting period related to our CSR activities.

**4. Percentage of input material (input to total inputs by value) sourced from suppliers:**

	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Directly sourced from MSMEs/ Small producers	5.37%	6.93%
Sourced directly from within the district and neighboring districts	39.25%	30.57%

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference Qs. 1 of Essential Indicators, above).**

Details of negative social impact identified	Corrective action taken
Not Applicable	

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount Spent (in ₹)
1.	Gujarat	Dahod	Total Budget: ₹ 2,300,000 Actual expense FY23: ₹ 2,300,000
2.	West Bengal (Farakka Healthcare Centre)	Murshidabad	Total Budget: ₹ 857,750 Actual expense FY23: ₹ 781,381

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No)**

Apollo Tyres are encouraging and enabling its supply chain partners to run centers i.e., 11 centers for Natural Rubber (sheet rubber) grading, currently over 50% of the workforce in these grading centers are women. The procured raw rubbers are processed manually for improvement and inspection purposes to ensure the right quality for the product.

**(b) From which marginalized/ vulnerable groups do you procure?**

The Natural Rubber grading centres have employed women for grading of sheet rubber, from neighboring areas which provides them with employment opportunity and skill development prospects.

**(c) What percentage of total procurement (by value) does it constitute?**

In the FY 2022-23, sourcing from these grading centres accounted for 5% of the total procurement.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year 2022- 23), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes/ No)	Basis of calculating benefit share
		Not Applicable		

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of Case	Corrective action taken
Not Applicable		

**6. Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Beneficiaries from vulnerable & marginalized groups
1.	<b>Healthcare for Trucking Community:</b> A nomadic lifestyle and limited access to Healthcare facilities leaves truck drivers vulnerable to various healthcare issues. This is the reason it chose the trucking community as its target beneficiaries (they are also our key customers). The Company has established 32 Healthcare Centres in transshipment hubs spanning 19 Indian states, providing healthcare facilities at the doorsteps of this community. The programme provides healthcare services such as prevention and awareness of HIV-AIDS, Vision Care, Awareness on Integration of Tuberculosis and other Known-Communicable diseases such as Diabetes, High Blood Pressure and General Treatment facility, COVID testing and Vaccination support.	1,100,867	100%

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Beneficiaries from vulnerable & marginalized groups
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**Key Services:**

**1. HIV-AIDS Awareness and Prevention**

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).

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 mobilized nearly 1021 active PEs across its locations.

**2. Vision Care**

Vision impairment is one of the most common yet most neglected issues among the trucking community. Apollo Tyres has partnered with Essilor India Pvt Ltd under its 2.5 New Vision Generation initiative to provide regular and affordable vision check-ups for the trucking community. Periodic eye check-up camps, spectacles distribution to the affected and cataract treatment to linked government hospitals are also facilitated at transshipment hubs.

**3. 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 transshipment 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.

**4. Other Non-Communicable Disease (NCDs)**

Diabetes and high blood pressure have been emerging as serious health issues among the trucking community. The Company offers diabetes and blood pressure testing facilities to the beneficiaries, which has resulted in early detection and proper treatment.

**5. Mobile Medical Units (Apollo Tyres Healthcare Express)**

In extension to its static Healthcare Centres, 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 at Delhi, Namakkal (Tamil Nadu), Cuttack (Odisha) and Chhindwara (Madhya Pradesh).

The Company also organises regular health camps (Sakushal Saarthi) for the benefit of the employees of its fleet owners.

**6. Oral Hygiene**

High addiction to tobacco (smoking and chewing) and poor oral hygiene is a major health risk, among truck drivers. Apollo Tyres began the oral hygiene services in FY20 with dedicated initiatives to spread awareness and encourage oral care.

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Beneficiaries from vulnerable & marginalized groups
2.	<b>Solid Waste Management &amp; Sanitation</b>	1,07,150	100%
	<p>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.</p> <p>SPARSH stands for S – Segregate Waste; P – Practise Composting; A – Awareness Generation; R – Reduce, Reuse &amp; Recycle; S – Safe Sanitation; H – Hygiene for All.</p>	<p>CMTN- 8,924 CMV- 93,513 Sanitation- 2,642 ELT- 2,071</p>	
	<b>Key Services:</b>		
	<b>1. Clean My Transport Nagar (CMTN)</b>		
	<p>Devised to cater to the stakeholders in transshipment hubs, the CMTN programme is aimed at improving waste management and cleanliness in these areas. 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.</p>		
	<b>2. Clean My Village (CMV)</b>		
	<p>Clean my Village is a similar initiative to CMTN, designed to benefit communities around our manufacturing locations. Waste management best practices are introduced and ingrained into everyday lives through systematized programmes of education and hands-on training. As a result, there has been visible enhancement, both in the environment and the health of individuals.</p>		
	<b>3. Sanitation Management</b>		
	<p>Apollo Tyres believes that hygiene and sanitation is a basic right of every individual and imperative for a healthy environment as well. To meet this cause, the Company has undertaken several sanitation managements projects in line with the Clean India campaign. The project has greatly helped communities, especially around our manufacturing locations. The Company has constructed toilet cum bathing spaces for underprivileged communities around the Chennai manufacturing plant and community toilets in transshipment hubs at the Delhi and Agra locations.</p>		
	<b>4. End of Life Tyres Playground (ELT)</b>		
	<p>At Apollo Tyres, we constantly look 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. This initiative has helped introduce kids to the concept of recycling.</p>		
3.	<b>Livelihood for Rural Women</b>	1,579	100%
	<p>Navya, the Company's flagship endeavor, is an attempt to empower underprivileged rural women economically, socially, and emotionally. It supports their livelihood needs by providing them with income generation opportunities at their doorstep. The programme also undertakes several initiatives to mitigate gender discrimination and educate on gender rights.</p>		

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Beneficiaries from vulnerable & marginalized groups
	<p><b>Key Activities:</b></p> <ol style="list-style-type: none"> <li><b>1. Self-Help Group (SHG)</b> A powerful tool for women’s empowerment, SHGs, bring women together. Through Navya, Apollo Tyres undertakes a two-pronged approach towards SHGs by strengthening the existing ones and creating new ones. SHGs inculcates the habit of savings among beneficiaries. Women receives training in financial literacy, book-keeping, documentation and others. Additionally, women are also taught to deal with social issues like domestic violence and gender rights, among others.</li> <li><b>2. Livelihood Training and Income Generation</b> Skill development and training is provided to build earning capacity, enhance economic independence and create livelihood sources. The training includes farm-based and non-farm-based activities. Livestock care and management training is also provided to help widen the scope of income generation.</li> <li><b>3. Linkages with Government Schemes and Markets</b> Programme Navya not only provides livelihood opportunities to rural women but also links them to various government-run schemes and relevant markets to cause a multiplier effect in improving their socio-economic status. While the government schemes provide financial aid, the liaison with markets and service sector helps drive entrepreneurship.</li> </ol>		
4.	<p><b>Biodiversity Conservation:</b> 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.</p> <p>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 <i>Tamil Nadu and Gujarat locations</i>. 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. At Gujarat location, under Miyawaki project total 10,000 planted trees are maintained.</p>	56,577	100%
5.	<p><b>Local Initiatives:</b> 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:</p> <p><b>Access to purified drinking water:</b> 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.</p> <p><b>Eco restoration of Ponds:</b> 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.</p>	38,058	100%



S. No.	CSR Project	No. of persons benefited from CSR Projects	% Beneficiaries from vulnerable & marginalized groups
	At Baroda location, the organisation also supports government's pond deepening initiative under Sujalam 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 lakes, ponds, check-dams and rivers by removing silt through public participation utilizing the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).		
6.	<b>Philanthropic Initiatives:</b> 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.	5	100%

## Principle 9 Business should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Apollo Tyres Ltd has a well-defined and robust mechanism to receive and respond to consumer complaints in a timely, effective, and transparent manner. The mechanism is elaborated in the following steps:

- Customer can raise their complaint using various channels such as Customer Care number: 1800-212-7070, Apollo Samadhan Application, directly approach to all our Apollo Offices, or via social media and website.
- Customer upon any complaint occurrence in the product, can call apollo customer Care or can approach any of ATL authorized business partner or can approach directly to Apollo's area business units

for registering complaint and get resolution within 2 to 4 days depending on the product category.

- Customer will receive relevant ticket number as reference if registered at call center or business partner and receipt number with document in case of registering at Apollo's area business units.
- After registering the complaint, customer tyre will be inspected by our authorized inspector and will be given inspection document or award letter with reason for failure whatever whether its manufacturing or operational.
- Post the complaint resolution process is over, a call from apollo customer care will go to customer for collecting feedback on the resolution satisfaction.

Social Media and Website: Whosoever comments or reaches out, the details are sent to the Customer Service team which further responds and closes requests.

#### 2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

	As percentage to total turnover
Environmental and social parameters relevant to the product	All necessary information as per regulatory requirements are disclosed on all our products.
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	Current Financial Year 2022- 23		Remarks	Previous Financial Year 2021- 22		Remarks
	Received	Pending at end of year		Received	Pending at end of year	
Data Privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Customer Complaints	614,061	710	-	571,504	0	-

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary Recalls	0	NA
Forced Recalls	0	NA

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No).**

If available, provide a web-link of the policy.

At Apollo Tyres Ltd, a risk management Charter and Policy is available that outlines the Company's approach for efficient, effective, and demonstrable Risk Management. The document can be accessed in the link below:

<https://corporate.apollotyres.com/content/dam/orbit/apollo-corporate/investors/corporate-governance/codes-policies/codes-policies/Risk%20Management%20Charter%20and%20Policy.pdf>

The elements of risks identified include cyber security for which a framework for assessing external and internal risks is required. For fulfilling this requirement, the Company has formulated a Data Protection Policy, hosted on the Company Intranet. The excerpt of the policy is mentioned below:

**Introduction**

The purpose of the Personal Data Protection Policy (referred to as the "Policy") is to protect Personal Data of employees, contractors, vendors, interns, associates, customers, business partners and any third party related to Apollo Tyres Limited or any of its subsidiaries, affiliates, joint venture companies and associates [including its European entities] (collectively referred to as the "ATL") as per the requisite Data Protection laws and regulations applicable to ATL.

This Policy also aims to highlight the principles of data protection on the basis of which the Personally Identifiable Information ("PII") and Sensitive Personally Identifiable Information ("SPII") of employees,

vendors/ distributors, contractors, customers, third parties, or business partners whose Personal Data is collected, stored, controlled and/ or processed by ATL is protected. Both PII and SPII are collectively referred to as Personal Data in the document. The Policy acts as an umbrella policy which details steps taken by ATL to protect Personal Data in terms of having relevant polices and processes or setting procedures to adhere to data privacy laws to secure and protect Personal Data of Data Subjects. Further, how Personal Data are handled, controlled, and processed in compliance with the applicable Data Protection laws is also covered by this Policy.

**Scope and Coverage**

This Policy applies to all ATL employees, vendors/ distributors, contractors, interns, customers, individuals, or business partners who receive Personal Data from ATL, who have access to Personal Data collected or processed by ATL, or who provide Personal Data to ATL, regardless of geographic location. All partner firms and any Third-Party working with or for ATL, and who have or may have access to Personal Data, will be expected to have read, understand, and comply with this Policy. No Third Party may access Personal Data held by ATL without having first entered into a confidentiality and data privacy and protection agreement.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services, cyber security and data privacy of customers; re-occurrence of instances of product recalls, penalty/ action taken by regulatory authorities on safety of products/ services.**

Not Applicable.

## Leadership Indicators

### 1. Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if possible)

Apollo Tyres Ltd disseminates product and service information through various channels, which are illustrated below:

- [Website: www.apollotyres.com](http://www.apollotyres.com)
- Apollo Customer Care - 1800-212-7070

#### Other Channels:

- <https://shop.apollotyres.com/>
- <https://www.apollotyres.com/en-in/>
- <https://www.facebook.com/ApolloTyresLtd/>
- <https://twitter.com/apollotyres>
- <https://www.youtube.com/channel/UCQ89n-QykQLTzw69wxZQSzg>
- <https://www.instagram.com/apollotyresltd/>
- <https://www.linkedin.com/Company/apollo-tyres-ltd./myCompany/verification/>

### 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

Apollo Tyres Ltd recognizes its responsibility to care for its customers and the Company is committed to provide high and consistent levels of service to its customers. The Company believes that its customers and whom it serves is central to everything it does, to do so it ensures to disseminate appropriate information and communication to its customers, such as:

- Customer engagement activities where customers are educated and informed about product and its application to fit and tyre care maintenance.

- Training programs to OE Service Team and OE Franchisees to further deliver educational information on product and its application to fit and tyre care maintenance.
- Posts on social media, blogs on our websites, and videos on our YouTube Channel.

### 3. Mechanism in place to inform consumers of any risk of disruption/ discontinuation of essential services.

Not Applicable

### 4. Does the entity display product information on the product over and above what is mandated as per the local laws? (Yes/ No/ Not Applicable).

If "Yes", provide details in brief.

**Did your entity carry out any survey with regard to customer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No).**

At Apollo Tyres Ltd, for product services, customer feedback provided during the customer resolution satisfaction survey on the quality of service from our Apollo customer care is taken into consideration.

### 5. Provide the following information relating to data breaches:

#### (a). Number of instances of data breaches along-with impact:

Nil

#### (b). Percentage of data breaches involving personally identifiable information of customers.

Nil.

## 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: 50001:2018) across Apollo plants, which helped to improve & sustain energy performance of the organisation.

The energy saving projects (energy consumption reduction, improving utility generation efficiency, heat recovery projects, adopting alternate methodology and automated processes) identified in the process of practicing ISO: 50001 are implemented in plants.

Internal and external Energy audits are conducted to improve the energy performance.

In order to bring in more enhanced attention towards energy saving, a focused interplant group of energy managers identify new energy improvement opportunities in utility system.

#### Energy Projects & Activities strengthened up:-

- Forward planning for optimized usage of energy sources (direct & indirect) to control cost is an ongoing YOY exercise.
- Implementation of SCADA system to monitor, analyse & control process side-specific energy consumption.
- Digitization being initiated to monitor the energy performance by creating a real-time on line dash board for energy-consuming user and senior management for taking timely corrective actions.
- Horizontally deployed identified energy-saving projects for improving groups energy footprints.
- Training provided on regular basis to employees to enhance their awareness about energy conservation and improve their skills.
- Management conducts focused energy performance and efficiency comparison review meetings.

Another new initiative is usage of Data science to improve the productivity from Equipment which in turn help to reduce the Energy consumption and improve our carbon footprint. We believe machines are talking and need to listen so on those line started streaming

data from highly energy intensive machine's like Mixers to AWS cloud. Multiple projects were identified based on Deep analytics and on implementing those projects improved productivity by 10% reducing energy by 3% which in turn reduced the CO<sub>2</sub> emission to the tune of 365 Tons/ Month.

### (ii) Steps taken by the Company for utilizing alternate sources of energy

As per Apollo vision to increase the percentage of renewable power contribution to 30% by the year of 2030 and 100% by the year of 2050 and reduction of carbon footprint, hybrid group captive power is being initiated for all across the plant as part of horizontal deployment.

Usage of 100% briquette as a alternate fuel in place of coal implemented in Andhra Pradesh plant and 30% of briquettes in Kerala plants. Usage of 100% briquette as a alternate fuel in place of coal is explored to all the plant in the near future to reduce carbon emission.

### (iii) The capital investment on energy conversation equipments

Roof water harvesting facility planned to set up in Kerala plants like Chennai and AP plant.

This year also continued to identify energy saving projects, which can be, implemented horizontally all across the location that will improve sustainability and profitability.

Rolling capex rolled out for all the plants for implementing various energy saving projects.

Following Energy efficiency projects shortlisted for further evaluation for more efficient usage of utilities.

- Use of IE3/IE4 energy efficient motors is made a norm across plants for all future purchases.
- Horizontal deployment of energy efficient vacuum pump to be installed 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 for reducing the water consumption.
- Coal fired boiler reliability is improved and the hot standby of FO boiler has been kept cold standby to reduce the FO consumption in Chennai.

## B) TECHNOLOGY ABSORPTION:

### (i) Efforts made towards Technology absorption

Our Company's commitment to technology and innovation is critical to our goal of achieving product leadership and maintaining our technology readiness. We have consistently focused on investing in research and development to ensure long-term success, and we are proud to share our progress on several key initiatives.

1. **Consistent focus on investments in R&D and product excellence for the long term:** We believe that investing in R&D is essential to stay ahead of the competition, and we have consistently prioritized this area of our business. Our team of experts is continuously researching new technologies and innovations that can be applied to our products to improve their performance and functionality. We are committed to delivering high-quality products that meet our customers' needs and exceed their expectations.
2. **New product launches and range extension:** We have launched several new products over the past year and plan to continue this trend in the future. We understand that customers want a wide range of options to choose from, and we aim to meet this demand by expanding our product range. Our focus on innovation and technology means that we can develop products that are both innovative and performing, ensuring that our customers get the best of both worlds.
3. **Focus on EV's:** As the world moves towards a more sustainable future, we are committed to doing our part. One of the ways, we are doing this is by focusing on electric vehicle tyres. We believe that EVs are the future of transportation and are investing heavily in this area. We have already launched several EV tyres and plan to continue developing new platforms like borne EV tyres in the years to come.
4. **Help manufacturing improve cost competitiveness:** We understand that cost competitiveness is crucial for success in any industry. That's why we are working closely with our manufacturing plants to help them improve their processes and reduce costs. By doing so, we can ensure that our products are priced competitively while maintaining high quality.

5. **Supporting sustainability initiatives:** Our commitment to sustainability extends beyond EVs. We are also working to reduce our carbon footprint by implementing sustainable practices throughout our operations. We believe that by doing so, we can help preserve the planet for future generations while also improving our bottom line.
6. **Increased focus on enabling technologies like sensor technology and advanced material development:** We recognize that such enabling technologies can have a significant impact on our products' performance and functionality and hence, we are increasing our focus on these areas and investing in research and development to ensure that we stay at the forefront of these technologies.

Our Company is pleased to share with you all the recent achievements and recognition received by our Research and Development function. These awards are testaments to the hard work, dedication and excellence of our team members.

1. **Best Supplier award from Volvo Eicher Commercial Vehicles for Tyre sourcing & development:** This award recognizes our team's efforts in providing high-quality tyres for commercial vehicles that meet the stringent requirements of Volvo Eicher Commercial Vehicles. Our team's commitment to product excellence and customer satisfaction has helped us secure this prestigious award.
2. **Best Supplier Award in Delivery from Daimler India Commercial Vehicles Pvt. Ltd. for COVID-19 Delivery Support, Meeting revised GCC norms, Support for Export Model Supply:** Our team's agility, flexibility and responsiveness in managing the challenges posed by the COVID-19 pandemic and the revised GCC norms have been instrumental in securing this award. Our team's dedication to supporting our customers' needs has helped us earn this recognition.
3. **Platinum Award from CATERPILLAR India for meeting the high standards set by Caterpillar on Product Quality, Product Documentation & Delivery performance (Supplier Quality Excellence Process):** Our team's focus on product quality, documentation and delivery has helped us earn this recognition.
4. **IRCO Medal from International Rubber Conference Organization for Exceptional achievements and contributions to the knowledge and understanding of Rubber Science and Technology across the world:** This award recognizes our team's outstanding contributions to the field of rubber science and technology. Our team's expertise and innovation have helped us make a significant impact in this area, and we are honoured to receive this prestigious award.

5. **Young achiever's award to our scientist by Science and Engineering Research Board (SERB) and Department of Science & Technology, Government of India:** This award recognizes the outstanding contribution of our scientist in developing readily adoptable technology that benefits the industry and the environment. Our team's dedication to innovation and sustainability has helped us earn this recognition.

In conclusion, these awards are testaments to our team's commitment to excellence, innovation, and customer satisfaction. We are proud of these achievements and will continue to strive for excellence in all areas of our research and development function.

#### Industry - University Collaborations:

We are excited to share with you our ongoing collaborations with major universities across the globe, which have been instrumental in our success in technology development. These partnerships have enabled us to access cutting-edge research, advanced testing facilities, and world-class talent, accelerating our innovation and product development efforts. Apollo continues to be a member with Centire research centre of Virginia Tech., USA, which provides access to many new avenues in research.

Our collaborations with various global universities have been instrumental in advancing our research in tyre technology, providing us with access to the latest research findings and talent in these fields. These collaborations have also resulted in joint publications, patents, and research grants, enhancing our credibility and reputation in these areas.

Industry-University collaboration is an essential partnership that brings together academia and industry to work towards common goals. This collaborative research has numerous benefits for both parties, including fundamental research, development of innovative technologies, knowledge transfer, talent acquisition etc. Industry partners can bring valuable insights into real-world problems, while academic researchers can provide scientific expertise and resources. Sharing facilities and equipment can be a result of such collaboration which brings major benefit for both the parties involved. Industry partners can gain access to state-of-the-art research facilities and equipment of universities, while universities can leverage industry expertise to better understand how to apply their research in real-world settings. Finally, technology transfer is another key aspect of industry-university collaboration.

Our R&D has collaboration with premium universities and institutes across the globe which includes Dresden, Germany, Centire research centre of Virginia Tech., USA, Sussex university, UK, IIT Kharagpur, IIT Madras, BITS Pilani, Goa, M.G University, Kerala, CUSAT,

Kerala, SRM Institute, Chennai, VIT, Chennai, MIT-Anna University, Chennai, B.S. Abdur Rahman Crescent Institute of Science & technology, Chennai, Kamaraj college of engineering and technology, Madurai. This helped our Company in open innovation, fundamental and advanced research on materials, processing, characterization techniques, simulation (process & materials) to develop winning products for the automobile market.

Moreover, our collaborations have facilitated knowledge transfer, helping us leverage the expertise of our academic and industry partners. These partnerships have resulted in joint training programs, internships, and recruitment, providing us with access to highly skilled talent and helping us develop our workforce. Apollo's long term high value training programme (Technical Leadership Development Programme), which involves professors from universities and experts from various technology domains, helps the Company to develop breed of scientists, who are future ready.

#### Material Sustainability:

As a responsible organization, we recognize the importance of material sustainability in our operations and products. Material sustainability refers to the responsible sourcing, use, and disposal of materials throughout their life cycle, from extraction to disposal. The following are some of the initiatives carried out that are critical for our business:

##### 1. Awareness Programs (Internal and External)

- An informative session regarding various aspects of sustainability in the tyre industry was conducted throughout all the plants.
- Our Company has secured ISO 20400 certification for Sustainable Procurement, making us the first Company in the Indian automotive sector to achieve this.
- Workshop is being conducted for the rubber grower and supplier to facilitate them in understanding the guidelines of GPSNR and Company sustainability aspects.

##### 2. Sustainability Target Publications

- Our Company has proclaimed its intention to develop products with 40% sustainable materials across all product groups by 2030.
- We are also committed to achieving the ambitious target of becoming first Indian tyre manufacturer to be carbon-neutral tyre by 2050.

##### 3. Material Research

- Our Company has formed a partnership with Tyromer Inc. based in Canada, to investigate

the application of advanced recycling technology to create and use new and highly sustainable rubber from ELTs.

- The Sustainability function in R&D has taken initiative to develop an in-house research facility with advanced instrumentation capability to enhance quality of recycled materials.
- We are exploring a significant initiative with a reputable foreign collaborator to transform ELTs into nearly prime rubber via environmentally friendly technology.

#### 4. Material Development

- The team is collaborating with Raw materials and Purchase departments to proactively engage in the exploration of novel substitutes for existing raw materials which are not environmentally friendly.
- The team is collaborating closely on the development of rubber compounds having improved sustainability index, which will be used in all product categories.

#### 5. Prototype and Material Conservation Program

- A prototype of the agricultural tyre was developed with 75% sustainable materials. An extensive testing has been initiated to assess the functional efficiency and capability of this tyre.
- To support the light weighting of tyres while maintaining their performance, an initiative has been launched to redesign tyres for different product categories.
- To align with the Company's sustainability objectives, a technical level discussion carried out among ATMA members and government representatives to address the shortcoming associated with newly notified EPR guidelines.

#### Raw materials:

Collaborative work with universities and supplier of 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. As part of sustainability journey, we are in the process of developing sustainable materials (Recycled rubber, recovered carbonaceous filler, Rice husk silica, Bio oil, Bio monomer based synthetic rubber and reinforcements) as a replacement for existing materials. New generation reinforcing materials for improved tyre performance and weight reduction are developed. New filler technology is developed to improve the rubber filler interaction that can enhance performance of tyre. Highly sophisticated

analytical instruments are installed to develop method to characterize smart materials for tyre application. Two patents were applied pertaining to innovative material and process of synthesizing the same. Two Papers were published in international journals.

#### Compounding:

We are excited to share with you our Company's focus on Compounding on the following areas:

1. Growing focus on the EV segment poses new challenges in terms of fuel efficiency and durability. Keeping this in mind, the PV Compounding team has developed and industrialized tread compounds in adherence to the CAFÉ norms and high wet/dry grip requirements.
2. In Two-wheelers, a sustainable tread compound with improved mileage and cost competitiveness for the commuter segment was developed and industrialized in 20 sizes. New product for the adventure touring application demands a highly durable tread compound with no compromise on traction and wear for different terrains. This challenging target was met with the development of a new generation tread compound with highly functionalized polymers, dual filler systems and high-performance resins.
3. The Introduction of new generation SSBRs, new grades of silica and advanced dispersing aids has pushed our compound portfolio a notch higher in terms of performance with no compromise on processability. In TBR category, a new generation tread compound for LD 2.0 tyre was developed to meet the requirements of superior mileage and cut-chip resistance. This was achieved through use of tri-blend polymer system, carbon coupling agent, dual filler system and an optimized cure package.
4. MMT technology: Development of compounds at the top and mid layer-compound meeting the contradictory requirements of mileage, RRC and cut-chip resistance for regional applications.
5. Radial tyres for mining applications: This requirement posed challenges in terms of the high chipping resistance and mileage requirements. The targets were achieved through use of a NR/synthetic rubber blend, blend of high reinforcement blacks and performance resins.
6. Applications for severe off-road conditions in Brazil demanded a high chipping resistance compound. This was achieved through use of performance resins, synthetic rubber blend with high filler loading of high reinforcement.
7. Bias tyres segment: The development of new tread compound with high abrasion resistance, low RR and high chipping resistance for the new range of

LCV tyres-Vihaan marked a significant achievement for the team.

#### Predevelopment & Simulation:

**Predevelopment & Simulation** function of R&D has continued its work in further improving rolling resistance for passenger car and radial commercial vehicle tyres. New tyre simulation tool was developed to understand the tyre behaviour and predict the compound characteristics required thereby shortening the time required for new compound development. The team is working with new generation reinforcements which will support in light weighing of tyres without compromising on tyre performance. A lot of progress has been made to make the tyre quieter in passenger car using Metamaterials and Foam technology. A new simulation methodology has been developed to predict the rumble noise and thereby help in reducing the development cycle time for OEMs. Technology for puncture resistance in passenger and 2W tyre has been developed, work in progress towards making it sustainable technology. Simulation team is working on new methodology to virtually predict tyre wear for different vehicle configurations, load and road conditions. Vehicle dynamics team has developed a new capability to process test data from advanced indoor test machines for generating various tyre models catering to OEM requirements.

#### Advanced Engineering:

**Advanced Engineering** has developed TPMS and RFID technologies for tyre health monitoring and digital identification of tyres which can potentially support evolving business models. Our continued investment in the technology absorption is a key strategic priority for our organization. As we look back on the past year, we are proud of the progress we have made in absorbing new technologies and integrating them into our operations.

#### Design:

Focussing on the pillar of digitalization, new age technologies are used to gain valuable insight into customer preferences and behaviours during new product development. We believe that even today, aesthetics is an area which is not fully tapped and can be a potential differentiator for a performance product like tyre. Aesthetics being very much subjective and emotionally connected, the "Eye tracking" process established by Design Studio team at Apollo R&D Asia has proven to be extremely effective over the normal VOC capturing techniques. It has helped to decode consumer responses to different designs, textures, and other aesthetic elements of a tyre. The insights are used in new product designs to increase the overall engagement of customer with the product, ultimately converting it to a purchase decision.

#### Process Technology Development:

Our R&D has a renewed focus on **Process Technology Development (PTD)** and we believe investing in this area is critical to driving innovation and maintaining a competitive edge in the market.

PTD focus areas are:

1. Mixing time reduction for soft compound using tandem mixing system.
2. Smooth processing of high tack (High Resin) compounds at mixer using Roll coating.
3. Increase Steel Textile calendar output by increasing speed and input stock width.
4. Reduction of tyre weight by thinner technical layer using Electron Beam Radiation.
5. Establishment of Very high turn up (Envelop) construction system in Uni stage tyre building machine.
6. Reduction of PCR tyre cure cycle and improve RRC by Mould steam boosting and Split cure set up.
7. Reduction of mould warm up time by fast and controlled steam boosting.
8. Improve tyre cure level uniformity by using Real time input based Smart Cure system.
9. Indigenous cost-effective process development for Foam application in PCR tyres.

#### Intellectual Property:

We are pleased to report that our **Intellectual Property (IP)** function has been instrumental in protecting and driving the success of our business. Our IP function is responsible for identifying, protecting, and leveraging our intellectual property assets to enhance our competitive advantage and create long-term value for our stakeholders.

The following are some of the key achievements of our IP function:

1. 28 patent applications were filed in FY23.
2. Total 200+ active patents across geographies.
3. 12 design registrations filed in FY23.
4. A total of 210+ design registrations across geographies.

Our IP function has fostered a culture of innovation within our organization by encouraging our employees to identify and protect their innovations. This has led to the creation of new intellectual property assets and enhanced our product development capabilities.



## (ii) Benefits derived like product improvement, cost reduction, product development or import substitution

Our Company has emerged as a leader in the passenger car segment in India. Our commitment to innovation, quality, and customer satisfaction has enabled us to capture a significant share of the Indian car market and establish ourselves as a leading brand in the country.

Our success in the passenger car segment is the result of several factors, including:

1. In the home market, the Company maintained the leadership position in the passenger car tyre category through various projects for product improvement, value engineering and product innovation.
2. Part of EV Journey launched "Amperion" range of products developed for the Electrical Vehicles with unique technologies AQUuTtech and BEST Tech for reducing noise and enhancing the battery range respectively. The Amperion Product Line is catering to popular EVs in the market.
3. Achieved the recognition of First Indian Tyre Brand to get fuel savings label with 5-STAR RATING for Passenger Car Tyre Category by Bureau of Energy Efficiency (BEE). "Amperion" bagged the prestigious 5 Star rating after evaluation as per the new regulations.
4. The Vredestein Pinza AT product line launched for the Premium Luxury SUV category now has 19 sizes.
5. As part of EV and Premiumization journey, benchmarked existing product lines in Global Arena against the EV tyres from Global players in Europe, Korea, and Japanese markets. Established as a preferred partner for EV Journey of all major OEMs.
6. Secured Approval in BMW's prestigious 5, 7 series and working on more models including EV variant.
7. Secured approval in 5 Electric Vehicles and Secured nominations for most of the BEV platforms in both CSUV and SUV category.
8. In UHP category, Aspire 4G+ is the upgraded with 20% improved Rolling Resistance. The Altrust Grip product range, which was created for the AMA region, now includes ten more SKUs.
9. Foam Technology capability established in Chinnapanduru plant for OE supplies. Sealant Technology is also ready and further work is on to make sealant technology more sustainable.
10. Continuously working on various projects on sustainability, like the use of recyclable materials and weight reduction without sacrificing tyre

performance were undertaken as part of the organization's commitment to sustainability.

11. Durability enhancement done for two product lines to meet the rural application as a part of "Go Rural" journey.

### TBR:

TBR segment retained its leadership in the market with the result of following factors:

1. The New Product Development and innovations in process technology have further helped gain market share in the challenging steer tyre segment with optimised footprint with uniform pressure distribution.
2. New tread architecture enhanced the durability of tyres by containing the heat build-up in the shoulder in mixed segment tyres for high temperature markets.
3. Apollo tyres expanded all steel radial products in mining and defence, leading radialization in these segments.
4. Apollo's all steel radial tyres are fully compliant with the new regulation notified by government of India and completed all necessary certification leading Indian tyre industry towards the Global regulatory compliance.
5. Apollo tyres becomes the first in CV segment to be approved for 5 Star Label for fuel efficiency as per Bureau of Energy Efficiency Tyre labelling programme. The all range of radial Tube type Light Truck tyres are in the 4 Star/ 5 Star band.
6. In line with the commitment to reducing material usage, Apollo has developed Light weight carcass technology and launched Light weight range of products for Export and Domestic markets.
7. With the launch of linehaul and 24.5" SKUs meeting Smartway norms, Apollo has completed the product basket for US market.
8. Supplies of Made in India TBR tyres to off-shore Global OEMs – IVECO in Brazil and PACCAR in US added glory to our Global OE business.
9. Nitrogen curing technology in TBR has been adopted in Hungary and Chinnapanduru Plants envisaging the sustainability and smooth operations in future.

### 2 - Wheeler:

Our Company has successfully developed and launched the "Tramplr" tyres series focusing on Enduro Off-Road and Enduro street tyres for the premium Indian motorcycle segment ranging from 150 cc to 500 cc. The

Tramplr range tyres will cater to various motorcycle segments such as Sport Touring, Adventure Touring, Cruisers and Street Sports and those are all constitutes 20% of the overall motorcycle market in India. The "Tramplr" range comes in 2 patterns, Apollo "Tramplr XR" which is a Steel belted radial technology and having 70:30 Enduro On/Off-Road tyres for Adventure touring and Apollo "Tramplr ST" which is an 80:20 Enduro street tyre for Dual sport capabilities.

1. The Apollo "Tramplr XR" range will cater to the likes of Royal Enfield Classics, Yamaha FZ series, Suzuki Gixxer & Intruder, KTM series, Bajaj Dominar and BMW G310R. In addition to that, the Apollo Tramplr XR tyres feature imprints the adventure-loaded locations on the sidewall of the tyres.
2. The Apollo "Tramplr ST" tyres are inspired by the street culture of biking and the sidewall is imprinted with the graffiti art and the range will cater to the likes of motorcycles such as Bajaj Pulsar, TVS Apache Series, Yamaha Fazer and MT15. Requirements of these bikes are superior grip and low rolling noise while being stable at high speeds. Trample ST series of tyres perfectly support the above requirements in all weather conditions with their big central blocks and wide footprint area.
3. Before the launch of these tyres and due to import restrictions, the customers used to wait for months, which led to high demand for these tyres, which was the opportunity we seized with these tyres to gain business. These tyres got positive feedback and accepted well not only in the Indian market, but also in other countries like South Africa, Thailand and even Gulf countries.

The Company also focuses on the optimization of sustainable materials usage. The Company has even planned to extend "Centauro" to the "Adventure" segment in Vredestein brand which suites for High end Adventure Motorcycles with On/Off-road usage. 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 OEM front, the Company has bagged the approval of a major player in the segment, "Royal Enfield" for which the supply is going on, thanks to the successful development of a specific tyre, "Continental 650", a tailor-made tyre for meeting the performance needs of a vehicle. Additionally, Company is keenly working with Royal Enfield, KTM, BMW on other category of tyres including conventional fitment.

### Truck Bus Bias:

Our success in the Truck Bus Bias segment is the result of following factors:

1. Launch of Vihaan tyres in LCV category with the USP of high wear resistant tread compound for superior mileage, unmatched durability with heat ageing resistant technology and best in class Retreadability.
2. Launch of Pick-up category tyres with re-engineered and robust bead area design to overcome bead related failures which is a common customer pain point in this category.
3. TERRA MT tyres launched with specially designed tread pattern which offers very good traction at severe under foot conditions and Specially designed Durable casing with highly advanced engineering materials which provides superior life and concussion free tyre in mining application. TERRA tyres provide high up time and maximise the vehicle output.

### OHT:

Our Company has successfully established following technologies:

1. Establishment of Steel breaker technology in Farm Front Bias segment: Impact & Puncture Resistance (IPR) technology.
2. Establishment High Traction Puddling Special Product: FX-333 series - Gravity Fall technology.
3. Establishment of Next Gen. All Rounder product in Agri Drive Bias segment: VIRAT R1: Mono-Arc Double-Grip technology.

### Testing:

Testing is a critical component of our product development process. Our commitment to testing reflects our dedication to delivering high-quality, reliable products that meet the needs of our customers.

The following are few of the key aspects of our testing program:

1. With the inauguration of the advanced Tyre Test Centre at Chennai in December 2022, the state-of-the-art tyre characterisation capability has become a technology nerve centre for the tyre development engineers & scientists.

2. The new facility hosts a series of advanced testing equipment. The new generation Flat-Trac machine and the High-speed-uniformity with Anechoic chamber are the most prominent ones among them. Objective measurement of handling & NVH parameters at real life situations and its in-house correlation with tyre characteristics helps to accelerate development cycle. Also, Apollo became fully self-reliant on generation of tyre models that go as input for full vehicle simulations at OEM to marry tyres to vehicles.
3. Unique combination of High-Speed Uniformity machine with an Anechoic chamber helps to seamlessly measure both vibration and noise behavior of tyres. The Gleneagles Road shells on the machine facilitate the noise excitation as experienced on typical road surfaces.

With the new testing facility at Apollo, outdoor iterations are considerably reduced, which helps us to fast develop tyres in line with OEM/ Replacement and new market needs.

In conclusion, we are committed to technology and innovation and believe that these areas are critical to our success. We will continue to invest in R&D and product excellence, develop new products, focus on EVs, help manufacturing improve cost competitiveness, support sustainability initiatives, and increase our focus on enabling technologies. By doing so, we are confident that we will maintain our product leadership and remain a technology-ready Company for years to come.

**(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	541.76
b) Deferred Revenue Expenditure	0.00
c) Revenue	1,404.11
d) Total	1,945.87
e) Total R&D expenditure as a % turnover	1.15%

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

	(₹ Million)
<b>(i) Foreign Exchange Earnings</b>	
On account of direct - export sales from Apollo Tyres Ltd (FOB value)	24,817.58
On account of royalty from Foreign Subsidiary Companies	85.28
On account of Cross Charge of Management Expenses from Foreign Subsidiary Companies	438.85
On account of Reimbursement of Expenses from Foreign Subsidiary Companies	598.96
<b>(ii) Foreign Exchange outgo (other than CIF value of imports)</b>	4,248.01

**For and on behalf of the Board of Directors**

Place : Amsterdam  
Date : May 9, 2023

**ONKAR KANWAR**  
Chairman  
DIN: 00058921

## 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.

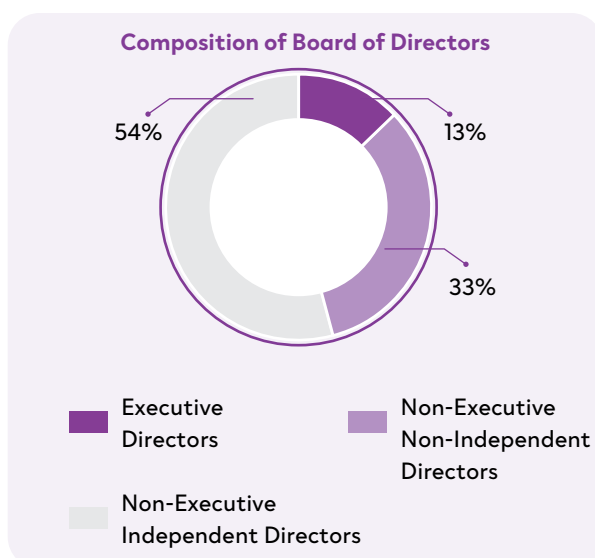
## 2. BOARD OF DIRECTORS

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 eminent individuals 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, amongst 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.

### COMPOSITION OF BOARD

The Board comprises of an optimum combination of Executive and Non-Executive Directors as required under the Act and the Listing Regulations. As on the date of the report, the Company's Board of Directors consists of 15 Directors, 2 of which are Executive Directors, 8 are Non-Executive Independent Directors (including 2 Women Directors) and 5 are Non-Executive Non-Independent Directors, who are leading professionals in their respective fields.



The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.

## SEPARATE POST OF CHAIRMAN & MANAGING DIRECTOR

The Chairman of the Board is a Non-Executive Non-Independent Director & therefore the positions of the Chairman and Managing Director are held by separate individuals.

**Profile of the Chairman:** 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, spanning 3 continents. 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 and was a Member of the Board of Governors for the Indian Institute of Management (Kozhikode). 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 Medicare Services Ltd, 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 in 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\$3 billion. Under his able leadership, the Company expanded its global footprints by acquiring Dunlop Tyres International in South Africa and Zimbabwe, Vredestein Banden B V in the Netherlands and setting up of a Greenfield Facility in Hungary, thereby transforming itself into a multi-geography Company with operations across the globe. The Company also started Greenfield plant in India.

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, elevated to Vice Chairman in 2008 and soon after to 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 Tyres, 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 sports person. He prefers to spend his leisure time with his family or playing tennis, swimming and travelling.

### 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.

### DIRECTOR'S DIRECTORSHIPS/COMMITTEE MEMBERSHIPS

In terms of Regulation 26 of the Listing Regulations, none of the Directors of your Company is a member of more than 10 (Ten) Committees or is the Chairman of more than 5 (Five) Committees across all the public limited companies (listed or not) in which he/ she is a Director excluding private limited companies, foreign companies, high value debt listed companies and companies under Section 8 of the Act.

No Director of the Company serves as an Independent Director in more than 7 (Seven) listed Companies and in case he/she is serving as a Whole-Time Director in any listed Company, does not hold the position of Independent Director in more than 3 (Three) listed Companies. Further, all Directors have informed about their Directorships, Committee Memberships/ Chairmanships including any changes in their positions. Relevant details of the Board of Directors and their Directorship(s)/ Committee Membership(s)/ Chairmanship(s), as on March 31, 2023 are provided below:

Name/Designation of Director(s)	Executive/ Non-Executive/ Independent	No. of positions held in other Companies			Name of other listed entities in which Director holds Directorship and category of Directorship
		Board <sup>(1)</sup>	Committee <sup>(2)</sup>		
			Member	Chairperson	
Mr. Onkar Kanwar Chairman (DIN: 00058921)	Promoter - Non - Executive	3	-	1	- PTL Enterprises Ltd. (Non-Executive Non-Independent) - Artemis Medicare Services Ltd. (Non-Executive Non -Independent)
Mr. Neeraj Kanwar Vice Chairman & Managing Director (DIN: 00058951)	Executive	2	3	-	- PTL Enterprises Ltd. (Non-Executive Non-Independent) - Artemis Medicare Services Ltd. (Non-Executive Non -Independent)
Mr. Satish Sharma Whole-time Director (DIN:07527148)	Executive	-	-	-	None

Name/Designation of Director(s)	Executive/ Non-Executive/ Independent	No. of positions held in other Companies			Name of other listed entities in which Director holds Directorship and category of Directorship
		Board <sup>(1)</sup>	Committee <sup>(2)</sup>		
			Member	Chairperson	
Mr. Akshay Chudasama (DIN: 0010630)	Non-Executive Independent	1	1	-	- Bata India Ltd. (Non-Executive Independent)
Gen. Bikram Singh (Retd.) (DIN: 07259060)	Non-Executive Independent	-	-	-	None
Mr. Francesco Crispino (DIN: 00935998)	Non-Executive Independent	-	-	-	None
Ms. Pallavi Shroff (DIN: 00013580)	Non-Executive Independent	5	5	1	- One 97 Communications Ltd. (Non-Executive Independent) - Asian Paints Ltd. (Non-Executive Independent) - InterGlobe Aviation Ltd. (Non-Executive Independent) - PVR Ltd. (Non-Executive Independent)
Ms. Lakshmi Puri (DIN:09329003)	Non-Executive Independent	-	-	-	None
Mr. Vikram S. Mehta (DIN:00041197)	Non-Executive Independent	6	6	1	- Colgate Palmolive (I) Ltd. (Non-Executive Independent) - Mahindra & Mahindra Ltd. (Non-Executive Independent) - Larsen & Toubro Ltd. (Non-Executive Independent) - Jubilant Foodworks Ltd. (Non-Executive Independent) - InterGlobe Aviation Limited (Non-Executive Independent)
Mr. Vinod Rai (DIN:00041867)	Non-Executive Independent	5	-	-	- Kalyan Jewellers (India) Limited (Non-Executive Independent)
Dr. Jaimini Bhagwati (DIN:07274047)	Non-Executive Independent	2	1	-	- IDFC First Bank Ltd. (Non-Executive Non -Independent) - IDFC Ltd. (Non-Executive Independent)
Mr. Francesco Gori (DIN: 07413105)	Non-Executive Non-Independent	-	-	-	None
Mr. Robert Steinmetz (DIN:00178792)	Non-Executive Non-Independent	-	-	-	None
Mr. Sunam Sarkar (DIN:00058859)	Non-Executive Non-Independent	-	-	-	None
Mr. Vishal Mahadevia (DIN:01035771)	Non-Executive Non-Independent	1	-	-	- IDFC First Bank Ltd. (Non-Executive Non -Independent)

<sup>(1)</sup> 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.

<sup>(2)</sup> 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.

**Notes:**

1. Mr. Onkar Kanwar continues as the Non-Executive Director designated as Chairman w.e.f. February 1, 2023.
2. Dr. Jaimini Bhagwati was appointed as an Independent Director for a period of 5 years w.e.f. February 2, 2023.
3. There are no inter-se relationships between the Board members except Mr. Onkar Kanwar and Mr. Neeraj Kanwar being father and son.
4. 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 fees of ₹ 9.90 million during FY23 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.

**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:

Sl. 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.
6.	Mr. Francesco Crispino	Expert in the field of Investment Banking and Corporate Law.
7.	Dr. Jaimini Bhagwati	Expert in Economics, Foreign Policy, Regulatory Environment and Strategic Planning.
8.	Ms. Lakshmi Puri	Expert in Economics, Foreign Affairs and International Trade and Development.
9.	Ms. Pallavi Shroff	A lawyer, with an expertise in Ad-hoc Arbitrations and Institutional Arbitrations and handling Legal Disputes.
10.	Mr. Robert Steinmetz	Expert in International Tyre Business and Technical Operations.
11.	Mr. Sunam Sarkar	Expert in sourcing of Raw Materials, HR, IT, Sustainability, Business Operations and Corporate Strategy.
12.	Mr. Satish Sharma	Expert in the field of key functions like Manufacturing, Sales and Marketing, Projects and R&D.
13.	Mr. Vikram S. Mehta	Expert in the field of Sales, Marketing, Strategy and Management.
14.	Mr. Vinod Rai	Ex-Comptroller and Auditor General of India, Expert in Audit, Banking, Finance and Corporate Governance.
15.	Mr. Vishal Mahadevia	Expert in the field on Finance, Economics and Private Equity Investments.



## INDEPENDENT DIRECTORS

All Independent Directors have confirmed that they meet the conditions of independence specified in Section 149 of the Act and Regulation 16(b) of the Listing Regulations. Further, in terms of Regulation 25(8), the Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. All such declarations are placed before the Board for information. Basis this, the Board is of the opinion that the independent directors fulfill the conditions specified in Listing Regulations and are independent of the management.

Pursuant to a notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), all the Independent Directors, are registered with the Independent Directors Databank maintained by Indian Institute of Corporate Affairs.

A formal letter of appointment to Independent Directors as provided in Act has been issued and the same is available in Investors section on website of the Company viz. [https://corporate.apollotyres.com/investors/directors-information/#?activeTab=Directors\\_Info](https://corporate.apollotyres.com/investors/directors-information/#?activeTab=Directors_Info)

During the year, the Board of Directors based on the recommendations made by the Nomination & Remuneration Committee had appointed Dr. Jaimini Bhagwati as an Independent Director with effect from February 2, 2023 and shareholders approval for appointment as an Independent Director was received on March 31, 2023.

### Meeting of Independent Directors

As required under Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors without the presence of Non-Independent Directors or representatives of management was held on March 30, 2023. 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.

### 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 programmes. 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 FY23 are available on the website of the Company. The weblink is <https://corporate.apollotyres.com/content/dam/orbit/apollo-corporate/investors/corporate-governance/others/others/Details%20of%20familiarisation%20programme%20FY23.pdf>

## 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.

#### 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).
- Information on recruitment/ remuneration of senior officers just below Board level including appointment or removal of Chief Financial Officer and Company Secretary.
- 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).
- Presentation on HR processes related to Gender Diversity (as and when required).
- Presentation on CSR projects empowering women (as and when required).
- Issue of NCDs on a Private Placement Basis (as and when required).
- Grant of Donation (as and when required).
- Capacity Expansion (as and when required).
- Presentation on Sustainability (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.

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.

### Details of Board Meetings & Board attendance

During FY23, 5 (Five) Board Meetings were held on May 12, 2022, August 12, 2022, November 14, 2022, February 2, 2023 and March 28, 2023. The gap between any two meetings never exceeded 120 days as per the requirements of Regulation 17(2) of the Listing Regulations.

The attendance of the Directors at the Board meetings and the Annual General Meeting of the Company held during FY23, is as follows:

Name/Designation of Director	Executive/ Non-Executive/ Independent	No. of Board Meetings held/attended during tenure of the Director		Attendance at last AGM
		Held	Attended	
Mr. Onkar Kanwar, Chairman	Promoter and Non-Executive	5	5	Yes
Mr. Neeraj Kanwar, Vice Chairman & Managing Director	Executive	5	5	Yes
Mr. Satish Sharma, Whole-time Director	Executive	5	5	Yes
Mr. Akshay Chudasama	Non-Executive Independent	5	3	Yes
Gen. Bikram Singh (Retd.)	Non-Executive Independent	5	5	Yes
Mr. Francesco Crispino	Non-Executive Independent	5	4	Yes
Ms. Lakshmi Puri	Non-Executive Independent	5	5	Yes
Ms. Pallavi Shroff	Non-Executive Independent	5	3	Yes
Mr. Vikram S. Mehta	Non-Executive Independent	5	5	Yes
Mr. Vinod Rai	Non-Executive Independent	5	5	Yes
Dr. Jaimini Bhagwati*	Non-Executive Independent	2	2	NA
Mr. Francesco Gori	Non-Executive Non-Independent	5	5	Yes
Mr. Robert Steinmetz	Non-Executive Non-Independent	5	5	Yes
Mr. Sunam Sarkar	Non-Executive Non-Independent	5	5	Yes
Mr. Vishal Mahadevia	Non-Executive Non-Independent	5	5	Yes

\*Dr. Jaimini Bhagwati was appointed as an Independent Director for a period of 5 years w.e.f. February 2, 2023.

## 3. BOARD COMMITTEES

In compliance with the statutory requirements, the Board has constituted various Committees with specific terms of reference and scope. The objective is to focus on specific areas and make informed decisions within the authority delegated to each of the Committee. All decisions and recommendations of the Committees are placed before the Board for its information or approval.

During FY23, the Board has accepted all the recommendations of the Committees.

### 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.

### Composition, Meetings and Attendance

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.

As on March 31, 2023, Audit Committee comprised of 4 (Four) members, 3 (Three) being Non-Executive Independent Directors and 1 (One) being Non-Executive Non-Independent Director. Mr. Vinod Rai, Non-Executive 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.

During FY23, 4 (Four) Audit Committee Meetings were held on May 11, 2022, August 11, 2022, November 10, 2022 and February 1, 2023.

The composition of the Committee and attendance of members at the Committee meetings held during FY23, are given below:

Name of Director	Designation	Category of Director	No. of meetings held during his / her tenure and attended	
			Held	Attended
Mr. Vinod Rai	Chairman	Non- Executive Independent	4	4
Mr. Akshay Chudasama	Member	Non- Executive Independent	4	4
Ms. Pallavi Shroff	Member	Non- Executive Independent	4	3
Mr. Robert Steinmetz	Member	Non- Executive Non-Independent	4	4

In addition to the members of the Audit Committee, these meetings are attended by Vice Chairman & Managing Director, President (APMEA) & Whole-time Director, Chief Financial Officer, President (Europe), Group Head (Corporate Accounts & Taxation), Group Head (New Market & Channels), 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 Committee also invites other Directors who are not members of the Committee, to attend the meeting as invitees as and when required.

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 11, 2022.

#### Brief description of the Terms of Reference

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 or preferential issue or qualified institutions placement, 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 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.

### 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 of 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 scope and authority of the Internal Auditor is defined in the Internal Audit Charter. The Internal Audit has a well laid down internal audit methodology, which emphasis on risk based internal audits using data analytics. The Internal Auditor 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, 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.

### Subsidiary Companies

The Company does not have any material non-listed Indian Subsidiary Company. However, the Company has 5 material non-listed overseas Subsidiaries.

In terms of Listing Regulations following are the details of material subsidiaries:

Sl. No.	Name of Material Subsidiary	Details of Incorporation		Details of Statutory Auditors	
		Date	Place	Name	Date of Appointment
1	Apollo Tyres (NL) B.V.	March 16, 2005	Netherlands	Ernst & Young Accountants LLP	June 28, 2022
2	Apollo Tyres Cooperatief U.A.	May 1, 2009	Netherlands	No requirement for appointment of auditors as per local laws	NA
3	Apollo Tyres Holdings (Singapore) Pte Ltd.	September 9, 2010	Singapore	HLB Atrede LLP	September 6, 2016
4	Apollo Tyres (Europe) B.V.	February, 21, 2012	Netherlands	Ernst & Young Accountants LLP	June 28, 2022
5	Apollo Tyres (Hungary) Kft.	June 4, 2014	Hungary	Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság	July 14, 2022

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/>

## NOMINATION AND REMUNERATION COMMITTEE

### Composition, Meeting and Attendance

The composition of the Committee meets the requirements of Section 178 of the Act and the Listing Regulations. As on March 31, 2023, the Nomination and Remuneration Committee comprised of 3 (Three) members, all of whom are Non-Executive Independent Directors. Mr. Vinod Rai, Non-Executive Independent Director 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.

During FY23, 3 (Three) Nomination and Remuneration Committee Meetings were held on May 11, 2022, May 27, 2022 and February 1, 2023.

The composition of the Committee and attendance of members at the Committee meetings held during FY23, are given below:

Name of Director	Designation	Category of Director	No. of meetings held during his / her tenure and attended	
			Held	Attended
Mr. Vinod Rai	Chairman	Non- Executive Independent	3	3
Mr. Akshay Chudasama	Member	Non- Executive Independent	3	3
Ms. Pallavi Shroff	Member	Non- Executive Independent	3	1

The Company Secretary acts as the 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 11, 2022.

### 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. Following are the terms of reference pursuant to Section 178 of the Act & Regulation 19(4) read with Part D of 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.
- For every appointment of an Independent Director, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - (i) use the services of an external agencies, if required;
  - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (iii) consider the time commitments of the candidates.
- 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.

#### Performance evaluation

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.

#### 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:

#### (a) 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:

- (i) 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.
- (ii) A person should possess an 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.

- (iii) An Independent Director shall 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.
- (iv) 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.
- (v) 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.
- (vi) 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.
- (vii) 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 25 of Listing Regulations.

The term "Senior Management" means the officers and personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below Chief Executive Officer/ Managing Director/ Whole-time Director (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the 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).

#### **(b) 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):

- (i) Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively.
- (ii) Actively update their knowledge and skills with the latest developments in the Tyre/ Automobile industry, market conditions and applicable legal provisions.
- (iii) Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- (iv) 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.
- (v) 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.
- (vi) 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.

#### **(c) Remuneration of Directors, Key Managerial Personnel (KMP) and Other Employees**

At 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 remuneration to be paid to the Senior Management Personnel shall be approved by the Board and to other employees shall be as per HR policy of the Company.

The annual increment of remuneration for Managing Director/ Whole-time Director 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 Director), 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.

#### (i) General

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 Directors. The remuneration shall be subject to the prior/ post approval of the shareholders of the Company.

#### (ii) Remuneration to Whole-time/ Managing Director

##### Fixed pay:

The Whole-time Director/ Managing 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 Director/Managing Director, in accordance with the provisions of the Companies Act, 2013.

##### 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.

#### (d) Remuneration to Non-Executive Directors

##### Sitting Fees:

The Non-Executive including Independent Directors 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 Rupees 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/>

#### (e) 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.

## REMUNERATION TO DIRECTORS

The details of remuneration paid/ to be paid to Directors for FY23 are given below:

### (i) Executive Directors

Particulars	(₹ Million)		
	Mr. Onkar Kanwar, Chairman*	Mr. Neeraj Kanwar, Vice-Chairman & Managing Director	Mr. Satish Sharma, Whole-time Director
Salary	37.50	39.48	31.83
Contribution to PF/ Superannuation/ Gratuity	11.93	12.56	10.12
Commission/ Performance Bonus	165.15	176.75	23.08
Perquisites	56.01	55.33	34.67
<b>Total Remuneration</b>	<b>270.59</b>	<b>284.12</b>	<b>99.70</b>
Stock Option	N.A.	N.A.	N.A.
Service contracts, notice period, severance fees	None		

As per Section 198 of the Companies Act, 2013, Net Profit of the Company is amounting to ₹ 8,822.07 million.

\* Mr. Onkar Kanwar continues as the Non-Executive Director designated as Chairman w.e.f. February 1, 2023. Hence, the remuneration is for 10 months only.

#### 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 FY23 is as follows: Mr. Onkar Kanwar - 226 (calculated on the basis of aggregate of remuneration as Executive Director for 10 months and Non-Executive Director for 2 months), Mr. Neeraj Kanwar - 237 and Mr. Satish Sharma - 83.
- 3) The percentage increase in the remuneration of Mr. Onkar Kanwar and Mr. Neeraj Kanwar for FY23 is 94% and 132% respectively over FY22.

The increase is mainly due to payment of higher commission linked to sharp rise in profits in FY23. However, the remuneration of Mr. Onkar Kanwar and Mr. Neeraj Kanwar has decreased considerably by 36% and 23% respectively when compared with FY21.

The percentage increase in the remuneration of Mr. Satish Sharma for FY23 is 11% over the previous financial year.

The percentage increase in the remuneration of Mr. Gaurav Kumar, Chief Financial Officer is 9% during FY23 over the previous financial year.

The percentage increase in the remuneration of Ms. Seema Thapar, Company Secretary is 1% during FY23 over the previous financial year.

The amount of total commission provided to Non-Executive Directors in FY23 is ₹50 million against ₹38 million paid in the FY22.

The ratios of remuneration of Non-Executive Directors to median remuneration of employees are as under:

Name of Director	Remuneration for FY23 (₹Million)	% increase in remuneration (commission) during FY23	Ratio to median remuneration of employees
Mr. Akshay Chudasama	5.36	25	4.47
Gen. Bikram Singh (Retd.)	5.36	25	4.47
Mr. Francesco Gori	5.36	25	4.47
Ms. Lakshmi Puri*	5.36	NA	4.47
Ms. Pallavi Shroff	5.36	25	4.47
Mr. Robert Steinmetz	5.36	25	4.47
Mr. Sunam Sarkar	5.36	25	4.47

Name of Director	Remuneration for FY23 (₹Million)	% increase in remuneration (commission) during FY23	Ratio to median remuneration of employees
Mr. Vikram S. Mehta	5.36	25	4.47
Mr. Vinod Rai	5.36	25	4.47
Dr. Jaimini Bhagwati**	0.85	NA	NA

\*Ms. Lakshmi Puri was appointed as an Independent Director w.e.f. October 29, 2021 and since comparable remuneration is not available therefore percentage increase in remuneration is not applicable.

\*\*Dr. Jaimini Bhagwati was appointed as an Independent Director w.e.f. February 2, 2023 and since comparable remuneration is not available therefore percentage increase in remuneration and ratio to median remuneration to the employees are not applicable.

- 4) The percentage increase in the median remuneration of employees is 9.49%.
- 5) The total number of employees of the Company as on March 31, 2023 was 16,090 out of which 7,835 were permanent employees on the rolls of the Company.
- 6) The average percentage decrease in the salaries of employees other than the managerial personnel is 3% in FY23 over FY22. The average decrease in the remuneration of the employees other than the Managerial Personnel is due to reduction in numbers of permanent employees.
- 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 for FY23 is as follows:

Name of Director	Sitting fee (₹ Million)	Commission provided for FY23 (₹ Million) <sup>4</sup>	No. of Shares held as on March 31, 2023
Mr. Onkar Kanwar <sup>1</sup>	0.13	0.87	100,000
Mr. Akshay Chudasama	0.56	5.36	-
Gen. Bikram Singh (Retd.)	0.34	5.36	-
Mr. Francesco Gori	0.37	5.36	-
Mr. Francesco Crispino <sup>2</sup>	NIL	NIL	-
Ms. Lakshmi Puri	0.31	5.36	-
Ms. Pallavi Shroff	0.36	5.36	-
Mr. Robert Steinmetz	0.57	5.36	-
Mr. Sunam Sarkar	0.52	5.36	-
Mr. Vikram S. Mehta	0.40	5.36	6,000
Mr. Vinod Rai	0.60	5.36	-
Mr. Vishal Mahadevia <sup>2</sup>	NIL	NIL	-
Dr. Jaimini Bhagwati <sup>3</sup>	0.13	0.85	-

#### Notes:

1. Mr. Onkar Kanwar continues as the Non-Executive Director designated as Chairman w.e.f. February 1, 2023.
2. 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.
3. Dr. Jaimini Bhagwati was appointed as an Independent Director for a period of 5 years w.e.f. February 2, 2023.
4. The commission is paid and disbursed, amongst the Non-Executive Directors of the Company equally in proportion to their tenure of Directorship for the financial year ended March 31, 2023.
5. No convertible instruments of the Company were outstanding as on March 31, 2023.
6. Save as otherwise provided in this report, apart from receiving Director's Remuneration, none of the Non-Executive Directors has any pecuniary relationships or transactions vis-a-vis the Company.

## 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 and its Subsidiaries 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.

## STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with requirements of the Listing Regulations and provisions of Section 178 of the Act, the Company has a Stakeholders' Relationship Committee. As on March 31, 2023, the Committee comprised of 3 (Three) members, all being Non-Executive Directors, out of whom 1 (One) is Non-Executive Independent Director. Mr. Sunam Sarkar, Non-Executive Non-Independent Director, acts as the Chairman of the Committee.

During FY23, 1 (One) meeting of the Stakeholders Relationship Committee was held on May 12, 2022.

The composition of the Committee and attendance of members at the Committee meetings held during FY23, are given below:

Name of Director	Designation*	Category of Director	No. of meetings held during his tenure and attended	
			Held	Attended
Mr. Onkar Kanwar	Member	Non-Executive Non-Independent	1	1
Mr. Sunam Sarkar	Chairman	Non-Executive Non-Independent	1	1
Mr. Akshay Chudasama	Member	Non-Executive Independent	1	1

\*Mr. Onkar Kanwar was appointed as Chairman of the Committee w.e.f. May 9, 2023.

Ms. Seema Thapar, Company Secretary, acts as the Compliance Officer of the Company and Secretary to the Committee.

Mr. Sunam Sarkar, Chairman of Stakeholders Relationship Committee, attended the Annual General Meeting held on July 11, 2022 to answer the shareholders queries.

### Brief description of 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.

### No. of shareholders' complaints received

During FY23, the Company received 16 complaints. As on date, no complaints are pending. All complaints were attended and resolved to the satisfaction of the shareholders. Also there were no pending complaints at the beginning of FY23.

## CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

### 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.

### Composition of CSR Committee

In compliance with the requirements of the Act, the Company has constituted the Corporate Social Responsibility (CSR) Committee. As on March 31, 2023, the Committee comprised of 4 (Four) members of whom 2 (Two) are Non-Executive Independent Directors and 2 (Two) are Non- Executive Non-Independent Directors. Mr. Onkar Kanwar acts as the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee.

### Meeting of CSR Committee and attendance of members during the year

During FY23, 2 (Two) meetings of CSR Committee were held on May 11, 2022 and February 2, 2023.

Name of Director	Designation	Category of Director	No. of meetings held during his / her tenure and attended	
			Held	Attended
Mr. Onkar Kanwar	Chairman	Non-Executive Non-Independent	2	2
Mr. Sunam Sarkar	Member	Non-Executive Non-Independent	2	2
Gen. Bikram Singh (Retd.)	Member	Non-Executive Independent	2	2
Ms. Lakshmi Puri*	Member	Non-Executive Independent	1	1

\*Ms. Lakshmi Puri was inducted as a Member of CSR Committee w.e.f. May 12, 2022.

Your Company has also laid down a CSR Policy in order to execute its various CSR Initiatives.

#### Brief description of terms of reference

The CSR Committee shall, inter alia, be responsible for the following:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act.
- To recommend to the Board, the amount of expenditure to be incurred on CSR activities.
- To formulate and recommend to the Board, an Annual Action Plan in pursuance of its CSR Policy.
- To review and monitor the CSR programs undertaken by the Company and spending on the CSR activities.
- To review the Impact Assessment Reports, if any, undertaken through independent agencies.
- To develop new areas for CSR activities, if required.
- To review and recommend to the Board, the annual report on CSR activities.

- To monitor the CSR Policy of the Company from time to time.
- To carry out all the activities as may be specified under the Act & rules related thereto, including statutory amendments from time to time.

### BUSINESS RESPONSIBILITY & SUSTAINABILITY (BRS) COMMITTEE

The Listing Regulations mandates the top 1000 listed Companies by market capitalisation to provide Business Responsibility & Sustainability Report ('BRS 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 BRS Report is based on actions taken by the Company for the adoption of these principles:

- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- 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 had renamed the Committee to 'Business Responsibility and Sustainability Committee' (BRS) in view of the enhanced roles of the Committee.

#### Composition of BRS Committee

As on March 31, 2023, the Committee comprised of 4 (Four) members. Mr. Onkar Kanwar acts as the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee.

#### Meeting of BRS Committee and attendance of members during the year

During FY23, 1 (One) meeting of BRS Committee was held on May 12, 2022.

Name of Director	Designation	Category of Director	No. of meetings held during his tenure and attended	
			Held	Attended
Mr. Onkar Kanwar	Chairman	Non-Executive Non-Independent	1	1
Mr. Neeraj Kanwar	Member	Executive	1	1
Mr. Sunam Sarkar	Member	Non-Executive Non-Independent	1	1
Mr. Akshay Chudasama	Member	Non-Executive Independent	1	1

#### RISK MANAGEMENT COMMITTEE

In compliance with the Regulation 21 of the SEBI Listing Regulations, the Company has constituted a Risk Management Committee (RMC). The Risk Management Committee consists of 7 (Seven) members, with majority of members being Directors of the Company.

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, that fosters business resilience. The risk assessment and mitigation procedures are periodically updated to the Board through the Audit Committee/ Risk Management Committee.

The Company has formed Internal Risk Committees (IRCs), which review risk registers for Asia Pacific

Middle East Africa (APMEA) region including India, Europe region, United States (US) region and Corporate Functions headed by President (APMEA), President (Europe), Group Head (New Market & Channels) and Chief Financial Officer as Chairperson 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 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.

During FY23, 4 (Four) meetings of RMC were held on May 11, 2022, August 11, 2022, November 10, 2022 and January 27, 2023.

Name of Director/ Official	Designation	Category of Director/ Official	No. of meetings held during his tenure and attended	
			Held	Attended
Mr. Sunam Sarkar	Chairman	Non-Executive Non-Independent	4	4
Mr. Francesco Gori	Member	Non- Executive Non-Independent	4	4
Mr. Robert Steinmetz	Member	Non-Executive Non-Independent	4	4
Mr. Satish Sharma	Member	Executive	4	4
Mr. Vikram S. Mehta	Member	Non-Executive Independent	4	4
Mr. Benoit Rivallant	Member	President (Europe)	4	4
Mr. Gaurav Kumar	Member	Chief Financial Officer	4	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 including India, Europe, US Region and Corporate Functions.

## 4. GENERAL BODY MEETINGS

(a) The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue	Special Resolution Passed
2021-22	July 11, 2022	03:00 PM	Through Video Conference	1) Continuation of Mr. Onkar Kanwar (DIN:00058921) as a Non-Executive Director designated as Chairman. 2) Remuneration of Mr. Satish Sharma (DIN:07527148), Whole-time Director. 3) Authorization for Private Placement of Non-Convertible Debentures.
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.

## (b) Resolution passed through Postal Ballot/ e-Voting:

The members of the Company on March 31, 2023 passed a Special Resolution through Postal Ballot (conducted through remote e-Voting only) for appointment of Dr. Jaimini Bhagwati (DIN: 07274047) as an Independent Director of the Company.

Voting Pattern of the resolution passed through Postal Ballot, is as follows:

Particulars	Remote e-Voting
Total number of Valid Votes	51,71,30,111
Votes cast in favour of the Resolution	51,62,06,056
Votes cast against the Resolution	9,24,055
Number of Invalid Votes	-

### Procedure followed for Postal Ballot/e-Voting

- In terms of the General Circular No.14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 03/2022 dated May 5, 2022 and General Circular No. 11/2022 dated December 28, 2022 (the 'MCA Circulars'), issued by the Ministry of Corporate Affairs, Government of India (the 'MCA'), the postal ballot process was conducted by way of electronic voting only. The Company engaged the services of National Securities Depository Limited ('NSDL') for the purpose of providing e-voting facility.
- In accordance with the MCA Circulars, the Notices of Postal Ballot along with the instructions regarding e-Voting were sent only by e-mail to all those Shareholders.
- The Members were informed vide the Postal Ballot Notice dated February 2, 2023 that they were required to give their assent for or dissent against the proposal through e-Voting facility which was kept open from March 2, 2023 (10:00 AM) to March 31, 2023 (5:00 PM).
- 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.
- After due scrutiny of e-Voting received up to the close of working hours as mentioned above, scrutinizer had submitted its final report on

April 3, 2023. The result of the postal ballot/ e-Voting was declared on April 4, 2023.

- 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.

## 5. DISCLOSURES & AFFIRMATIONS

### (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.

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, 2023.

### (b) ACCOUNTING POLICIES

There has not been any change in accounting policies of the Company during the year.

### (c) CEO AND CFO CERTIFICATION

The Vice Chairman & Managing Director (CEO) and CFO have submitted certificate, in terms of Regulation 17(8) read with Part B of Schedule II of Listing Regulations, to the Board.

The Certificate is attached as **Annexure B** to the Corporate Governance Report.

### (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. 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 to 'Unclaimed Suspense Account' of the Company. The status of unclaimed shares as on March 31, 2023 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, 2022	18	3,904
Number of shareholders to whom shares were transferred from suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, i.e. March 31, 2023	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 FY23, 13,862 shares held by aforesaid members, were transferred to the DEMAT Account of IEPFA constituted in accordance with the Rules, on September 23, 2022. As on March 31, 2023, 3,904 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) MEANS OF COMMUNICATION

### (i) Quarterly/ Annual Financial Results

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](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

### (ii) Corporate announcements of material information

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 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), Circular No. 2/2022 (dated May 5, 2022) and Circular No. 11/2022 (dated December 28, 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), SEBI/HO/CFD/CMD2/CIR/P/2022/62 (dated May 13, 2022) and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 (dated January 5, 2023), 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 FY23 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 <https://corporate.apollotyres.com/>.

### (iii) Stock Exchange Filings

- NSE Electronic Application Processing System (NEAPS) - is a web-based application designed by NSE for Corporates. All periodical filings, announcements and other compliance filings are filed electronically on NEAPS.
- 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.

### (iv) SEBI Complaints Redress System (SCORES)

In addition to the investor complaints received from NSE, BSE, Registrar and Share Transfer Agents etc., 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.

### (v) 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.

The transcript and video recording of the Analyst/ Investor Conference Call is posted on the website of the Company as well as filed with the stock exchanges where the securities of the Company are listed.

### (vi) Designated email ID

The Company has a designated e-mail ID for investor services i.e [investors@apollotyres.com](mailto:investors@apollotyres.com).

### (vii) Website

A separate dedicated section under 'Investors', on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/ half yearly results and other relevant information of interest to the investors / public.

## (g) 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.

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 Stakeholders 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
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)	YES
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:-

**(i) Modified Opinion(s) in audit report**

The Company is in the regime of financial statements with unmodified audit opinion.

**(ii) Reporting of internal auditor**

The internal auditor is reporting directly to the Audit Committee.

**(h)** As on March 31, 2023, our shares were not suspended from trading.

## 6) GENERAL SHAREHOLDER INFORMATION

### (a) Registered Office

3<sup>rd</sup> 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 Wednesday, August 2, 2023 at 3:00 PM (IST) through video conferencing. Notice of the ensuing AGM is separately provided along with the Annual Report.

### (c) Financial Calendar for FY24

Quarter	Period ending	Date / Period
First quarter	June 30, 2023	On or before August 14, 2023
Second quarter/ half yearly	September 30, 2023	On or before November 14, 2023
Third quarter	December 31, 2023	On or before February 14, 2024
Fourth quarter/year	March 31, 2024	On or before May 30, 2024

### (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 Final Dividend of ₹4.00 per Equity Share and a Special Dividend of ₹0.50 per Equity Share, aggregating to ₹4.50 per Equity Share having face value of ₹1/- each for the FY23, 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 transferred ₹82,67,052/- lying unclaimed in Unpaid Dividend Account in respect of Dividend for the year 2014-15 to the said Fund on September 6, 2022.

### (g) Listing at Stock Exchanges

#### 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: [cmllist@nse.co.in](mailto:cmllist@nse.co.in)

#### BSE Ltd.

Phiroje Jeejeebhoy Towers,  
1<sup>st</sup> Floor, Dalal Street  
Mumbai 400 001  
T: +91 22 22721233/34  
F: +91 22 22721919/3027  
E: [corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)

The annual listing fee for FY24 has been paid to all the aforesaid stock exchanges.

**(h) Stock Code**

BSE Ltd.

500877

National Stock Exchange of India Ltd.

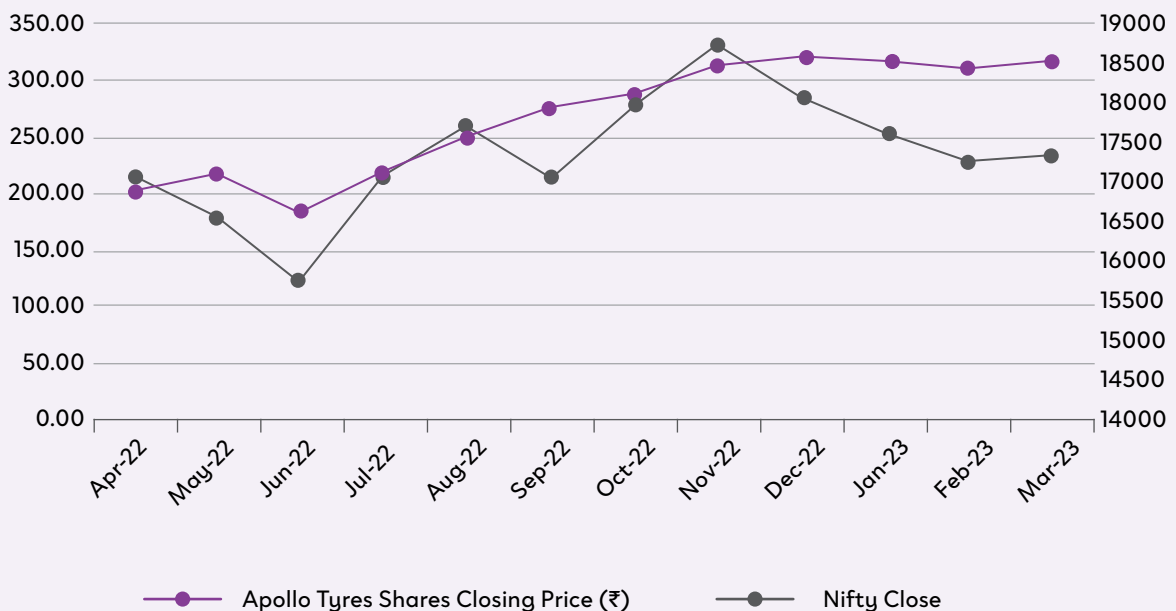
APOLLOTYRE

**(i) Stock Market Price Data for FY23**

The Company's share price on NSE and Nifty Index

Month	NSE			Nifty Index	
	High (₹)	Low (₹)	Volume (in million)	High	Low
April, 2022	214.00	187.00	74.03	18,114.65	16,824.70
May, 2022	224.50	189.05	83.25	17,132.85	15,735.75
June, 2022	223.70	167.10	70.12	16,793.85	15,183.40
July, 2022	222.00	184.30	37.87	17,172.80	15,511.05
August, 2022	268.30	218.55	78.26	17,992.20	17,154.80
September, 2022	303.45	249.20	111.78	18,096.15	16,747.70
October, 2022	293.40	262.00	52.47	18,022.80	16,855.55
November, 2022	318.00	270.00	119.18	18,816.05	17,959.20
December, 2022	330.50	305.10	60.01	18,887.60	17,774.25
January, 2023	339.95	304.90	69.98	18,251.95	17,405.55
February, 2023	343.05	309.45	56.50	18,134.75	17,255.20
March, 2023	324.85	303.35	34.76	17,799.95	16,828.35

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, 2022	215.00	187.00	4.15	60,845.10	56,009.07
May, 2022	224.35	189.20	4.48	57,184.21	52,632.48
June, 2022	224.85	167.15	3.94	56,432.65	50,921.22
July, 2022	221.85	184.30	2.17	57,619.27	52,094.25
August, 2022	268.25	219.50	3.49	60,411.20	57,367.47
September, 2022	303.40	249.15	7.26	60,676.12	56,147.23
October, 2022	293.45	262.25	4.95	60,786.70	56,683.40
November, 2022	318.00	270.05	5.89	63,303.01	60,425.47
December, 2022	330.50	302.05	2.59	63,583.07	59,754.10
January, 2023	339.50	304.85	2.98	61,343.96	58,699.20
February, 2023	343.00	309.70	2.41	61,682.25	58,795.97
March, 2023	324.75	303.35	1.37	60,498.48	57,084.91

**Apollo Tyres Shares Closing Price (₹) vis-à-vis BSE Sensex Close**

**(j) Shares Traded during April 1, 2022 to March 31, 2023**

Particulars	BSE	NSE
No. of shares traded (in million)	45.69	845.20
Highest Share Price (in ₹)	343.00	343.05
Lowest Share Price (in ₹)	167.15	167.10
Closing Share Price (as on March 31, 2023)	319.85	319.90
Market Capitalisation (as on March 31, 2023) (₹ in million)	203,137.04	203,168.79

**(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 relating to transmission, issues of duplicate share certificate, split of shares etc.

## (m) Distribution of Shareholding

The following is the distribution of shareholding of equity shares of the Company as on March 31, 2023

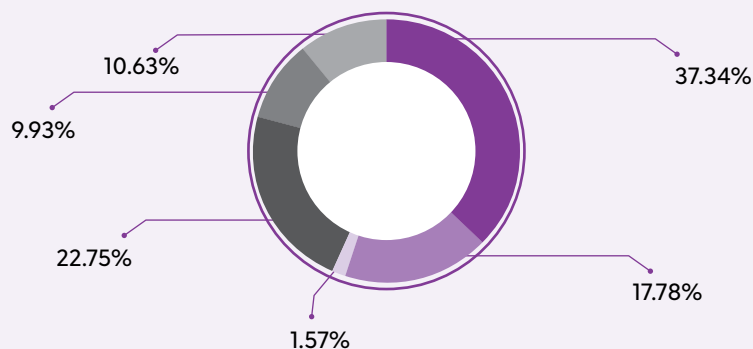
Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of shareholding
Upto 5000	285,640	99.68	37,229,017	5.86
5001 - 10000	372	0.13	2,775,595	0.44
10001 - 20000	165	0.06	2,396,895	0.38
20001 - 30000	53	0.02	1,334,628	0.21
30001 - 40000	40	0.01	1,396,078	0.22
40001 - 50000	24	0.01	1,080,214	0.17
50001 - 100000	53	0.02	3,957,175	0.62
100001 and above	208	0.07	584,931,344	92.10
<b>Grand Total</b>	<b>286,555</b>	<b>100.00</b>	<b>635,100,946</b>	<b>100.00</b>

The Promoter and Promoter group hold 237.17 million shares constituting 37.34% of the share capital of the Company as on March 31, 2023.

### Categories of shareholders as on March 31, 2023

Category	No. of shares	%age
Promoters	237,165,403	37.34
Mutual Funds/Bank/FIs/Alternate Investment Fund/QIB Etc.	112,882,363	17.78
Govt. of Kerala/KSIDC etc.	10,001,812	1.57
FII/NRI etc.	144,486,738	22.75
Foreign Body Corporate	63,050,966	9.93
Public	67,513,664	10.63
<b>Total</b>	<b>635,100,946</b>	<b>100.00</b>

### Category of shareholders



■ Promoters

■ Mutual Funds/Bank/FIs/Alternate Investment Fund/QIB etc.

■ Govt. of Kerala/KSIDC etc.

■ FII/NRI etc

■ Foreign Body Corporate

■ Public

**(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, 2023, 98.81% 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**

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. +91 40 67162222; Fax No. +91 40 23001153  
Toll Free Number: 1800 309 4001  
Email: [einward.ris@kfintech.com](mailto: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. +91 40 67162222; Fax No. +91 40 23001153

Toll Free Number: 1800 309 4001

Email: [einward.ris@kfintech.com](mailto: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, 03/2022 and 11/2022 issued by the Ministry of Corporate Affairs and Circular numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI /HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 issued by SEBI, the 50<sup>th</sup> 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 50<sup>th</sup> AGM.

**(t) 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.

**(u) 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,  
Chittoor District- 517541  
Andhra Pradesh



6. Ir. Schiffstraat 370,  
7547 RD Enschede, The Netherlands
7. H-3212 Gyöngyöshalász,  
Road no.: 3210, Plot no.: 0106, Hungary

**(v) 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. +91 40 67162222; Fax No. +91 40 23001153  
Toll Free Number: 1800 309 4001  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: <https://kfintech.com/>

**(w) Commodity price risk or foreign exchange risk and hedging activities during FY23**

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	₹ 3,306 Crores	1,87,609 MT	Nil	Nil	Nil	Nil	Nil

\*This data is based on NR Consumption as per YMR 48

Sourcing of Natural Rubber is managed through a robust process of Supplier Selection, continuous market scanning, Regular Supplier Assessment & Vendor Development initiatives. The Company follows a broad base diversified Vendor Sourcing Policy which enables it to minimise risks in supply chain. There exists a fair balance of regions and locations of suppliers in its portfolio. Development of existing and new supply partners is carried through systematic approach using tools such as audits and regular interaction. The Company uses a healthy combination of Contract Purchases and Open market Buying to meet its Production requirements.

**(x) 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.

**(y) Outstanding GDRS / ADRS / warrants or any convertible instruments, conversion date and likely impact on equity**

As on March 31, 2023, there were no outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

## 7) ADDITIONAL INFORMATION

### (a) Investor Relations Section

The Investors Relations Section is located at the Corporate Office of the Company.

Contact person	: Ms. Seema Thapar, Company Secretary & Compliance Officer
Time	: 10:00 AM to 6:00 PM on all working days of the Company (except Saturdays and Sundays)
Tel No.	: +91 124 2721000
Email	: <a href="mailto:investors@apollotyres.com">investors@apollotyres.com</a>

### (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 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 January 6, 2023, CRISIL has reaffirmed the following rating:
  - Long-Term Rating: CRISIL AA+/Stable (Includes Loan-Term Loan, Non-Convertible Debentures, 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 1, 2023, India Ratings and Research (Ind-Ra) has reaffirmed the following rating:

- Long-Term Rating: IND AA+/Stable (Non-Convertible Debentures)
- Short-Term Rating: IND A1+ (Commercial Paper)

### (d) Details of Utilisation of funds raised through NCDs

Particulars of the funds raised through NCDs	(₹ in million)
Reimbursement of capex	5,000

### (e) Auditors

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants.

### (f) 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, 2022
Mr.N.P.Sukumaran (M No.4503) Apartment No.311, 4 <sup>th</sup> Floor, D.D.Vyapar Bhawan, K.P.Vallon Road, Kadavanthra P O, Kochi - 682 020(Kerala) E-mail : <a href="mailto:npgco@gmail.com">npgco@gmail.com</a>	Filing date: September 24, 2022

### (g) 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, President/ 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 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.

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 FY23, the Company had conducted several awareness sessions on insider trading for the Designated persons.

#### **(h) Code of Practices and Procedures for Fair Disclosure**

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, 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.

#### **(i) 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 for ensuring compliances related to this Code of Conduct.

#### **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, 2023.

**NEERAJ KANWAR**

**Vice Chairman & Managing Director**

#### **(j) 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.

#### **(k) Whistle Blower Policy/ Vigil Mechanism**

Apollo Tyres Ltd believes in the conduct of its business affairs 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 FY23.

### (l) 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 harassment during FY23:

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.

### (m) 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.

### (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) 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 (%)
FY23*	450
FY22	325
FY21	350
FY20	300
FY19	325

\* The Board of Directors at its meeting held on May 9, 2023 had recommended the Final Dividend of ₹4.00 per Equity Share and a Special Dividend of ₹0.50 per Equity Share on occasion of 50<sup>th</sup> Annual General Meeting (AGM) of the Company, aggregating to ₹4.50 per Equity Share having face value of ₹1/- each.

### (p) 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.

### (q) 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.

#### (r) Total fee paid to Statutory Auditors on consolidated basis

An amount of ₹49.64 million was paid/ payable to Statutory Auditors (excluding out of pocket expenses) for all services provided to the Company and its Subsidiaries during FY23 on a consolidated basis, to the Statutory Auditors and all entities in the network firm/ network entity of which the Statutory Auditor is a part.

#### (s) Name of the Debenture Trustee

##### Vistra ITCL (India) Limited

The IL&FS Financial Centre,  
Plot C- 22, G Block, 7<sup>th</sup> Floor,  
Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Tel No. +91 22 26533535  
Fax No. +91 22 26533297

#### (u) 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.

#### (v) 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.

#### (t) Web link for various documents

The weblink of the following documents/ information are available on the website of the Company, i.e. <https://corporate.apollotyres.com/>:-

Particulars	Web link
Familiarization programme for Independent Directors	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>
Policy for determining 'material' subsidiaries	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>
Policy on Related Party Transactions	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>
CSR policy	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>
Code of Conduct for Directors and Senior Management	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>
Whistle Blower Policy/ Vigil Mechanism	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>
Policy on preservation and archival of documents	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>
Policy on determination of materiality of events or information	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>
Code of Practices and Procedures for Fair Disclosure of UPSI	<a href="https://corporate.apollotyres.com/investors/corporate-governance/">https://corporate.apollotyres.com/investors/corporate-governance/</a>

For and on behalf of the  
**Board of Directors**

Place: Amsterdam  
Date: May 9, 2023

**ONKAR KANWAR**  
Chairman  
DIN: 00058921

## Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of

Apollo Tyres Limited

1. The Corporate Governance Report prepared by Apollo Tyres Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2023 as required by the Company for annual submission to the Stock exchange.
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.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors as on and verified that atleast one independent woman director was on the Board of Directors throughout the year;
  - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 1, 2022 to March 31, 2023:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting (AGM);
    - (d) Nomination and Remuneration Committee;
    - (e) Stakeholders Relationship Committee;
    - (f) Risk Management Committee
    - (g) Business Responsibility and Sustainability (BRS) Committee;
    - (h) Corporate Social Responsibility (CSR) Committee;

### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

- v. Obtained necessary declarations from the directors of the Company.
  - vi. Obtained and read the policy adopted by the Company for related party transactions.
  - vii. Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
  - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

## Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 4 above.

## Other matters and Restriction on Use

10. This report 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.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Pankaj Chadha**

Partner

Place of Signature:  
Gurugram

Membership Number: 091813  
UDIN: 23091813BGQOXM2703

Date: May 09, 2023

## Annexure-A

### 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**

3<sup>rd</sup> 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, 3<sup>rd</sup> 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 ending on March 31, 2023, 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	Initial Date of Appointment	Date of Appointment in Current Term (incl. date of re-appointment)
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	06/08/2019
4.	00041197	Mr. Vikram Singh Mehta	06/02/2013	06/08/2019
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	15/05/2019
8.	07259060	Mr. Bikram Singh	11/08/2015	11/08/2020
9.	07413105	Mr. Francesco Gori	09/02/2016	-
10.	00041867	Mr. Vinod Rai	09/02/2016	09/02/2021
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	-
15.	07274047	Dr. Jaimini Bhagwati	02/02/2023	-

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 Singh**

Partner

FCS No.: 11685

C P No.: 16274

Peer Review No.: 1498/2021

UDIN: F011685E000281438

Date: 09.05.2023

Place: New Delhi



## Annexure-B

### 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, 2023 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 that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. 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**

Date: April 28, 2023

**(Neeraj Kanwar)**  
Vice Chairman & Managing Director

**(Gaurav Kumar)**  
Chief Financial Officer