Independent Auditor's Report

To the Members of Apollo Tyres Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of Apollo Tyres Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate and joint venture comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint venture as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our Report. We are independent of the Group, associate, joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Provision for sales related obligations *(as described in Note B8, B16 and B22 of the consolidated financial statements)*	
The Group provides various incentives, discounts and warranty to its customers. These sales related obligations require accruals based on the commitments, established trade practices and historical trends and other assumptions which are inherently judgmental including those relating to outflow of resources. The accruals amounts to INR 8,032 Million as at March 31, 2023.	The procedures performed by us in respect of the entity audited by us and by other component auditors in respect of entities where we are not the auditors wherever required, included the following: • Evaluated the design and tested the operating effectiveness of key controls in respect of accounting of these obligations;

Key audit matters	How our audit addressed the key audit matter
Considering the materiality of above matter to the financial statements, complexities and significant judgement involved in making the above estimate, we have identified this as a key audit matter for the current year audit.	• Obtained from the management a list of documents supporting the commitments made to the customers; • Tested on a sample basis expenses for obligations recorded during the year; • Evaluated reasonableness of year end accrual through testing of the underlying data and assumptions involved on a sample basis and assessed the relevance and reliability of underlying data. • Assessed the adequacy of disclosures made in the consolidated financial statements;
Tax litigations and claims *(as described in Note C12 of the consolidated financial statements)*	
The Group has many outstanding tax related litigations and claims with tax authorities. Evaluation of the outcome of these matters requires significant judgement by the management given the complexities involved. including estimations in assessing the likelihood that a pending claim will succeed, or a liability will arise, and the quantification of the ranges of potential financial settlement. Accordingly, we have identified this as a key audit matter for the current year audit.	The procedures performed by us in respect of the entity audited by us and by other component auditors in respect of entities where we are not the auditors, included the following: • Evaluated the design and tested the operating effectiveness of controls in respect of identification and evaluation of taxation related demands, proceedings and related provisions; • Obtained a list of taxation related litigations and claims from the management and identified material litigations/ claims; • In relation to such identified material litigations/ claims, involved tax specialists to perform an assessment of the conclusions reached by management; • Obtained independent confirmations from the Company's external lawyers/advisors with respect to the material litigations/ claims and demands, wherever involved; • Evaluated the reasonableness of management's assumptions, estimates and judgments by testing the underlying documents and assessments shared by the management for material matters; • Assessed the adequacy of disclosures made in the consolidated financial statements.
Recoverability of goodwill, trademarks and other intangibles having indefinite useful lives *(as described in Note C3 of the consolidated financial statements)*	
The Group carries goodwill amounting to INR 2,288 million and other intangibles having indefinite useful lives amounting to INR 1,560 million pertaining to acquisition of Reifencom GmbH, ('Reifencom')in its consolidated balance sheet as at March 31, 2023. The impairment assessment of the cash generating unit (CGU) to which these intangibles assets have been allocated is complex and highly judgmental as it requires significant estimates such as growth in revenue and operating margin, discount rate and terminal value for determining the Value-In-Use at the CGU level. Considering the significant level of judgement we have identified this as a key audit matter for the current year audit.	Our audit procedures included the following: • Obtained an understanding from the management with respect to process and controls followed by the Group to perform annual impairment test of goodwill and intangibles having indefinite useful lives; • Obtained the impairment analysis model from the management and assessed their conclusions; • Verified the operating margins, discount rates and revenue growth applied in the model, with the involvement of valuation specialists and performed sensitivity analysis; • Obtained and evaluated reasonableness of the future growth considering historical trends and industry benchmark; • Assessed the adequacy of disclosures made in the consolidated financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report on Corporate Governance, Business Responsibility and Sustainability Report, Management Discussion and Analysis and Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 14 subsidiaries, whose financial statements include total assets of INR 103,730 million as at March 31, 2023, and total revenues of INR 133,820 million and net cash outflows of INR 2,082 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of INR 5,304 million for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and associate, is based solely on the reports of such other auditors.

    Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The consolidated financial statements of the Company for the year ended March 31, 2022, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 12, 2022.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company and associate company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary and associate company, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company and associate company, none of the directors of the Group's company and its associate, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company and associate company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary and associate company incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiary and associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and associate, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associate and joint venture in its consolidated financial statements – Refer Note C12 to the consolidated financial statements;

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note C9 to the consolidated financial statements in respect of such items as it relates to the Group, its associate and its joint venture and (b) the Group's share of net profit in respect of its associate and joint venture;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary and associate incorporated in India during the year ended March 31, 2023.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented to the best of its knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary and associate company which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The dividend paid by the Holding Company, its subsidiary and associate company incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note C20 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries, associate and joint venture companies incorporated in India, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Pankaj Chadha**
Partner
Membership Number: 091813
UDIN: 23091813BGQOXK6734
Place: Gurugram
Date: May 09, 2023

Annexure '1' Referred To In Paragraph Under The Heading "Report On Other Legal And Regulatory Requirements" Of Our Report Of Even Date

Re: Apollo Tyres Limited (the "Company")

According to the information and explanations given to us and procedures performed by us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxvi) of the Order is not applicable to the Holding Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Pankaj Chadha**
Partner
Membership Number: 091813
UDIN: 23091813BGQOXK6734
Place: Gurugram
Date: May 09, 2023

Annexure '2' To The Independent Auditor's Report of Even Date On The Consolidated Financial Statements Of Apollo Tyres Limted

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Apollo Tyres Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate , which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company & its subsidiaries & associates which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to the 1 subsidiary and 1 associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and associate incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Pankaj Chadha**
Partner
Membership Number: 091813
UDIN: 23091813BGQOXK6734
Place: Gurugram
Date: May 09, 2023

Consolidated Balance Sheet
as at March 31, 2023

₹ Million

	Notes	As at March 31, 2023	As at March 31, 2022
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	B1	158,855.99	157,903.01
(b) Capital work-in-progress	C25	1,993.59	5,947.39
(c) Right of use assets	C4	7,998.33	8,479.34
(d) Goodwill	C3	2,288.21	2,158.07
(e) Other intangible assets	B1	7,386.83	7,372.81
(f) Intangible assets under development	C25	532.03	234.95
(g) Financial assets			
i. Investment in associate / joint venture	B2	49.82	48.03
ii. Other investments	B3	290.94	258.54
iii. Other financial assets	B4	4,115.74	3,985.10
(h) Deferred tax assets (net)	C6	718.92	1,045.22
(i) Other non-current assets	B5	774.65	915.95
Total non-current assets		**185,005.05**	**188,348.41**
2. Current assets			
(a) Inventories	B6	44,284.62	41,553.86
(b) Financial assets			
i. Investments	B7	4,016.94	4,506.06
ii. Trade receivables	B8	24,885.34	20,512.92
iii. Cash and cash equivalents	B9	8,360.11	8,706.36
iv. Bank balances other than (iii) above	B10	102.21	2,100.20
v. Other financial assets	B11	2,022.64	2,038.34
(c) Other current assets	B12	4,915.19	3,691.89
Total current assets		**88,587.05**	**83,109.63**
Total Assets (1+2)		**273,592.10**	**271,458.04**
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Share capital	B13	635.10	635.10
(b) Other equity	B14	128,142.73	116,886.22
Total equity		**128,777.83**	**117,521.32**
Liabilities			
2. Non-current liabilities			
(a) Financial liabilities			
i. Borrowings	B15	37,898.44	44,084.74
ii. Lease liabilities	C4	6,141.74	6,404.61
(b) Provisions	B16	1,347.23	1,479.59
(c) Deferred tax liabilities (net)	C6	9,593.99	9,013.56
(d) Other non-current liabilities	B17	9,728.97	11,906.22
Total non-current liabilities		**64,710.37**	**72,888.72**
3. Current liabilities			
(a) Financial liabilities			
i. Borrowings	B18	17,978.06	17,851.86
ii. Lease liabilities	C4	2,187.06	2,267.94
iii. Trade payables	B19		
- Total outstanding dues of micro enterprises and small enterprises		306.28	337.63
-Total outstanding dues of creditors other than micro enterprises and small enterprises		33,232.22	34,971.82
iv. Other financial liabilities	B20	4,408.25	5,028.44
(b) Other current liabilities	B21	18,793.79	17,725.02
(c) Provisions	B22	2,144.64	2,004.88
(d) Current tax liabilities (net)	B23	1,053.60	860.41
Total current liabilities		**80,103.90**	**81,048.00**
Total Equity And Liabilities (1+2+3)		**273,592.10**	**271,458.04**

See accompanying notes forming part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
Firm's Registration No. 301003E/E300005

per Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: May 9, 2023

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Place: Amsterdam
Date: May 9, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

₹ Million

		Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
1.	**Revenue from operations**			
	Sale of products	C27	241,223.24	205,808.14
	Other operating income	B24	4,458.06	3,667.64
			245,681.30	**209,475.78**
2.	**Other income**	B25	410.92	1,234.81
3.	**Total income (1 +2)**		**246,092.22**	**210,710.59**
4.	**Expenses**			
	(a) Cost of materials consumed	B26A	122,619.59	109,554.29
	(b) Purchase of stock-in-trade	B26B	26,782.74	22,060.30
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress		(3,031.77)	(7,759.56)
	(d) Employee benefits expense	B26C	26,199.21	25,742.37
	(e) Finance costs	B27	5,312.35	4,444.23
	(f) Depreciation and amortisation expense	B1	14,191.42	13,996.73
	(g) Other expenses	B26D	39,975.00	34,137.37
	Total expenses		**232,048.54**	**202,175.73**
5.	**Profit before share of profit in associate / joint venture, exceptional items and tax (3 - 4)**		14,043.68	8,534.86
6.	Share of profit in associate / joint venture		2.42	0.96
7.	**Profit before exceptional items and tax (5 + 6)**		14,046.10	8,535.82
8.	Exceptional items	C28	(225.77)	59.08
9.	**Profit before tax (7 - 8)**		**14,271.87**	**8,476.74**
10.	**Tax expense**	C6		
	(a) Current tax		2,506.93	947.96
	(b) Deferred tax		718.58	1,142.78
	Total tax expense		**3,225.51**	**2,090.74**
11.	**Profit for the year (9 - 10)**		**11,046.36**	**6,386.00**
12.	**Other comprehensive income / (loss)**			
	I i. Items that will not be reclassified to profit or loss			
	(a) Re-measurement gain / (loss) of defined benefit plans		328.89	35.20
	ii. Income tax		(85.24)	(3.79)
			243.65	**31.41**
	II i. Items that will be reclassified to profit or loss			
	(a) Exchange differences in translating the financial statements of foreign operations		1,989.27	(1,203.02)
	(b) Effective portion of gain / (loss) on designated portion of hedging instruments in cash flow hedge		63.50	151.36
	ii. Income tax		(22.19)	(52.89)
			2,030.58	**(1,104.55)**
	Other comprehensive income / (loss) (I + II)		**2,274.23**	**(1,073.14)**
	Total comprehensive income for the year (11 + 12)		**13,320.59**	**5,312.86**
	Earnings per share (of ₹ 1 each)	C29		
	(a) Basic (₹)		17.39	10.06
	(b) Diluted (₹)		17.39	10.06

See accompanying notes forming part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
Firm's Registration No. 301003E/E300005

per Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: May 9, 2023

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Place: Amsterdam
Date: May 9, 2023

Consolidated Statement of Changes in Equity
for the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

₹ Million

Particulars	Amount
Balance as at March 31, 2021	**635.10**
Changes during the year	-
Balance as at March 31, 2022	**635.10**
Changes during the year	-
Balance as at March 31, 2023	**635.10**

B. OTHER EQUITY

₹ Million

Particulars	Reserves and surplus									Items of other comprehensive income			Total
	Securities premium	General reserve	Capital reserve on consolidation	Capital reserve on AMHPL merger	Debenture redemption reserve	Capital subsidy	Capital redemption reserve	Capital reserve on forfeiture of shares	Retained earnings	Effective portion of cash flow hedge	Revaluation surplus	Foreign currency translation reserve	
Balance as at March 31, 2021	**31,317.67**	**16,006.63**	**2,664.95**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**63,955.45**	**(97.31)**	**31.22**	**(2,575.55)**	**113,796.21**
Profit for the year	-	-	-	-	-	-	-	-	6,386.00	-	-	-	6,386.00
Other Comprehensive income (OCI) for the year (net)	-	-	-	-	-	-	-	-	-	98.47	-	(1,203.02)	(1,104.55)
Remeasurement of defined benefit plans (net)	-	-	-	-	-	-	-	-	31.41	-	-	-	31.41
Total comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	**6,417.41**	**98.47**	-	**(1,203.02)**	**5,312.86**
Transfer from retained earnings	-	1,000.00	-	-	-	-	-	-	(1,000.00)	-	-	-	-
Payment of dividend (₹ 3.50 per share)	-	-	-	-	-	-	-	-	(2,222.85)	-	-	-	(2,222.85)
Balance as at March 31, 2022	**31,317.67**	**17,006.63**	**2,664.95**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**67,150.01**	**1.16**	**31.22**	**(3,778.57)**	**116,886.22**
Profit for the year	-	-	-	-	-	-	-	-	11,046.36	-	-	-	11,046.36
Other Comprehensive income (OCI) for the year (net)	-	-	-	-	-	-	-	-	-	41.31	-	1,989.27	2,030.58
Remeasurement of defined benefit plans (net)	-	-	-	-	-	-	-	-	243.65	-	-	-	243.65
Total comprehensive income / (loss) for the year	-	-	-	-	-	-	-	-	**11,290.01**	**41.31**	-	**1,989.27**	**13,320.59**
Payment of dividend (₹ 3.25 per share)	-	-	-	-	-	-	-	-	(2,064.08)	-	-	-	(2,064.08)
Balance as at March 31, 2023	**31,317.67**	**17,006.63**	**2,664.95**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**76,375.94**	**42.47**	**31.22**	**(1,789.30)**	**128,142.73**

See accompanying notes forming part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
Firm's Registration No. 301003E/E300005

per Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: May 9, 2023

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Place: Amsterdam
Date: May 9, 2023

Consolidated Cash Flow Statement
for the year ended March 31, 2023

₹ Million

		For the year ended March 31, 2023		For the year ended March 31, 2022	
A	CASH FLOW FROM OPERATING ACTIVITIES				
(i)	Net profit before tax		14,271.87		8,476.74
	Adjustments for				
	Depreciation and amortisation expense	14,191.42		13,996.73	
	Profit on sale of property, plant and equipment (net)	(39.89)		(90.22)	
	Gain from current investments	(55.19)		(24.15)	
	Provision for doubtful debts / advances	71.76		57.61	
	Provisions / liabilities no longer required written back	(204.59)		(33.62)	
	Finance cost	5,312.35		4,444.23	
	Interest income	(257.08)		(402.98)	
	Exceptional item	(225.77)		-	
	Unwinding of deferred income	(2,266.57)		(1,540.68)	
	Unwinding of state aid subsidy	(160.21)		(183.29)	
	Share of (profit) / loss in associate / joint venture	(2.42)		(0.96)	
	Unrealized loss / (gain) on foreign exchange fluctuations	591.97		(113.28)	
	Effect of foreign currency fluctuation arising out of consolidation	174.98	17,130.76	0.54	16,109.93
(ii)	Operating profit before working capital changes		31,402.63		24,586.67
	Changes in working capital				
	Adjustments for (increase) / decrease in operating assets				
	Inventories	(1,572.41)		(8,628.18)	
	Trade receivables	(3,671.08)		(3,186.32)	
	Other financial assets (current and non-current)	(164.53)		1,220.43	
	Other assets (current and non-current)	(1,124.75)	(6,532.77)	65.56	(10,528.51)
	Adjustments for increase / (decrease) in operating liabilities				
	Trade payables	(2,869.58)		7,557.90	
	Other financial liabilities (current and non-current)	397.84		(200.51)	
	Other liabilities (current and non-current)	917.39		1,316.12	
	Provisions (current and non-current)	196.72	(1,357.63)	26.21	8,699.72
(iii)	Cash generated from operations		23,512.23		22,757.88
	Direct taxes paid (net of refund)		(2,168.34)		(1,222.28)
	Net cash generated from operating activities		21,343.89		21,535.60
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of property, plant and equipment and intangible assets	(7,745.71)		(18,462.41)	
	Proceeds from sale of property, plant and equipment and intangible assets	141.25		298.75	
	Maturity of / (Investments in) mutual funds, net	544.31		(3,581.23)	
	Non-current investment made, net	(32.70)		(108.36)	
	Maturity of fixed deposits, net	2,000.00		9,650.00	
	Interest received	331.45		481.62	
	Net cash used in investing activities		(4,761.40)		(11,721.63)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from non-current borrowings	5,000.00		14,214.72	
	Repayment of non-current borrowings	(9,064.99)		(21,851.84)	
	(Repayment of) / proceeds from current borrowings (net) (excluding current maturities of non-current borrowings)	(3,419.00)		5,761.98	
	Payment of dividend	(2,064.08)		(2,222.85)	
	Payment of principal portion of lease liabilities	(2,108.57)		(2,182.26)	
	Payment of interest on lease liabilities	(468.18)		(511.81)	
	Finance charges paid	(4,793.42)		(4,021.92)	
	Net cash used in financing activities		(16,918.24)		(10,813.98)
	Net decrease in cash and cash equivalents (A+B+C)		(335.75)		(1,000.01)

Consolidated Cash Flow Statement(Contd.)

for the year ended March 31, 2023

₹ Million

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash and cash equivalents as at the beginning of the year	8,706.36	9,713.49
Less: Cash credits as at the beginning of the year	4.18	4.85
	8,702.18	**9,708.64**
(Gain) / loss on re-statement of foreign currency cash and cash equivalents	22.63	16.18
Adjusted cash and cash equivalents as at the beginning of the year	**8,724.81**	**9,724.82**
Cash and cash equivalents as at the end of the year	8,360.11	8,706.36
Less: Cash credits as at the end of the year	9.76	4.18
	8,350.35	**8,702.18**
(Gain) / loss on re-statement of foreign currency cash and cash equivalents	38.71	22.63
Adjusted cash and cash equivalents as at the end of the year	**8,389.06**	**8,724.81**

The above consolidated cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows"

As per our report of even date

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
Firm's Registration No. 301003E/E300005

per Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: May 9, 2023

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Place: Amsterdam
Date: May 9, 2023

A. NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. GROUP CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Apollo Tyres Limited ('the Company') and its subsidiaries (hereinafter collectively referred to as 'the Group') for the year ended March 31, 2023. The Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is Apollo Tyres ltd, 3rd Floor, Areekal mansion, Panampilly Nagar, Kochi 682036, India.

The principal business activity of Apollo Tyres Limited ('the Company') is manufacturing and sale of automotive tyres. The Company started its operations in 1972 with its first manufacturing plant at Perambra in Kerala.

The Company's largest operations are in India and comprises five tyre manufacturing plants, two located in Cochin and one each at Vadodara, Chennai and Andhra Pradesh and various sales and marketing offices spread across the country. The Company's European subsidiaries Apollo Tyres (NL) B.V and Apollo Tyres (Hungary) Kft. have a manufacturing plant in the Netherlands and Hungary respectively. It also has sales and marketing subsidiaries across the globe.

2. RECENT ACCOUNTING PRONOUNCEMENTS

2.1 Amended standards adopted by the Group

(i) Reference to the Conceptual Framework – Amendment to Ind AS 103

The amendment replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendment also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendment also adds a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

This amendment had no impact on the consolidated financial statements of the Group as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendment that arose during the period.

(ii) Property, Plant and Equipment: Proceeds before Intended Use – Amendment to Ind AS 16

The amendment modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendment is effective for annual reporting periods beginning on or after April 1, 2022. This amendment had no impact on the consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iii) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

This amendment had no impact on the consolidated financial statements of the Group as there were no modifications of the Group's financial instruments which were covered by amendment.

(iv) Onerous Contracts – Costs of Fulfilling a Contract – Amendment to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendment specifies that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

2.2 Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 1, 2023.

(i) Definition of Accounting Estimates - Amendment to Ind AS 8

The amendment clarifies the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendment is effective for annual reporting periods beginning on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendment is not expected to have a material impact on the Group's consolidated financial statements.

(ii) Disclosure of Accounting Policies - Amendment to Ind AS 1

The amendment aims to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendment to Ind AS 1 are applicable for annual periods beginning on or after April 1, 2023. Consequential amendment has been made in Ind AS 107. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendment to Ind AS 12

The amendment narrows the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendment has been made in Ind AS 101. The amendment to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

This amendment is likely to have an impact on the Group's financial statement which is currently being assessed by the management. Any necessary adjustment required shall be accounted for in the next period financial statements.

3. BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

The consolidated financial statements have been prepared to comply in all respects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS'). notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS

The consolidated financial statements are presented in Indian Rupee ('INR'), which is also the functional currency of the Company.

The consolidated financial statements for the year ended March 31, 2023 were authorised and approved for issue by the Board of Directors on May 09, 2023.

3.2 Basis of preparation and presentation of consolidated financial statements

The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on above basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 *Inventories* or value in use in Ind AS 36 *Impairment of Assets.*

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

The significant accounting policies are set out below:

3.3 Basis of consolidation

The consolidated financial statement includes the financial statements of the Company, its subsidiaries and the entities controlled by the Group as at March 31, 2023. Control is achieved when the Group:

- has power over the investee;
- has the ability to use its power to affect its return; and
- is exposed, or has rights, to variable returns from its involvement with the investee.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 *Income Taxes* applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

3.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in consolidated statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 *Income Taxes* and Ind AS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair values at subsequent reporting dates with the corresponding gain or loss being recognised in consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in consolidated statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method.

The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the business combination.

(iv) The identity of the reserves has been preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

3.5 Investments in associates and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit and loss of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Groups investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 *Impairment of Assets* to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109 *Financial Instruments*. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to statement of profit and loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to consolidated statement of profit and loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to consolidated statement of profit and loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to statement of profit and loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

3.6 Inventories

Inventories are valued at the lower of cost and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work in progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

In case of raw materials, stores and spares and traded goods, cost (net of tax credits wherever applicable) is determined on a moving weighted average basis, and, in case of work in progress and finished goods, cost is determined on a First In First Out basis.

3.7 Taxation

Income tax expense recognised in consolidated statement of profit and loss comprises of the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable income tax laws of the country in which the respective entities in the group are incorporated. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associate and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. The Group intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

3.8 Property, plant and equipment (PPE)

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

For qualifying assets, borrowing costs are capitalised in accordance with the Ind AS 23 *Borrowing Costs*. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Property, plant and equipment are capitalised at costs relating to the acquisition and installation (net of tax credits wherever applicable) and include finance cost on borrowed funds attributable to acquisition of qualifying fixed assets for the period up to the date when the asset is ready for its intended use, and adjustments arising from foreign exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Other incidental expenditure attributable to bringing the fixed assets to their working condition for intended use are also capitalised. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure meets the recognition criteria.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period.

The group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated average useful life considered for the assets are as under.

Category of assets	No. of years
Buildings*	5 - 60
Plant and equipment	3 - 25
Electrical installations	1 - 10
Furniture and fixtures	4 - 10
Vehicles	4 - 10
Office equipment	4 - 10

Assets held under leases are depreciated over their expected lease term on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

*Leasehold improvements included in Building are amortised over their period of lease or useful life, whichever is lower

Leasehold land / Improvements thereon are amortised over the primary period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated statement of profit and loss.

3.9 Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date the asset is available to the group for its use. The amortisation period is reviewed at the end of each financial year and the changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, which are treated as changes in accounting estimates.

a) Derecognition of intangible assets

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated statement of profit and loss when the asset is derecognised.

The useful life considered for the major intangible assets are as under:

Category of assets	Number of years
Computer software	3 - 6
Capitalised development	6

b) Research and development expenses

Internally generated intangible assets - Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in consolidated statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Development costs of products are also charged to the consolidated statement of profit and loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

c) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.10 Revenue recognition

In accordance with Ind AS 115, the Group recognizes the amount as revenue from contracts with customers, which is received for the transfer of promised goods or services to customers in exchange for those goods or services. The relevant point in time or period of time is the transfer of control of the goods or services (control approach). The Group recognizes revenue at point in time. Revenue is reduced for customer returns, taxes on sales, estimated rebates and other similar allowances. To determine when to recognize revenue and at what amount, the five-step model is applied. By applying the five-step model distinct performance obligations are identified. Variable consideration includes various forms of sales related obligations like volume discounts, price concessions, incentives etc. on the goods sold or services rendered to its customers, dealers and distributors. In all such cases, accumulated experience is used to estimate and provide for the variability in revenue, using the expected value method and the revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur in future on account of refund or discounts. The transaction price is determined and allocated to the performance obligation according to the requirements of Ind AS 115. Performance obligations are deemed to have been met when the control of goods or services is transferred to the customer.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods or services, the Group considers the effects of variable consideration, the existence of significant financing components, if any.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to note 3.21 Financial Instruments in accounting policies.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

3.11 Other income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.12 Employee benefits

Employee benefits include wages and salaries, provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, social security cost and other pension costs incurred by the group.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are directly recognised in the other comprehensive income in the period in which they arise. Past service cost is recognised in consolidated statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The obligations recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Other current and non-current employee benefits

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

3.13 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants / subsidy will be received.

Government grants and subsidies whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated balance sheet which is disclosed as investment promotion subsidy receivable and transferred to the consolidated statement of profit and loss on a systematic basis over the expected useful life of the related assets.

Government grants and subsidies related to the income are deferred which is disclosed as deferred revenue arising from government grant in consolidated balance sheet and recognized in the consolidated statement of profit and loss as an income in the period in which related obligations are met.

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations, and when reasonable assurance to receive such revenue is established and disclosed under other operating income.

Export incentives earned in the year of exports are netted off from cost of raw material imported.

3.14 Foreign currency transaction and translations

The Group's financial statements are presented in INR which is also the Group's functional currency. Foreign currency transactions are recorded at rates of exchange prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the rate of exchange prevailing at the year-end. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in consolidated statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to consolidated statement of profit and loss on repayment of the monetary items.

According to Appendix B of Ind AS 21 "Foreign currency transactions and advance consideration", purchase or sale transactions must be translated at the exchange rate prevailing on the date the asset or liability is initially recognized. In practice, this is usually the date on which the advance payment is made or received. In the case of multiple advances, the exchange rate must be determined for each payment and collection transaction. The interpretation is mandatory for financial years beginning on or after April 1, 2018. Its adoption did not have any significant impact on the Group's consolidated financial statements.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation) are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on translation, if any, are recognised in other comprehensive income and accumulated in equity.

On the disposal of a foreign operation (i.e., a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation are reclassified to consolidated statement of profit and loss.

In addition, in relation to a partial disposal of subsidiary that includes a foreign operation that does not result in the group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to the non-controlling interests and are not recognised in the consolidated statement of profit and loss. For all other partial disposals (i.e partial disposals of associates or joint arrangements that do not result in the group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to consolidated statement of profit and loss.

Goodwill and fair value adjustments to the identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in consolidated statement of profit and loss in the period in which they are incurred. Other finance cost includes interest on other contractual obligations.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.16 Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for buildings, plant & machinery & vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset, (2) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease, and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a Right of use (ROU) asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. For short-term leases and low value leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, the Company & subsidiary entities uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are re measured with a corresponding adjustment to the related ROU asset if the Group changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the consolidated Balance sheet and the payment of principal and interest portion of lease liabilities has been classified as financing cash flows.

The weighted average incremental borrowing rate applied to lease liabilities is 1% - 10% p.a.

3.17 Earnings per share

Basic earnings per share is computed by dividing the consolidated profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

3.18 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in consolidated statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in consolidated statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.19 Provisions and contingencies

A provision is recognised when the Group has a present obligation (legal / constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for the expected cost of sales related obligations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the group's obligation.

3.20 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of profit and loss.

3.21 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.21.1 Classification of financial asset

a. Loans and receivable

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for investments that are designated as at fair value through profit or loss (FVTPL) on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in consolidated statement of profit and loss and is included in the 'Other Income' line item.

b. Assets available for sale

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for investments that are designated as at FVTPL on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

c. Assets held for trading

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in consolidated statement of profit and loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

d. Financial assets at fair value through profit or loss ('FVTPL')

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Debt instrument that do not meet the amortised cost criteria or fair value through other comprehensive income criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the fair value through other comprehensive income criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in consolidated statement of profit and loss. The net gain or loss recognised in consolidated statement of profit and loss is included in the other income line item. Dividend on financial assets at FVTPL is recognised when the group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

3.21.2 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, other contractual rights to receive cash or other financial assets, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the group expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instruments.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12- month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

3.21.3 De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in consolidated statement of profit and loss if such gain or loss would have otherwise been recognised in consolidated statement of profit and loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in consolidated statement of profit and loss if such gain or loss would have otherwise been recognised in consolidated statement of profit and loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.21.4 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in consolidated statement of profit and loss except for those which are designated as hedging instruments in hedging relationship.

3.22 Financial liabilities and equity instruments

3.22.1 Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.22.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

3.22.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below:

3.22.3.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 *Financial Instruments* permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109 *Financial Instruments*.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in consolidated statement of profit and loss.

3.22.3.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the finance costs line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

In respect to the purchase of raw material by the group from certain vendors, the payments are made to the respective banks at the request of the vendors. Accordingly, in compliance with the provisions of Ind AS 109, such payables to banks are disclosed as Trade payables and are subsequently measured at amortised cost using the effective interest method. Interest borne by the group on such arrangements is disclosed as finance cost.

3.22.3.3 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 *Financial Instruments*; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies of Ind AS 115 *Revenue from Contracts* with Customers.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the Other income.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in consolidated statement of profit and loss.

3.22.3.4 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in consolidated statement of profit and loss.

3.23 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, options and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in consolidated statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in consolidated statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

3.24 Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in the consolidated statement of profit and loss in the line item relating to the hedged item. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in consolidated statement of profit and loss and is included in the 'Other income'/'Other expense' line item. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to consolidated statement of profit and loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non -financial asset or non-financial liability.

In cases where the designated hedging instruments are options and forward contracts, the Group has an option, for each designation, to designate on an instrument only the changes in intrinsic value of the options and spot element of forward contracts respectively as hedges. In such cases, the time value of the options is accounted based on the type of hedged item which those options hedge.

In case of transaction related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e., Reserve for time value of options and forward elements of forward contracts in hedging relationship. This separate component is removed and directly included in the initial cost or other carrying amount of the asset or the liability (i.e., not as a reclassification adjustment thus not affecting other comprehensive income) if the hedged item subsequently results in recognition of a non-financial asset or a non-financial liability. In other cases, the amount accumulated is reclassified to consolidated statement of profit and loss as a reclassification adjustment in the same period in which the hedged expected future cash flows affect profit or loss.

In case of time-period related hedged item in the above cases, the change in time value of the options is recognised in other comprehensive income to the extent it relates to the hedged item and accumulated in a separate component of equity i.e., Reserve for time value of options and forward elements of forward contracts in hedging relationship. The time value of options at the date of designation of the options in the hedging relationships is amortised on a systematic and rational basis over the period during which the options' intrinsic value could affect profit or loss. This is done as a reclassification adjustment and hence affects other comprehensive income.

In cases where only the spot element of the forward contracts is designated in a hedging relationship and the forward element of the forward contract is not designated, the Group makes the choice for each designation whether to recognise the changes in forward element of fair value of the forward contracts in profit or loss or to account for this element similar to the time value of an option.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in consolidated statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in consolidated statement of profit and loss.

3.25 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash –generating units (or groups of cash-generating units). A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.26 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term balances, as defined above, net of outstanding cash credits as they are considered an integral part of the Groups's cash management. The cash flow statement is prepared using indirect method.

3.27 Rounding off amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest millions as per the requirements of Schedule III of the Act unless otherwise stated.

3.28 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make certain judgments and estimates that may effect the application of accounting policies, reported amounts and related disclosures.

These judgments and estimates may have an impact on the assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and income and expense items for the period under review. Actual results may differ from these judgments and estimates.

All assumptions, expectations and forecasts that are used as a basis for judgments and estimates in the consolidated financial statements represent as accurately an outlook as possible for the group. These judgments and estimates only represent interpretation of the Group as of the dates on which they were prepared.

Important judgments and estimates relate largely to provisions, pensions, tangible and intangible assets (lives, residual values and impairment), deferred tax assets (including MAT Credit) and liabilities, Sales related obligations covering discounts and incentive schemes, contingencies in relation tax litigation matters and valuation of financial instruments.

B. NOTES

Forming Part of the Consolidated Financial Statements

B1 PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS AS AT MARCH 31, 2023

₹ Million

Description of assets	GROSS BLOCK					ACCUMULATED DEPRECIATION / AMORTISATION						NET BLOCK	
	As at April 1, 2022	Additions	Disposals/ Adjustments	Effect of foreign currency translation	As at March 31, 2023	As at April 1, 2022	Depreciation / amortisation expense	Eliminated on disposal of assets/ Adjustments	Impairment reversal #	Effect of foreign currency translation	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
A. Property, plant and equipment - owned unless otherwise stated													
Freehold land	2,797.97	528.30	-	112.33	3,438.60	-	-	-	-	-	-	3,438.60	2,797.97
Buildings	39,085.67	1,224.30	22.93	604.11	40,891.15	9,343.22	1,211.14	7.23	-	228.56	10,775.69	30,115.46	29,742.45
Plant and equipment *	200,416.15	6,997.44	8,181.57	3,111.82	202,343.84	81,879.61	8,409.56	8,173.44	(141.10)	2,169.40	84,144.03	118,199.81	118,536.54
Electrical installations	7,223.79	521.19	11.27	90.98	7,824.69	2,613.86	436.95	11.27	-	24.94	3,064.48	4,760.21	4,609.93
Furniture and fixtures	4,009.30	337.28	12.78	67.55	4,401.35	2,973.34	273.66	12.75	-	57.95	3,292.20	1,109.15	1,035.96
Vehicles	1,536.83	246.02	207.38	23.71	1,599.18	768.96	162.41	129.10	-	23.31	825.58	773.60	767.87
Office equipment	1,871.24	246.85	1.82	60.24	2,176.51	1,458.95	211.05	1.33	-	48.68	1,717.35	459.16	412.29
Total tangible assets	**256,940.95**	**10,101.38**	**8,437.75**	**4,070.74**	**262,675.32**	**99,037.94**	**10,704.77**	**8,335.12**	**(141.10)**	**2,552.84**	**103,819.33**	**158,855.99**	**157,903.01**
B. Other intangible assets													
Computer software	5,704.87	389.36	-	220.20	6,314.43	4,313.50	396.11	-	-	206.38	4,915.99	1,398.44	1,391.37
Trademarks	2,260.56	-	-	137.66	2,398.22	47.68	0.36	-	-	1.86	49.90	2,348.32	2,212.88
Capitalised development	8,141.20	539.98	-	485.19	9,166.37	4,722.80	833.75	-	-	341.03	5,897.58	3,268.79	3,418.40
Other intangibles	363.59	-	-	21.94	385.53	13.43	-	-	-	0.82	14.25	371.28	350.16
Total other intangible assets	**16,470.22**	**929.34**	**-**	**864.99**	**18,264.55**	**9,097.41**	**1,230.22**	**-**	**-**	**550.09**	**10,877.72**	**7,386.83**	**7,372.81**
Total (A + B)	**273,411.17**	**11,030.72**	**8,437.75**	**4,935.73**	**280,939.87**	**108,135.35**	**11,934.99**	**8,335.12**	**(141.10)**	**3,102.93**	**114,697.05**	**166,242.82**	**165,275.82**

B1 PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS AS AT MARCH 31, 2022

₹ Million

Description of assets	GROSS BLOCK					ACCUMULATED DEPRECIATION / AMORTISATION						NET BLOCK	
	As at April 1, 2021	Additions	Disposals/ Adjustments	Effect of foreign currency translation	As at March 31, 2022	As at April 1, 2021	Depreciation/ amortisation expense	Eliminated on disposal of assets/ Adjustments	Impairment reversal	Effect of foreign currency translation	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
A. Property, plant and equipment - owned unless otherwise stated													
Freehold land	2,747.85	107.24	-	(57.12)	2,797.97	-	-	-	-	-	-	2,797.97	2,747.85
Buildings	37,061.02	2,595.21	117.15	(453.41)	39,085.67	8,265.61	1,198.16	20.55	-	(100.00)	9,343.22	29,742.45	28,795.41
Plant and equipment *	182,333.35	20,798.98	722.65	(1,993.53)	200,416.15	75,523.88	8,052.74	654.96	-	(1,042.05)	81,879.61	118,536.54	106,809.47
Electrical installations	6,766.85	569.16	1.05	(111.17)	7,223.79	2,204.55	429.34	1.05	-	(18.98)	2,613.86	4,609.93	4,562.30
Furniture and fixtures	3,665.99	382.44	13.78	(25.35)	4,009.30	2,641.48	368.51	13.78	-	(22.87)	2,973.34	1,035.96	1,024.51
Vehicles	1,347.82	365.15	168.43	(7.71)	1,536.83	757.07	144.82	125.92	-	(7.01)	768.96	767.87	590.75
Office equipment	1,833.72	71.18	13.71	(19.95)	1,871.24	1,291.13	196.06	12.00	-	(16.24)	1,458.95	412.29	542.59
Total tangible assets	**235,756.60**	**24,889.36**	**1,036.77**	**(2,668.24)**	**256,940.95**	**90,683.72**	**10,389.63**	**828.26**	**-**	**(1,207.15)**	**99,037.94**	**157,903.01**	**145,072.88**
B. Other intangible assets													
Computer software	5,175.36	627.38	1.61	(96.26)	5,704.87	3,997.32	387.32	1.61	-	(69.53)	4,313.50	1,391.37	1,178.04
Trademarks	2,304.85	-	-	(44.29)	2,260.56	47.93	0.38	-	-	(0.63)	47.68	2,212.88	2,256.92
Capitalised development	8,537.27	465.02	669.88	(191.21)	8,141.20	4,685.05	813.88	669.86	-	(106.27)	4,722.80	3,418.40	3,852.22
Other intangibles	371.27	-	-	(7.68)	363.59	13.72	-	-	-	(0.29)	13.43	350.16	357.55
Total other intangible assets	**16,388.75**	**1,092.40**	**671.49**	**(339.44)**	**16,470.22**	**8,744.02**	**1,201.58**	**671.47**	**-**	**(176.72)**	**9,097.41**	**7,372.81**	**7,644.73**
Total (A + B)	**252,145.35**	**25,981.76**	**1,708.26**	**(3,007.68)**	**273,411.17**	**99,427.74**	**11,591.21**	**1,499.73**	**-**	**(1,383.87)**	**108,135.35**	**165,275.82**	**152,717.61**

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Property, plant and equipment	10,704.77	10,389.63
Right of use assets (refer note C4)	2,256.43	2,405.52
Other intangible assets	1,230.22	1,201.58
Total	**14,191.42**	**13,996.73**

*Plant and equipment include jointly owned assets with gross book value of ₹ **311.28 Million** (₹ 311.28 Million) and net book value of ₹ **188.01 Million** (₹ 200.55 Million) which represents 50% ownership in those assets.

#Refer note C28

(a) Includes borrowing cost capitalised to the extent of ₹ **214.50 Million** (₹ 442.12 Million) including ₹ **116.95 Million** (Nil) capitalised from CWIP of previous year.

(b) Buildings include buildings constructed on leasehold land with gross book value of ₹ **13,974.22 Million** (₹ 13,488.13 Million) and net book value of ₹ **9,334.21 Million** (₹ 9,325.27 Million).

(c) Refer note B15(a) for details on pledges and securities.

(d) Freehold land includes land of ₹ **528.30 Million** (₹ Nil) acquired through the agreement to sale and is in the process of getting the title deeds transferred to its name.

FINANCIAL ASSETS (NON-CURRENT)

B2 INVESTMENT IN ASSOCIATE / JOINT VENTURE

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Accounted for using the equity method) Unquoted investments		
(a) Investment in associate:		
3,334 (3,334) equity shares of ₹ 10 each in KT Telematic Solutions Private Limited - fully paid up *	49.82	48.03
(b) Investment in joint venture:		
9,550 (9,550) units in Pan Aridus LLC, fully impaired	-	-
	49.82	**48.03**

*includes Company's cumulative share in profit of ₹ **4.81 Million** (₹ 3.02 Million)

B3 OTHER INVESTMENTS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(At fair value through profit and loss)		
Other companies:		
A Quoted Investments *		
Investment in equity instruments:	2.06	2.36
16,394 (16,394) equity shares of ₹ 10 each in Bharat Gears Limited - fully paid up	**2.06**	**2.36**
B Unquoted investments **		
i Investment in equity instruments / preferred stock:		
312,000 (312,000) equity shares of ₹ 10 each in Green Infra Wind Power Projects Limited - fully paid up	3.12	3.12
2,256,000 (2,256,000) equity shares of ₹ 30 each in Suryadev Alloys and Power Private Limited - fully paid up	67.68	67.68
406,700 (217,100) equity shares of ₹ 11.50 each in OPG Power Generation Private Limited - fully paid up	4.68	2.50
49,358 (49,358) Series C preferred stock of USD 0.0001 each in Visby Medical, Inc (Earlier known as Click Diagnostics, Inc)	73.75	73.75
	149.23	**147.05**
ii Other investments		
Investment in MHA Capital LP - Series OL	109.13	109.13
Investment in Output Industries Limited	30.52	-
	139.65	**109.13**
Investments carried at fair value through profit and loss (FVTPL)	**290.94**	**258.54**
* Aggregate amount of quoted investments at market value	2.06	2.36
** Aggregate amount of unquoted investments at FVTPL	288.88	256.18

B4 OTHER FINANCIAL ASSETS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good and measured at amortised cost unless otherwise stated)		
Employee advances	14.94	22.98
Security deposits	925.92	760.10
Security deposits to related parties (refer note C18)	321.40	315.76
Investment promotion subsidy receivable (refer note C10(a))	1,961.13	1,831.66
Derivative assets measured at fair value (refer note C9)	892.35	1,054.60
	4,115.74	**3,985.10**

NON-FINANCIAL ASSETS (NON-CURRENT)

B5 OTHER NON-CURRENT ASSETS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Capital advances	683.04	461.36
Capital advances to related parties (refer note C18)	-	194.27
Balance with statutory authorities	5.86	2.58
Pension asset (refer note C11)	56.53	33.01
Advance tax (net)	29.22	223.74
Others	-	0.99
	774.65	**915.95**

CURRENT ASSETS

B6 INVENTORIES (refer note C2)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(valued at lower of cost and net realizable value)		
(i) Raw materials		
- In hand	8,575.08	9,843.03
- In transit	2,915.95	3,171.57
	11,491.03	**13,014.60**
(ii) Work-in-progress	2,427.76	2,465.50
(iii) Finished goods		
- In hand	18,648.71	13,863.27
- In transit	1,464.86	1,804.18
	20,113.57	**15,667.45**
(iv) Stock-in-trade		
- In hand	6,775.53	5,147.35
- In transit	609.42	2,743.79
	7,384.95	**7,891.14**
(v) Stores and spares	2,867.31	2,515.17
	44,284.62	**41,553.86**

FINANCIAL ASSETS (CURRENT)

B7 INVESTMENTS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
At fair value through profit and loss:		
Quoted investments		
Investment in mutual funds	4,016.94	4,506.06
	4,016.94	**4,506.06**

Mutual Funds	Number of Units	Amount in (₹ Million)	Number of Units	Amount in (₹ Million)
Aditya Birla Sun Life Overnight Fund - Growth Direct Plan	415,692.95	504.01	435,319.86	500.48
Axis Overnight Fund - Direct Growth - ONDG	424,618.12	503.41	445,290.88	500.44
Kotak Overnight Fund - Direct Growth	420,524.72	502.86	442,051.36	501.20
HDFC Overnight Fund - Direct Plan Growth Option	-	-	158,363.19	500.02
ICICI Prudential Overnight Fund - Direct Plan Growth	414,343.91	500.73	4,365,688.39	500.34
IDFC Overnight Fund - Direct Plan Growth	-	-	441,380.74	500.43
Nippon India Overnight Fund - Direct Growth Plan	4,176,122.59	502.66	4,404,201.29	502.60

B7 INVESTMENTS (Contd.)

Mutual Funds	Number of Units	Amount in (₹ Million)	Number of Units	Amount in (₹ Million)
SBI Overnight Fund Direct Growth	137,282.02	500.98	144,486.08	500.12
UTI Overnight Fund - Direct Growth Plan	163,051.58	500.35	171,971.79	500.43
Bandhan Overnight Fund Direct Plan-Growth	419,831.26	501.94	-	-
	6,571,467.15	**4,016.94**	**11,008,753.58**	**4,506.06**
Aggregate amount of quoted investments at market value		**4,016.94**		**4,506.06**

B8 TRADE RECEIVABLES (refer note C24)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured and measured at amortised cost unless otherwise stated)		
Trade receivables considered good *	24,885.34	20,512.92
Trade receivables which have significant increase in credit risk	866.10	858.62
	25,751.44	**21,371.54**
Provision for loss allowance (refer note C8)	(866.10)	(858.62)
	24,885.34	**20,512.92**

* includes balances with related parties (refer note C18)

The Group has derecognised trade receivables amounting to ₹ **785.28** million (₹ 858.30 million) as it had transferred the contractual right and substantially transferred all risks and rewards of ownership of these receivables to financial institution.

B9 CASH AND CASH EQUIVALENTS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Balances with banks:		
Current accounts	5,628.28	7,313.23
Other deposit accounts		
- original maturity of 3 months or less	1,385.50	375.90
(ii) Cheques on hand / remittances in transit	1,340.31	1,010.08
(iii) Cash on hand	6.02	7.15
	8,360.11	**8,706.36**

B10 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividend accounts*	102.20	100.19
Deposits with maturity exceeding 3 months but less than 12 months	0.01	2,000.01
	102.21	**2,100.20**

* These balances are not available for use by the Company and corresponding balance is disclosed as unclaimed dividend in note B20.

B11 OTHER FINANCIAL ASSETS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good and measured at amortised cost unless otherwise stated)		
Employee advances	139.98	146.11
Other recoverables from related parties (refer note C18)	252.52	315.05
Derivative assets measured at fair value (refer note C9)	278.25	87.29
Security deposits	52.95	43.92
Interest accrued on deposits	0.73	75.10
Investment promotion subsidy receivable (refer note C10(a))	1,181.75	1,181.02
Others	116.46	189.85
	2,022.64	**2,038.34**

NON-FINANCIAL ASSETS (CURRENT)

B12 OTHER CURRENT ASSETS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Trade advances- considered good	585.43	375.83
Doubtful advances	20.56	20.56
Provision for doubtful advances	(20.56)	(20.56)
	585.43	375.83
Export obligations - advance licence benefit	471.47	481.35
Export incentives recoverable	16.42	120.54
Balance with statutory authorities	2,690.79	1,746.04
Gratuity (refer note C11)	299.24	32.57
Prepaid expenses	851.84	935.56
	4,915.19	3,691.89

B13 SHARE CAPITAL

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Authorised		
750,000,000 Nos. (750,000,000 Nos.) equity shares of ₹ 1 each	750.00	750.00
150,000,000 Nos. (150,000,000 Nos.) cumulative redeemable preference shares of ₹100 each	15,000.00	15,000.00
	15,750.00	15,750.00
(b) Issued, subscribed, called and fully paid up		
Equity shares of ₹ 1 each:		
635,100,946 Nos. (635,100,946 Nos.) equity shares	635.10	635.10
	635.10	635.10

(c) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount (₹ Million)	Number of shares	Amount (₹ Million)
Opening balance	635,100,946	635.10	635,100,946	635.10
Add: Issued during the year	-	-	-	-
Closing balance	635,100,946	635.10	635,100,946	635.10

(d) Details of shareholders holding more than 5% of the paid up equity share capital of the Company with voting rights

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares	%age	Number of shares	%age
Sunrays Properties and Investment Company Private Limited	125,613,324	19.78%	126,593,324	19.93%
Emerald Sage Investment Ltd.	63,050,966	9.93%	63,050,966	9.93%
White IRIS Investment Ltd.	51,054,445	8.04%	51,054,445	8.04%
HDFC Trustee Company Ltd. - A/C its various Fund	54,807,540	8.63%	52,765,288	8.31%
Osiatic Consultants & Investments Pvt.Ltd.	-	-	39,041,880	6.15%
Apollo Finance Limited	76,570,752	12.06%	37,528,872	5.91%

B13 SHARE CAPITAL (Contd.)

(e) Shares held by promoters at the end of the year

S. No.	Promoters	As at March 31, 2023			As at March 31, 2022		
		Number of shares	% of total shares	% change during the year (wrt total shares as at the beginning of the year)	Number of shares	% of total shares	% change during the year (wrt total shares as at the beginning of the year)
1	Onkar Kanwar	100,000	0.02%	0.00%	100,000	0.02%	0.00%
2	Raaja R S Kanwar	200,880	0.03%	0.00%	200,880	0.03%	0.00%
3	Taru Kanwar	12,250	0.00%	0.00%	12,250	0.00%	0.00%
4	Sunrays Properties and Investment Company Private Limited	125,613,324	19.78%	-0.15%	126,593,324	19.93%	-0.28%
5	Osiatic Consultants & Investments Pvt.Ltd.	-	0.00%	-6.15%	39,041,880	6.15%	0.00%
6	Apollo Finance Limited	76,570,752	12.06%	6.15%	37,528,872	5.91%	0.00%
7	Classic Industries & Exports Ltd.	18,696,005	2.94%	0.12%	17,903,505	2.82%	-0.04%
8	PTL Enterprises Ltd.	10,745,232	1.69%	0.03%	10,557,732	1.66%	0.36%
9	Amit Dyechem Pvt. Ltd.	1,574,595	0.25%	0.00%	1,574,595	0.25%	0.00%
10	Apollo International Ltd.	984,485	0.16%	0.00%	984,485	0.16%	0.00%
11	Global Capital Ltd.	1,000	0.00%	0.00%	1,000	0.00%	0.00%
12	Shalini Kanwar Chand	1,977,000	0.31%	0.00%	1,977,000	0.31%	0.00%
13	Neeraj Kanwar	671,380	0.11%	0.00%	671,380	0.11%	0.00%
14	Simran Kanwar	18,500	0.00%	0.00%	18,500	0.00%	0.00%
		237,165,403	**37.34%**	**0.00**	**237,165,403**	**37.34%**	**0.03%**

(f) The rights, preferences and restrictions attached to equity shares of the Company

The Company has only one class of issued shares referred to as equity shares having a par value of ₹ 1 each. The holder of equity shares are entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(g) Over the period of five years immediately preceding March 31, 2023 and March 31, 2022, neither any bonus shares were issued nor any shares were allotted for consideration other than cash. Further, no shares were bought back during the said period.

B14 OTHER EQUITY

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium	31,317.67	31,317.67
General reserve	17,006.63	17,006.63
Capital reserve on consolidation	2,664.95	2,664.95
Capital reserve on AMHPL merger	1,383.68	1,383.68
Debenture redemption reserve	1,039.50	1,039.50
Capital subsidy	25.50	25.50
Capital redemption reserve	44.40	44.40
Capital reserve on forfeiture of shares	0.07	0.07
Retained earnings	76,375.94	67,150.01
Effective portion of cash flow hedge	42.47	1.16
Revaluation surplus	31.22	31.22
Foreign currency translation reserve	(1,789.30)	(3,778.57)
Total other equity	**128,142.73**	**116,886.22**

Refer Note C7 - Description of nature and purpose of each reserve

NON - CURRENT LIABILITIES
FINANCIAL LIABILITIES
B15 BORROWINGS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured *		
(i) Debentures	17,226.44	17,122.07
(ii) Term loans		
From banks:		
External commercial borrowings (ECB)	2,596.05	4,785.93
Rupee term loans	11,905.30	13,376.14
Euro term loans	6,150.31	8,774.64
(iii) Deferred payment liabilities:		
Deferred payment credit	20.34	25.96
	37,898.44	**44,084.74**

*For details regarding repayment terms, interest rate and nature of security on non-current borrowings (refer note B15(a)).

NOTE B15(a)

Non-convertible debentures

Particulars	Amount outstanding as at March 31, 2023 (₹ Million)		Amount outstanding as at March 31, 2022 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non-current borrowings	Current maturities of non current borrowings	Non-current borrowings	Current maturities of non current borrowings			
1,150 - 8.65% Non-convertible debentures of ₹ 1 Million each	1,150.00	-	1,150.00	-	8.65%	Bullet payment on April 30, 2026	Refer note A below
1,050 - 8.65% Non-convertible debentures of ₹ 1 Million each	1,050.00	-	1,050.00	-	8.65%	Bullet payment on April 30, 2025	Refer note A below
1,050 - 8.65% Non-convertible debentures of ₹ 1 Million each	1,050.00	-	1,050.00	-	8.65%	Bullet payment on April 30, 2024	Refer note A below
1,500 - 7.80% Non-convertible debentures of ₹ 1 Million each	1,499.18	-	1,499.14	-	7.80%	Bullet payment on April 30, 2024	Refer note A below
900 - 7.50% Non-convertible debentures of ₹ 1 Million each	-	900.00	900.00	-	7.50%	Bullet payment on October 20, 2023	Refer note A below
1,500 - 7.80% Non-convertible debentures of ₹ 1 Million each	-	1,499.89	1,499.14	-	7.80%	Bullet payment on April 28, 2023	Refer note A below
1,050 - 7.50% Non-convertible debentures of ₹ 1 Million each	-	-	-	1,050.00	7.50%	Bullet payment on October 21, 2022	Refer note A below
1,500 - 7.80% Non-convertible debentures of ₹ 1 Million each	-	-	-	1,499.14	7.80%	Bullet payment on April 29, 2022	Refer note A below
5,000 - 8.75% Non convertible debentures of ₹ 1 Million each	4,986.84	-	4,984.96	-	8.75%	Bullet payment on April 09, 2030	Refer note A below *
5,000 - 7.70% Non convertible debentures of ₹ 1 Million each	4,992.89	-	4,988.83	-	7.70%	₹ 1,250 Million payable on May 17, 2024 and ₹ 3,750 Million payable on May 16, 2025.	Refer note A below
2,500 - 6.93 % Non Convertible Debentures of ₹ 1 Million each	-	2,498.11	-	-	6.93%	Bullet payment on December 31, 2023	Refer note A below
2,500 - 7.53 % Non Convertible Debentures of ₹ 1 Million each	2,497.53	-	-	-	7.53%	Bullet payment on September 13, 2027	Refer note A below
Total	**17,226.44**	**4,898.00**	**17,122.07**	**2,549.14**			

NOTE B15(a) (Contd.)

External commercial borrowings (ECB) from banks

Particulars	Amount outstanding as at March 31, 2023 (₹ Million)		Amount outstanding as at March 31, 2022 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non-current borrowings	Current maturities of non current borrowings	Non-current borrowings	Current maturities of non current borrowings			
ECB I	683.11	684.79	1,259.84	631.65	0-1% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note A below
ECB II	683.47	684.79	1,259.30	631.58	0.25-1.25% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note A below
ECB III	683.16	684.79	1,259.62	631.65	0-1% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note A below
ECB IV	546.31	547.83	1,007.17	505.32	0.25-1.25% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note A below
Total	**2,596.05**	**2,602.20**	**4,785.93**	**2,400.20**			

Foreign currency non-resident (FCNR) term loan from banks

Particulars	Amount outstanding as at March 31, 2023 (₹ Million)		Amount outstanding as at March 31, 2022 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non-current borrowings	Current maturities of non current borrowings	Non-current borrowings	Current maturities of non current borrowings			
FCNR I	-	-	-	93.58	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from December 31, 2019	Refer note A below
FCNR II	-	-	-	94.13	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from January 15, 2020	Refer note A below
FCNR III	-	-	-	291.98	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from September 30, 2020	Refer note A below
Total	**-**	**-**	**-**	**479.69**			

Rupee term loans from banks

Particulars	Amount outstanding as at March 31, 2023 (₹ Million)		Amount outstanding as at March 31, 2022 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non-current borrowings	Current maturities of non current borrowings	Non-current borrowings	Current maturities of non current borrowings			
Rupee Term Loan I	-	-	-	149.38	0-2% above one year T-bill	Bullet payment on June 27, 2022	Refer note A below
Rupee Term Loan II	-	-	-	200.00	0-2% above one year T-bill	Bullet payment on March 27, 2023	Refer note A below
Rupee Term Loan III	-	249.63	250.00	-	0-2% above one year T-bill	Bullet payment on December 29, 2023	Refer note A below
Rupee Term Loan IV	8,175.05	481.25	8,638.28	265.00	5-6.5% p.a	33 structured quarterly instalments starting from March 31, 2022	Refer note A below
Rupee Term Loan V	3,730.25	760.00	4,487.86	500.00	6-7% p.a.	32 structured quarterly instalments starting from April 30, 2022	Refer note A below
Total	**11,905.30**	**1,490.88**	**13,376.14**	**1,114.38**			

Euro term loans from banks

Particulars	Amount outstanding as at March 31, 2023 (₹ Million)		Amount outstanding as at March 31, 2022 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non-current borrowings	Current maturities of non current borrowings	Non-current borrowings	Current maturities of non current borrowings			
Euro term loans I	241.54	27.77	249.00	26.26	1.95%	Monthly payment till April 30, 2033	Secured by mortgage on land and building at Hamburg, Celle & Düsseldorf, Germany
Euro term loans II	5,908.77	3,207.56	8,525.64	2,437.44	1.50-2.25% above EURIBOR	Repayment in 10 semi-annual instalments starting from September 13, 2020	Refer note B below
Total	**6,150.31**	**3,235.33**	**8,774.64**	**2,463.70**			

NOTE B15(a) (Contd.)

Deferred payment liabilities

Particulars	Amount outstanding as at March 31, 2023 (₹ Million)		Amount outstanding as at March 31, 2022 (₹ Million)		Rate of interest per annum	Terms of repayment	Details of security offered
	Non-current borrowings	Current maturities of non current borrowings	Non-current borrowings	Current maturities of non current borrowings			
Deferred payment credit	20.34	5.62	25.96	5.20	7-8%	Repayment along with interest in 240 consecutive monthly instalments started from May 15, 2007	Wind Mills purchased under the deferred consideration payment plan
Total	**20.34**	**5.62**	**25.96**	**5.20**			

Details of securities offered to existing lenders

Note A All the long term loans are secured by pari-passu charge on the movable fixed assets of the company. *Along with the above mentioned security an exclusive charge on the immovable property of the Company's registered office in Kochi has also been created for this NCD issuance for an aggregate amount of ₹ 5,000 Million at 8.75% p.a.

Note B Apollo Tyres (NL) B.V has provided guarantee for the loan which is secured by a pledge on the movable tangible assets (other than stock in trade, raw materials and trade receivables) and a mortgage of its real estate being the land and buildings located in the Netherlands. In addition, Apollo Tyres (Hungary) Kft. has also provided guarantee for the loan which is secured by a pledge of fixed assets and movable tangible assets (other than stock in trade, raw materials and trade receivables).

NON-FINANCIAL LIABILITIES (NON-CURRENT)
B16 PROVISIONS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Provision for employee benefits		
Provision for jubilee benefits (refer note C5)	137.67	117.84
Provision for pension benefits (refer note C11)	634.85	769.94
Provision for gratuity (refer note C11)	4.22	-
Provision for compensated absences (refer note C5)	1.27	-
(b) Other provisions		
Provision for constructive liability (refer note C5)	241.67	282.68
Provision for sales related obligations (refer note C5)	327.55	309.13
	1,347.23	**1,479.59**

B17 OTHER NON-CURRENT LIABILITIES

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits - others	205.63	192.68
Deferred revenue arising from government grant (refer note C10(b)&(c))	5,370.91	6,821.35
Statutory dues payable	4,111.83	4,862.77
Others	40.60	29.42
	9,728.97	**11,906.22**

CURRENT LIABILITIES
FINANCIAL LIABILITIES (CURRENT)
B18 BORROWINGS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured		
From banks:		
Cash credit (refer note a)	9.76	4.18
Loans (refer note b & c)	2,096.60	2,625.30
Unsecured		
From banks:		
Trade financing (refer note d)	764.61	3,409.34
Credit facilities from bank (refer note e and f)	2,875.06	800.73
From others - Commercial paper	-	2,000.00
Sub Total (A)	**5,746.03**	**8,839.55**
Current maturities of non-current borrowings (refer note g)		
Secured		
Debentures	4,898.00	2,549.14
Term loans:		
Foreign currency non-resident term loans	-	479.69
Euro term loans	3,235.33	2,463.70
External commercial borrowings (ECB)	2,602.20	2,400.20
Rupee Term Loans	1,490.88	1,114.38
Deferred payment liabilities:		
Deferred payment credit I	5.62	5.20
Sub Total (B)	**12,232.03**	**9,012.31**
Total (A + B)	**17,978.06**	**17,851.86**

a Cash credits are repayable on demand. The interest rate on these loans are in the range of 4.00% p.a to 7.50% p.a (3.00% p.a to 7.00% p.a.) and secured by a first charge on raw materials, work-in-progress, stocks, stores and book debts of the Company.

b This is refinancing of term loan taken by one of the subsidiary company for one year. The interest rate on this loan is 0-1% above Euribor and secured by Corporate Guarantee from the Company.

c Loan availed by one of the subsidiary, Reifencom Gmbh, Hannover, is secured by a first charge on stock and receivables of Reifencom Gmbh, Hannover, both present and future and further supported by corporate guarantee issued by Apollo Tyres Cooperatief U.A. The interest rate on these loans is Euribor + 1.50% (Euribor + 1.50%).

d These are trade financing facility availed by one of the subsidiary company. The interest rate on these loans are in the range of 5.61% p.a to 5.66% p.a (0.70% p.a to 2.01% p.a.)

e These are loans repayable on demand availed by one of the subsidiary company. The interest rate on these loans is SOFR+1.46% p.a. (SOFR+1.46% p.a.).

f These are loans repayable on demand availed by one of the subsidiary company. The interest rate on these loans is Euribor + 1.50% (Euribor + 1.50%).

g For details regarding repayment terms, interest rate and nature of security on current maturities of non-current borrowings (refer note B15(a)).

B19 TRADE PAYABLES (refer note C23) *
(Measured At Amortised Cost)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	306.28	337.63
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade payables	30,555.97	31,778.76
Employee related payable	2,236.72	2,669.40
Payable to related parties (refer note C18)	439.53	523.66
	33,232.22	34,971.82

* Trade payables include commission on net profits payable to whole-time directors ₹ **341.90 Million** (₹ 35.94 Million) and non-executive directors ₹ **50.00 Million** (₹ 38.00 Million).

B20 OTHER FINANCIAL LIABILITIES

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Measured at amortised cost unless otherwise stated)		
Interest accrued but not due on borrowings	1,454.04	1,441.59
Unclaimed dividends #	102.20	100.19
Accounts payable - capital	1,979.17	2,752.96
Payable to micro, small and medium enterprises - capital	57.68	121.08
Interest payable to micro, small & medium enterprises	10.58	10.58
Payable to related parties (refer note C18)	129.14	141.62
Security deposits	619.53	424.37
Derivative liabilities measured at fair value (refer note C9)	55.91	36.05
	4,408.25	5,028.44

Includes ₹ **7.94 Million** (₹ 5.70 Million) which has not been transferred to the Investor Education and Protection Fund under Section 124 of the Companies Act, 2013, as per the orders/ instructions of the Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992.

B21 OTHER CURRENT LIABILITIES

NON-FINANCIAL LIABILITIES (CURRENT)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	6,256.00	4,307.27
Deferred revenue arising from government grant (refer note C10(b))	1,469.00	2,235.65
Advances received / credit balance from customers (refer note C24)	10,927.92	10,891.23
Others	140.87	290.87
	18,793.79	17,725.02

B22 PROVISIONS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for compensated absences (refer note C5)	324.40	305.73
Provision for superannuation (refer note C5)	38.91	40.16
Provision for gratuity (refer note C11)	0.86	-
Provision for constructive liability (refer note C5)	75.54	49.68
Provision for contingencies (refer note C5)	425.00	425.00
Provision for sales related obligations (refer note C5)	1,279.93	1,184.31
	2,144.64	2,004.88

B23 CURRENT TAX LIABILITIES (NET) (refer note C6)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax liabilities (net)	1,053.60	860.41

B24 OTHER OPERATING INCOME

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Investment promotion subsidy (refer note C10(a))	1,106.04	1,211.52
Unwinding of deferred income (refer note C10(b))	2,266.57	1,540.68
Scrap sales	580.83	517.97
Provisions / liabilities no longer required written back	204.59	33.62
Subsidy income - others (refer note C10(c))	160.21	183.29
Others	139.82	180.56
	4,458.06	3,667.64

B25 OTHER INCOME

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest income:		
- Bank deposits	41.05	212.48
- Others*	216.03	190.50
(b) Gain from current investments - fair value through profit and loss		
- Mutual funds	55.19	24.15
(c) Others		
- Profit on sale of property, plant and equipment (net)	39.89	90.22
- Gain on foreign exchange fluctuation (net)	-	588.48
- Miscellaneous income	58.76	128.98
	410.92	1,234.81

* This includes interest recognised on government grant (refer note C10(a))

B26 EXPENSES

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
B26A Cost of materials consumed: *	122,619.59	109,554.29
B26B Purchase of stock-in-trade:		
Purchase of finished goods - tyres, tubes and flaps	26,782.74	22,060.30
B26C Employee benefits expense: *		
Salaries and wages	21,514.18	21,203.54
Contribution to provident and other funds (refer note C11)	2,731.14	2,708.28
Staff welfare expenses	1,953.89	1,830.55
	26,199.21	25,742.37
B26D Other expenses: *		
Consumption of stores and spare parts	1,590.73	1,364.89
Power and fuel	7,789.48	6,325.75
Conversion charges	900.44	995.56
Repairs and maintenance		
- Machinery	996.07	791.26
- Buildings	175.62	175.40
- Others	2,662.11	2,566.54
Rent (refer note C4)	214.40	119.40
Insurance	678.74	609.56
Rates and taxes	213.55	203.09
Sitting fees to non-executive directors (refer note C18)	4.29	4.13
Commission to non-executive directors (refer note C18)	50.00	38.00

B26 EXPENSES (Contd.)

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loss on foreign exchange fluctuation (net)	13.73	-
Travelling, conveyance and vehicle expenses	1,809.95	1,228.19
Postage, telephone and stationery	272.75	263.93
Conference	47.60	9.55
Freight and forwarding	13,377.41	11,650.30
Commission on sales	75.47	56.63
Advertisement and sales promotion	5,054.83	4,376.24
Corporate social responsibility	132.25	187.17
Bank charges	193.84	207.40
Statutory auditor's remuneration (refer note C13)	73.36	78.17
Provision for doubtful debts / advances (refer note C8)	71.76	57.61
Legal and professional	911.51	711.06
Miscellaneous	2,665.11	2,117.54
	39,975.00	**34,137.37**

*Includes expense towards research and development (refer note C14)

B27 FINANCE COSTS

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on fixed-term loans	1,459.11	1,450.49
Interest on debentures	1,577.42	1,334.98
Interest on current loans	298.35	149.71
Interest on income taxes	260.00	109.11
Interest on lease liabilities (Refer note C4)	468.18	511.81
Interest - others	1,100.98	712.55
Other borrowing costs	148.31	175.58
	5,312.35	**4,444.23**

C. Other Notes

forming Part Of he Consolidated Financial Statements

1 Borrowing costs capitalized / transferred to capital work in progress during the year is ₹ **97.55 Million** (₹ 559.07 Million) and the capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Company's general borrowings during the year, in this case **6.77% p.a.** (7.58% p.a).

2 INVENTORIES

i. The amount of write down of inventories to net realizable value recognised as an expense was ₹ **336.25 Million** (₹ 268.95 Million).

ii. Changes in inventories of finished goods, stock-in-trade and work-in-progress is the difference between opening and closing inventories of finished goods, stock-in-trade and work-in-progress as adjusted for exchange rate adjustment arising on consolidation of foreign subsidiaries.

3 IMPAIRMENT TESTING OF INTANGIBLES WITH INDEFINITE LIFE

Intangibles with indefinite useful life comprises goodwill, trademarks and other intangible assets.

For the purpose of annual impairment testing, goodwill is allocated to the cash generating units expected to benefit from the synergies of the business combinations in which the goodwill arises. The Group acquired Reifencom Gmbh Hannover on January 1, 2016. In addition to goodwill, certain trademarks and other intangible assets were also recognized in the consolidated financial statements which were not recorded in the separate financial statements of the acquiree. Further, there are certain other trademarks that were acquired as part of acquisition of ATNL (Apollo Tyres (NL) B.V.).

Changes in the net carrying amount of trademarks and other intangible assets is summarized as below:

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	2,555.67	2,609.63
Foreign exchange translation impact	154.12	(53.96)
Closing balance*	**2,709.79**	**2,555.67**

*Out of the total closing balance, ₹**1,560.45 Million** (₹ 1,471.70 Million) pertains to acquisition of Reifencom Gmbh Hannover and ₹ **1,149.34 Million** (₹ 1,083.97 Million) pertains to acquisition of ATNL.

Changes in the net carrying amount of goodwill is summarized as below:

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	2,158.07	2,203.63
Foreign exchange translation impact	130.14	(45.56)
Closing balance	**2,288.21**	**2,158.07**

Impairment

An impairment test was carried out as at March 31, 2023, details of the test are as outlined below:

Particulars	Trademarks#	Goodwill, Trademarks and Other intangibles*
Discount Rate	9.00%	10.70%
Growth Rate	1.25%	1.30%
Number of years for which cash flows were considered	5	5
Test Result	No Impairment Loss	No Impairment Loss

3 IMPAIRMENT TESTING OF INTANGIBLES WITH INDEFINITE LIFE (Contd.)

An impairment test was carried out as at March 31, 2022, details of the test are as outlined below:

Particulars	Trademarks#	Goodwill, Trademarks and Other intangibles*
Discount Rate	8.20%	9.00%
Growth Rate	2.00%	2.00%
Number of years for which cash flows were considered	5	5
Test Result	No Impairment Loss	No Impairment Loss

pertains to ATNL acquisition

* pertains to Reifencom Gmbh Hannover acquisition

Growth rates

The growth rates used are in line with the growth rate of the industry and the countries in which the entities operates and are consistent with internal / external sources of information.

Discount rates

The discount rates takes into consideration market risk and specific risk factors of the cash generating unit. The cash flow projections are based on the forecasts made by the management.

Sensitivity

The management believes that any reasonable possible changes in the key assumptions would not cause the cash generating unit's carrying amount to exceed its recoverable amount.

4 LEASES

i Nature of leasing activities

The Group has entered into lease arrangements for various warehouses, vehicles, plant and equipments, offices and other assets that are renewable on a periodic basis with approval of both lessor and lessee.

ii The Group does not have any lease commitments towards variable rent as per the contract.

iii Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and factory premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

iv Lease liabilities are presented in the consolidated statement of financial position as follows:

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Non current	6,141.74	6,404.61
Current	2,187.06	2,267.94
Total	**8,328.80**	**8,672.55**

v Lease payments not recognised as a liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

₹ Million

	As at March 31, 2023	As at March 31, 2022
Short term leases	117.12	27.98
Leases of low value assets	8.42	29.03
Variable lease payments	88.86	62.39
Total	**214.40**	**119.40**

4 LEASES (Contd.)

vi Additional information on the right-of-use assets by class of assets is as follows:

₹ Million

Particulars	Land & Buildings *	Plant & equipments	Vehicles	Others	Total
Gross Carrying Value					
As at April 01, 2022	**13,177.58**	**612.18**	**590.57**	**24.08**	**14,404.41**
Additions	1,474.51	106.88	153.53	-	**1,734.92**
Disposals	628.64	126.21	160.32	20.13	**935.30**
Effect of foreign currency translation	326.17	12.34	24.71	0.20	**363.42**
As at March 31, 2023	**14,349.62**	**605.19**	**608.49**	**4.15**	**15,567.45**
Accumulated depreciation					
As at April 01, 2022	**5,204.22**	**371.88**	**328.35**	**20.62**	**5,925.07**
Additions	1,935.32	149.13	171.33	0.65	**2,256.43**
Eliminated on disposal	491.31	126.21	160.32	20.13	**797.97**
Effect of foreign currency translation	158.87	8.50	18.08	0.14	**185.59**
As at March 31, 2023	**6,807.10**	**403.30**	**357.44**	**1.28**	**7,569.12**
Net Carrying Value					
As at March 31, 2023	**7,542.52**	**201.89**	**251.05**	**2.87**	**7,998.33**

₹ Million

Particulars	Land & Buildings *	Plant & equipments	Vehicles	Others	Total
Gross Carrying Value					
As at April 01, 2021	**12,283.73**	**529.64**	**628.59**	**13.57**	**13,455.53**
Additions	1,386.64	158.45	170.97	4.15	**1,720.21**
Disposals	398.64	69.12	168.70	-	**636.46**
Effect of foreign currency translation	(94.15)	(6.79)	(40.29)	6.36	**(134.87)**
As at March 31, 2022	**13,177.58**	**612.18**	**590.57**	**24.08**	**14,404.41**
Accumulated depreciation					
As at April 01, 2021	**3,589.62**	**271.58**	**308.56**	**11.32**	**4,181.08**
Additions	2,021.48	173.05	203.91	7.08	**2,405.52**
Eliminated on disposal	329.01	69.12	168.70	-	**566.83**
Effect of foreign currency translation	(77.87)	(3.63)	(15.42)	2.22	**(94.70)**
As at March 31, 2022	**5,204.22**	**371.88**	**328.35**	**20.62**	**5,925.07**
Net Carrying Value					
As at March 31, 2022	**7,973.36**	**240.30**	**262.22**	**3.46**	**8,479.34**

* includes balances with related parties (refer note C18)

vii The following are the amounts recognised in the consolidated statement of profit and loss

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense of right-of-use assets	2,256.43	2,405.52
Interest expense on lease liabilities	468.18	511.81
Interest income on fair value of security deposit	(35.03)	(29.48)
Expense relating to short-term leases/ leases of low value assets/ variable lease payments (included in other expenses)	214.40	119.40
Total	**2,903.98**	**3,007.25**

viii Total cash outflow pertaining to leases during the year ended March 31, 2023 is ₹ **2,576.75 Million** (₹ 2,694.07 Million).

ix Leasehold land is net of ₹ **5.39 Million** (₹ 5.39 Million) subleased to Classic Industries and Exports limited (formerly known as Classic Auto Tubes Ltd.), a Company in which directors are interested since the year ended 2009-10.

5 PROVISIONS - NON-CURRENT / CURRENT

(i) Changes in non-current provisions are as below:

₹ Million

Particulars	Provision for compensated absences	Provision for sales related obligations *	Provision for constructive liability **	Provision for jubilee benefits #
As at March 31, 2021	**-**	**313.63**	**281.18**	**128.42**
Addition during the year	-	-	0.19	-
Utilisation / reversal during the year	-	(4.50)	(3.56)	(8.12)
Foreign exchange translation impact	-	-	4.87	(2.46)
As at March 31, 2022	**-**	**309.13**	**282.68**	**117.84**
Addition during the year	1.27	18.42	-	47.59
Utilisation / reversal during the year	-	-	(30.10)	(35.64)
Foreign exchange translation impact	-	-	(10.91)	7.88
As at March 31, 2023	**1.27**	**327.55**	**241.67**	**137.67**

(ii) Changes in current provisions are as below:

₹ Million

Particulars	Provision for compensated absences	Provision for sales related obligations *	Provision for constructive liability **	Provision for contingencies	Provision for superannuation
As at March 31, 2021	**280.79**	**1,107.71**	**53.93**	**425.00**	**31.37**
Addition during the year	259.73	1,175.12	49.68	-	152.71
Utilisation / reversal during the year	(234.27)	(1,098.28)	(53.93)	-	(143.92)
Foreign exchange translation impact	(0.52)	(0.24)	-	-	-
As at March 31, 2022	**305.73**	**1,184.31**	**49.68**	**425.00**	**40.16**
Addition during the year	329.37	1,269.58	75.54	-	132.40
Utilisation / reversal during the year	(313.15)	(1,174.54)	(49.68)	-	(133.65)
Foreign exchange translation impact	2.45	0.58	-	-	-
As at March 31, 2023	**324.40**	**1,279.93**	**75.54**	**425.00**	**38.91**

* Represents estimates for payments to be made in future for sales related obligations.

** Includes post-employment benefit obligation for the employees of related party engaged by the Company at its Kalamessary plant taken on lease and provision on account of post employment medical benefit obligation of ex-employees in case of Apollo Tyres Africa (Pty) Ltd.

There is a jubilee scheme in place for employees of few subsidiaries wherein benefits are paid to the employees when they reach an employment period of 12.5, 25 or 40 years.

6 INCOME TAXES

i) Reconciliation between average effective tax rate and applicable tax rate

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	₹ Million	Rate (%)	₹ Million	Rate (%)
Profit before tax	**14,271.87**		**8,476.74**	
Income tax using the Company's domestic tax rate	4,987.16	34.94	2,962.11	34.94
Tax effect of				
Effect of different tax rates in foreign jurisdictions	(745.89)	(5.23)	(651.27)	(7.68)
Tax impact on carry forward losses recognised	(407.70)	(2.86)	-	-
Non deductible expenses	157.84	1.11	111.73	1.32
Others	(765.90)	(5.37)	(331.83)	(3.91)
Income tax expense recognised in the consolidated statement of profit and loss	**3,225.51**	**22.59**	**2,090.74**	**24.67**

6 INCOME TAXES (Contd.)

ii) Components of deferred tax liability (net)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Tax effect of items constituting deferred tax liabilities		
Depreciation and amortisation	18,407.88	17,035.78
Others	90.04	129.52
Gross deferred tax liability (a)	**18,497.92**	**17,165.30**
Tax effect of items constituting deferred tax assets		
Carry forward tax losses	1,153.60	1,783.92
Minimum alternate tax entitlement	7,173.31	5,696.14
Others	577.02	671.68
Gross deferred tax asset (b)	**8,903.93**	**8,151.74**
Deferred tax liability (net) (a - b)	**9,593.99**	**9,013.56**

iii) Components of deferred tax asset (net)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Tax effect of items constituting deferred tax assets		
Carry forward tax losses	451.59	714.34
Others	267.33	330.88
Deferred tax asset (net)	**718.92**	**1,045.22**

One of the subsidiary company has net carry forward losses on which deferred tax asset has not been recognised amounting to **₹ 68.54 Million** as at March 31, 2023 (₹ 256.36 Million as at March 31, 2022) which has a 15-20 years carry forward period.

(iv) Components of deferred tax expense / (income)

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Tax effect of items constituting deferred tax liabilities		
Depreciation and amortisation	1,364.35	2,034.38
Others	(19.73)	7.36
Sub-total (a)	**1,344.62**	**2,041.74**
Tax effect of items constituting deferred tax assets		
Carry forward tax losses	(938.24)	340.24
Minimum alternate tax (MAT) entitlement	1,477.17	611.60
Others	87.11	(52.88)
Sub-total (b)	**626.04**	**898.96**
Total (a - b)	**718.58**	**1,142.78**

(v) The movement in net deferred tax liability / (assets) is as follows:

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Net deferred tax liability / (assets) at the beginning of the year	7,968.34	7,020.15
Deferred tax expense / (income) recognised in the consolidated statement of profit and loss	718.58	1,142.78
Deferred tax expense / (income) recognised in other comprehensive income	107.43	56.68
Foreign exchange translation impact	80.72	(251.27)
Net deferred tax liability / (assets) at the end of the year	**8,875.07**	**7,968.34**

vi) The group has concluded that the deferred tax assets including assets on carry forward of losses and MAT entitlement will be fully recoverable using the estimated future taxable income based on the approved business plans and budgets for the Company / subsidiary companies.

7 DESCRIPTION OF NATURE AND PURPOSE OF EACH RESERVE

i. Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

ii. General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

iii. Capital reserve on consolidation

This balance represents excess of net assets of Apollo Tyres (NL) B.V. (ATNL) acquired at fair value over the purchase consideration.

iv. Capital reserve on Apollo (Mauritius) Holdings Private Limited ("AMHPL") merger

AMHPL erstwhile (subsidiary company) was merged with the Company resulting in a capital reserve.

v. Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

vi. Capital subsidy

This balance represents subsidy received in earlier years under New Industrial Policy 2007 of the Government of Tamil Nadu for expansion and employment generation within SIPCOT Industrial park.

vii. Capital redemption reserve

This balance has been created in accordance with provision of the Act for the buy back of equity shares from the market.

viii. Capital reserve on forfeiture of shares

This reserve was created on forfeiture of shares by the Company. The reserve is not available for the distribution to the shareholders.

ix. Retained earnings

Retained earnings are created from the profit of the Group, as adjusted for distribution to owners, transfer to other reserve, remeasurement of defined benefit plans etc.

x. Cash flow hedge

It represents mark-to-market valuation of effective hedges as required by Ind AS 109- Financial Instruments

xi. Revaluation surplus

Revaluation surplus represents increase in carrying amount arising on revaluation of land and building recognised in other comprehensive income and accumulated in reserves.

xii. Foreign currency translation reserve

This balance represents exchange rate adjustment arising on consolidation of foreign subsidiaries due to difference in opening, average and closing conversion rates.

8 CHANGES IN PROVISION FOR DOUBTFUL TRADE RECEIVABLES:

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	858.62	867.34
Addition during the year	71.76	57.61
Utilisation / reversal during the year	(111.12)	(51.15)
Foreign exchange translation impact	46.84	(15.18)
Closing balance	866.10	858.62

9 FINANCIAL INSTRUMENTS

A) Capital risk management

The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity shareholders which comprises issued share capital (including premium) and accumulated reserves disclosed in the consolidated statement of changes in equity.

The Group's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the Group's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend

9 FINANCIAL INSTRUMENTS (Contd.)

payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is debt divided by total equity. The Group's policy is to keep an optimum gearing ratio. The Group includes within debt, interest bearing loans and borrowings.

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current borrowings (refer note B15)	37,898.44	44,084.74
Current borrowings * (refer note B18)	17,978.06	17,851.86
Sub-total (a)	**55,876.50**	**61,936.60**
Equity (refer note B13)	635.10	635.10
Other equity (refer note B14)	128,142.73	116,886.22
Sub-total (b)	**128,777.83**	**117,521.32**
Capital gearing ratio (a) / (b)	**0.43**	**0.53**

* Includes current maturities of long term borrowings

B) Financial risk management

a) Market risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and changes in interest rates. The Group enters into a variety of derivative financial instrument to manage its exposure to foreign currency and interest rates.

There have been no major changes to the Group's exposure to market risk or the manner in which it manages and measures the risk in recent past."

i) Currency risk

The Group's exposure arises mainly on import (of raw material and capital items) and export (of finished goods). Wherever possible, the Group follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Group, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Derivative counter parties are limited to high credit quality financial institutions. The local management continuously monitors the entity's exposure to foreign currency risk as well as its use of derivative instruments as per the risk management policy of the respective entity.

Currency wise net exposure of the Group

₹ Million

Currency	As at March 31, 2023	Sensitivity +5%	Sensitivity -5%	As at March 31, 2022	Sensitivity +5%	Sensitivity -5%
USD	(938.14)	(46.91)	46.91	(1,232.76)	(61.64)	61.64
EURO	223.74	11.19	(11.19)	1,041.74	52.09	(52.09)
GBP	(42.02)	(2.10)	2.10	(85.20)	(4.26)	4.26
Others	1,139.92	57.00	(57.00)	1,436.10	71.80	(71.80)

ii) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The use of interest rate swaps are also entered into, especially to hedge the floating rate borrowings or to convert the foreign currency floating interest rates to the domestic currency floating interest rates.

Interest on variable rate borrowings in the Company are converted at fixed rate since the company has hedged interest rate risk fully and effectively with the hedging instruments.

9 FINANCIAL INSTRUMENTS (Contd.)

The table below presents the impact on profit before tax for unhedged variable rate borrowings taken by subsidiary companies assuming a market interest rate shift of 1.00%:

Sensitivity analysis

₹ Million

Currency	As at March 31, 2023	Sensitivity +1%	Sensitivity -1%	As at March 31, 2022	Sensitivity +1%	Sensitivity -1%
Non-current borrowings (including current maturities)	9,116.34	(91.16)	91.16	10,963.08	(109.63)	109.63
Current borrowings	4,403.16	(44.03)	44.03	5,156.48	(51.56)	51.56

b) Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. All entities in the Group have their approved commercial policy based on which the credit risk is managed. The Group has adopted a policy of only dealing with creditworthy customers.

Trade receivables comprise a widespread customer base and each entity undertakes on going credit evaluations of the financial condition of its customers, which may be based on the information supplied by the credit rating agencies, publicly available financial information and its own trading records and trends. In many cases, an appropriate advance is taken from the customer. In other cases, the entities use various methods to limit the credit risk viz. credit insurance, bank guarantee, post dated cheques etc.

At the year end, the Group did not consider there to be any significant concentration of credit risk which had not been adequately provided for. The carrying amount of the financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the maximum exposure to credit risk.

c) Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecasts and actual cash flows and by matching the maturity profiles of financial assets and liabilities for each entity.

The Group has established an appropriate liquidity risk management framework for each entity's short term, medium term and long term funding requirement.

d) Commodity risk

The Group has risk of price volatility and supply against its major raw materials and management is mitigating this risk by taking strategic decision on regular basis.

The below tables summarise the maturity profile (undiscounted) of the Group's financial assets and financial liabilities

i) Non derivative financial assets

₹ Million

Particulars	As at March 31, 2023			As at March 31, 2022		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Non-interest bearing	37,722.75	1,992.69	1,571.46	35,326.21	1,786.88	1,449.56
Fixed interest rate instruments	1,386.24	-	-	2,451.01	-	-

9 FINANCIAL INSTRUMENTS (Contd.)

ii) Non derivative financial liabilities

₹ Million

Particulars	As at March 31, 2023			As at March 31, 2022		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Non-interest bearing	37,890.85	-	-	39,619.53	-	-
Lease liability	2,187.06	4,564.11	1,577.63	2,267.94	4,182.74	2,221.87
Variable interest rate instruments	13,158.32	17,798.69	3,944.06	12,269.23	19,445.33	7,242.39
Fixed interest rate instruments	4,941.35	12,370.79	5,117.32	6,264.94	12,267.49	5,129.53

iii) Derivative assets / (liabilities)

₹ Million

Particulars	As at March 31, 2023			As at March 31, 2022		
	Less than 1 year	1 to 5 years	5 years and above	Less than 1 year	1 to 5 years	5 years and above
Net settled:						
– foreign currency forward contracts, futures and options measured at FVTPL	(55.91)	-	-	(36.05)	-	-
– foreign currency forward contracts, futures and options measured at FVTPL	5.34	-	-	87.29	-	-
Gross settled:						
– cross currency interest rate swaps measured at FVTOCI	272.91	892.35	-	-	1,054.60	-
Total	**222.34**	**892.35**	**-**	**51.24**	**1,054.60**	**-**

Interest rate swap

The Company had an interest rate swap agreement whereby the Company receives a fixed rate of interest of 6.5% to 7.5% and pays interest at a variable rate. The swap is being used to hedge the exposure to changes in the fair value of its fixed rate secured loan. The decrease in fair value of the interest rate swap has been recognised in finance costs and offset with a similar gain on the bank borrowings. The ineffectiveness recognised in March 31, 2023 was immaterial.

Foreign exchange forward contracts

While the Group entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchases, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss

e) The below tables summarise the fair value of the financial asset / (liabilities):

i) Fair value of derivative instruments carried at fair value

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022	Fair value hierarchy (Level 1, 2 or 3) *
Derivative financial assets (a)			
- Foreign currency forward contracts, futures and options measured at FVTPL	5.34	87.29	2
- Cross currency interest rate swaps measured at FVTOCI	1,165.26	1,054.60	2
Total	**1,170.60**	**1,141.89**	

9 FINANCIAL INSTRUMENTS (Contd.)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022	Fair value hierarchy (Level 1, 2 or 3) *
Derivative financial liabilities (b)			
- Foreign currency forward contracts, futures and options measured at FVTPL	55.91	36.05	2
Total	**55.91**	**36.05**	
Net derivative financial assets (a- b)	**1,114.69**	**1,105.84**	

ii) Fair value of financial assets (other than derivative instruments) carried at fair value:

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022	Fair value hierarchy (Level 1, 2 or 3) *
Financial assets			
– Non current investments - quoted	2.06	2.36	1
– Non current investments - unquoted	288.88	256.18	3
– Current investments - quotwed	4,016.94	4,506.06	1
Total	**4,307.88**	**4,764.60**	

iii) Fair value of financial assets / liabilities (other than investment in joint venture and associates) that are not measured at fair value

The management considers that the carrying amount of financial assets and financial liabilities recognised at amortised cost in the consolidated balance sheet approximates their fair value.

* Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

* Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

* Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

f) Details of outstanding contracts

Currency pair	Currency	Currency value (Million)	Average exchange rate	Nominal value (Million)	Buy / Sell
As at March 31, 2023					
Foreign currency forward contracts					
CHF / EUR	CHF	3.30	1.02	3.37	Sell
EUR / INR	EUR	7.18	1.00	7.18	Sell
USD / EUR	US Dollar	1.75	0.92	1.60	Sell
GBP / EUR	GBP	5.14	1.13	5.83	Sell
PLN / EUR	PLN	30.10	0.21	6.29	Sell
SEK / EUR	SEK	30.60	0.09	2.74	Sell
USD / INR	US Dollar	5.00	82.38	411.88	Buy
USD / THB	US Dollar	6.00	33.77	202.60	Buy
USD / ZAR	US Dollar	1.13	18.15	20.42	Buy
EUR / USD	Euro	1.95	1.08	2.11	Sell
Futures and options					
USD / INR	US Dollar	23.00	83.38	1,917.74	Buy
USD / INR	US Dollar	46.00	83.61	3,846.06	Sell
Cross currency interest rate swaps					
USD / INR	US Dollar	63.33	82.18	5,204.14	Buy

9 FINANCIAL INSTRUMENTS (Contd.)

Currency pair	Currency	Currency value (Million)	Average exchange rate	Nominal value (Million)	Buy / Sell
As at March 31, 2022					
Foreign currency forward contracts					
USD / INR	US Dollar	21.95	75.80	1,663.76	Buy
USD / THB	US Dollar	6.00	33.21	199.27	Buy
USD / ZAR	US Dollar	1.13	14.58	16.40	Buy
EUR / INR	Euro	4.60	84.07	386.74	Sell
Futures and options					
USD / INR	US Dollar	29.00	75.80	2,198.13	Buy
USD / INR	US Dollar	44.50	75.80	3,372.99	Sell
Cross currency interest rate swaps					
USD / INR	US Dollar	104.50	75.80	7,920.58	Buy

For fair value of outstanding contracts, refer note C9(B)(e)(i)

g) Impact of hedging activities

(1) Disclosures of effects of hedge accounting on consolidated balance sheet:

Type of hedge and risks	Notional amount (Million)	Carrying amount of hedging instruments (₹ Million)		Maturity dates	Hedge ratio	Strike price range	Change in fair value of hedging instruments (₹ Million)	Change in value of hedged item used as the basis for recognising hedge effectiveness (₹ Million)
		Assets	Liabilities					
As at March 31, 2023								
Cash flow hedge								
Foreign exchange and interest rate risk								
Cross Currency Swaps								
USD / INR	USD 63.33	1,165.26	-	June-2022 to September-2024	1:1	63.95 to 67.5	508.75	(508.75)

(Carrying value of firm commitments for capital assets is ₹ **Nil** (₹ 0.99 million) and is recognised in other non-current assets as others)

Type of hedge and risks	Notional amount (Million)	Carrying amount of hedging instruments (₹ Million)		Maturity dates	Hedge ratio	Strike price range	Change in fair value of hedging instruments (₹ Million)	Change in value of hedged item used as the basis for recognising hedge effectiveness (₹ Million)
		Assets	Liabilities					
As at March 31, 2022								
Cash flow hedge								
Foreign exchange and interest rate risk								
Cross Currency Swaps								
USD / INR	USD 104.50	1,054.60	-	June-2022 to September-2024	1:1	63.95 to 67.5	(416.46)	416.46
Fair value hedge								
Foreign exchange risk								
Foreign currency forward contracts								
EUR / INR	EUR -						-	-
USD / INR	USD 8.45	-	(0.99)	April-2022	1:1	76.105 to 76.105	(0.99)	0.99

(Carrying value of firm commitments for capital assets is ₹ 0.99 million and is recognised in other non-current assets as others)

9 FINANCIAL INSTRUMENTS (Contd.)

(2) Disclosure of effects of hedge accounting on consolidated statement of profit and loss

₹ Million

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
For the year ended March 31, 2023				
Cash flow hedge				
Foreign exchange and interest rate risk	508.75	-	160.53	Finance Cost
			(605.78)	Gain on foreign currency transactions and translations

₹ Million

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
For the year ended March 31, 2022				
Cash flow hedge				
Foreign exchange and interest rate risk	(416.46)	-	626.91	Finance Cost
			(59.09)	Gain on foreign currency transactions and translations

(3) Movement in cash flow hedging reserve

₹ Million

Particulars	Foreign currency and interest rate risk
Cash flow hedge reserve	
Balance as at April 01, 2021	(97.31)
Add: Changes in fair value of cross currency swaps	(416.46)
Less: Amount reclassified to consolidated statement of profit and loss	567.82
Less: Deferred tax relating to above (net)	(52.89)
Balance as at March 31, 2022	**1.16**
Add: Changes in fair value of cross currency swaps	508.75
Less: Amount reclassified to consolidated statement of profit and loss	(445.25)
Less: Deferred tax relating to above (net)	(22.19)
Balance as at March 31, 2023	**42.47**

10 GOVERNMENT GRANTS

a) Investment promotion subsidy

The Government of Tamil Nadu (GoTN) has sanctioned a structured package of assistance to the Company for setting up/expansion of their project in the state of Tamil Nadu, pursuant to which a Memorandum of Understanding (MoU) executed between GoTN and the Company

The Company is entitled, interalia, for refund of an amount equal to Net Output (VAT + CST)/ SGST paid by the Company to GoTN in the form of Investment Promotion Subsidy (referred to as Phase I). As the Company has fulfilled the relevant obligations, the Company has recognized subsidy income of ₹ **801.35 Million** (₹ 995.08 Million) as other operating income, being the eligible amount of refund of Net Output (VAT + CST) /SGST paid by the Company to GoTN."

In addition to above, the Company is entitled, for refund of an amount equal to 1% of the capital investment for a period of 12 years to be payable in equal annual instalments in the form of Investment Promotion Capital Subsidy (referred to as Phase II). Accordingly, the Company has recognised grant receivable at its fair value, amounting to **₹1,686.66 Million** (₹1,812.72 Million) under non-current financial assets and **₹270 Million** (₹270 Million) under current financial assets. Deferred grant income amounting **₹1,492.14 Million** (₹1,627.79 Million) is recognised under other non-current liabilities and **₹135.65 Million** (₹135.65 Million) under other current liabilities. Deferred income will be recognised in the statement of profit or loss on a systematic basis over the useful life of the asset (15 years). During the year, the Company has recorded grant income amounting to ₹ 135.65 Million (₹ 135.65 Million) under Other operating income and accretion of grant recoverable as finance income amounting to ₹ **144.94 million** (₹ 154.20 million) under Other income.

Also, the Government of Andhra Pradesh (GoAP) has sanctioned a structured package of assistance to the Company for setting up of their project in the state of Andhra Pradesh, pursuant to which a Memorandum of Understanding (MoU) executed between GoAP and the Company. The Company is entitled, interalia, for refund of an amount equal to Net SGST paid by the Company to GoAP in the form of Investment Promotion Subsidy. As the Company has fulfilled the relevant obligations, the Company has recognized subsidy income of ₹ **169.04 Million** (₹ 80.79 Million) as other operating income, being the eligible amount of refund of Net SGST paid by the Company to GoAP.

b) Export promotion capital goods

The Company had imported Property, plant and equipment under the Export Promotion Capital Goods (EPCG) scheme wherein the Company is allowed to import capital goods including spares without payment of customs duty, subject to certain export obligations which should be fulfilled within specified time period. During the year, the custom duty benefit received amounts to ₹ **281.46** Million (₹ 2,591.06 Million) with a corresponding increase in the value of property, plant and equipment and Capital Work in Progress. The grant amounting to ₹ **2,266.57 Million** (₹ 1,540.68 Million) where export obligations have been met, have been recognized in Statement of Profit and Loss as other operating income. At the year end, the portion of grant for which the export obligation has not been met is retained in deferred revenue under other current & non current liabilities.

c) The Group has successfully completed its greenfield project in Gyöngyöshalász, Hungary through its subsidiary Apollo Tyres Hungary Kft (ATH Kft). For this project, ATH Kft had entered into an agreement for grant with the Ministry of National Development, Government of Hungary on June 30, 2014.

The project was completed by December 31, 2019 within the stipulated time. The subsidy agreement defines contractual obligations and criteria for the aforesaid subsidiary company. The monitoring period started in April 2020 for the period of 5 years.

During the year, ₹ **160.21 Million** (₹ 183.29 Million) was amortised & recognized as income in consolidated statement of profit and loss. Amortisation of grant is based on relevant assets depreciation which have been subsidised. The un-amortized portion of grant has been retained in deferred revenue under other non-current liabilities.

d) During the previous year ended March 31, 2022, ATH Kft received a grant (VNT3) for ₹ 86.52 Million against its ongoing project for finished goods warehouse expansion. Amortization of subsidy will start post completion of project. Monitoring period of grant starts in April 2023 and will end by March 2025.

11 EMPLOYEE BENEFIT LIABILITY

i. Defined contribution plans

a. Superannuation plan: The company contributes a sum equivalent to 15% of the eligible employees' basic salary to a superannuation fund administered and maintained by the Life Insurance Corporation of India (LIC). The Company has no liability for future superannuation fund benefits other than its annual contribution and recognizes such contributions as an expense in the year incurred. The amount of contribution made by the Company to Superannuation Fund is ₹ **132.40 Million** (₹ 152.71 Million).

b. Provident fund: Contributions are made to the Company's employees' provident fund trust / regional provident fund in accordance with the fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

In the case of contributions to the trust, the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate and recognises such obligation as an expense.

The amount of contributions made by the Company to employees' provident fund trust / regional provident fund is ₹ **360.46 Million** (₹ 326.44 Million).

The subsidiaries in the Group have contributed to various defined contribution plans as per the local laws of the respective countries. The amount of contribution made by such subsidiaries is ₹ **228.53 Million** (₹ 455.66 Million).

ii. Defined benefit plans

A. Indian operations

1) Gratuity - Company

The Company operates a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company as per the Payments of Gratuity Act, 1972. The scheme is funded with LIC.

11 EMPLOYEE BENEFIT LIABILITY (Contd.)

The following table summarizes the components of net benefit expense recognized in the consolidated statement of profit and loss and the funded status and amounts recognized in the consolidated balance sheet for the respective plan:

Consolidated statement of profit and loss

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost ^	131.84	126.00
Interest cost on benefit obligation *	134.81	109.45
Actual return on plan assets *	(137.19)	(103.63)
Expense recognized in the consolidated statement of profit and loss	**129.46**	**131.82**

^ Included in employee benefit expense

* Included in finance cost

Other comprehensive income (experience adjustment)

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (gain) / loss for the year on defined benefit obligation	(80.31)	84.57
Actuarial (gain) / loss for the year on plan asset	3.94	(42.86)
Total	**(76.37)**	**41.71**

Consolidated balance sheet

Net asset / (liability) recognised in the consolidated balance sheet

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the end of the year (a)	2,240.39	1,874.19
Present value of defined benefit obligation at the end of the year (b)	1,941.15	1,841.62
Net asset / (liability) recognized in the consolidated balance sheet (a - b)	**299.24**	**32.57**

Changes in the present value of the defined benefit obligation

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligations as at the beginning of the year	1,841.62	1,583.90
Interest cost	134.81	109.45
Current service cost	131.84	126.00
Benefits paid	(86.81)	(62.30)
Actuarial (gain) / loss on obligation	(80.31)	84.57
Present value of obligation as at the end of the year	**1,941.15**	**1,841.62**

Changes in the fair value of plan assets

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets as at the beginning of the year	1,874.19	1,499.72
Actual return on plan assets	137.19	103.63
Contributions	319.76	290.28
Benefits paid	(86.81)	(62.30)
Actuarial (loss) / gain on plan assets	(3.94)	42.86
Fair value of plan assets as at the end of the year	**2,240.39**	**1,874.19**

The Company's gratuity funds are managed by the LIC and therefore the composition of the fund assets in not presently ascertained.

11 EMPLOYEE BENEFIT LIABILITY (Contd.)

Maturity profile of defined benefit obligation

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
0-1 year	147.95	233.85
1-2 year	156.64	85.07
2-3 year	130.40	105.48
3-4 year	108.92	119.51
4-5 year	103.79	95.96
More than 5 years	1,293.45	1,201.75
Total	**1,941.15**	**1,841.62**

Principal assumptions for gratuity

₹ Million

Particulars	As at March 31, 2023 (Rate%)	As at March 31, 2022 (Rate %)
a) Discount rate	7.50	7.32
b) Future salary increase *	6.00	6.00
c) Retirement age (years)	58/65	58
d) Mortality table	100% IALM (2012-2014)	100% IALM (2012-2014)
e) Ages (withdrawal rate %)		
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

* The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors.
Estimated amount of contribution in the immediate next year is ₹ **122.36 Million** (₹ 131.56 Million).

Sensitivity analysis of the defined benefit obligation

₹ Million

Impact of change in	Discount rate	Salary increase	Attrition rate
Present value of obligation as on March 31, 2023	1,941.15	1,941.15	1,941.15
Impact due to increase of 0.50%	(93.29)	102.09	0.67
Impact due to decrease of 0.50%	101.11	(94.99)	(0.55)

₹ Million

Impact of change in	Discount rate	Salary increase	Attrition rate
Present value of obligation as on March 31, 2022	1,841.62	1,841.62	1,841.62
Impact due to increase of 0.50%	(80.25)	87.80	0.58
Impact due to decrease of 0.50%	87.10	(81.58)	(0.46)

2) Gratuity - Apollo Tyres Centre of Excellence Limited (COE)

The COE entity has a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the COE entity as per the Payments of Gratuity Act, 1972.

The following table summarizes the components of net benefit expense recognized in the consolidated statement of profit and loss and amounts recognized in the consolidated balance sheet:

Principal assumptions

Particulars	As at March 31, 2023 (Rate%)	As at March 31, 2022 (Rate %)
a) Discount rate	7.39	-
b) Future salary increase	7.80	-
c) Retirement age (years)	60.00	-
d) Mortality table	100% IALM (2012-2014)	-

11 EMPLOYEE BENEFIT LIABILITY (Contd.)

Changes in the present value of the defined benefit obligation

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation as at the beginning of the year	-	-
Service cost	3.56	-
Interest cost	0.20	-
Actuarial (gain) / loss on obligation	1.32	-
Present value of obligation as at the end of the year	**5.08**	**-**

Net asset / (liability) recognised in the consolidated balance sheet

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets as at the end of the year (a)	-	-
Present value of defined benefit obligation as at the end of the year (b)	5.08	-
Net asset / (liability) recognized in the consolidated balance sheet (a - b)	**(5.08)**	**-**

Sensitivity analysis of the defined benefit obligation

₹ Million

Impact of change in	Discount rate	Salary increase
Present value of obligation as on March 31, 2023	5.08	5.08
Impact due to increase of 0.50%	(0.11)	0.11
Impact due to decrease of 0.50%	0.11	(0.11)

Maturity profile of defined benefit obligation

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
0-1 year	0.86	-
1-2 year	0.08	-
2-3 year	0.08	-
3-4 year	0.07	-
4-5 year	0.07	-
More than 5 years	3.92	-
Total	**5.08**	**-**

B. Foreign operations

The pension liability as recorded in the consolidated balance sheet relates to the defined benefit plan of Apollo Tyres (Germany) GmbH and Reifencom Gmbh Hannover where the actuarial calculations were performed by certified actuarial firms.

1 Apollo Tyres (Germany) GmbH

Principal assumptions

Particulars	As at March 31, 2023 (Rate%)	As at March 31, 2022 (Rate %)
Pension increase	2.20	2.00
Mortality table	Heubeck 2018G	Heubeck 2018G
Individual salary increase (dependent on age)	3.00	3.00
Discount rate	3.80	1.70

11 EMPLOYEE BENEFIT LIABILITY (Contd.)

Changes in the present value of the defined benefit obligation

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation		
Present value of obligation as at the beginning of the year	769.94	834.65
Service cost	29.00	19.47
Interest cost	12.83	9.13
Benefits paid	(23.50)	(9.60)
Actuarial (gain) / loss on obligation	(233.82)	(67.89)
Foreign exchange translation impact	74.66	(15.82)
Present value of obligation as at the end of the year	**629.11**	**769.94**

Net asset / (liability) recognised in the consolidated balance sheet

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets as at the end of the year (a)	-	-
Present value of defined benefit obligation as at the end of the year (b)	629.11	769.94
Net asset / (liability) recognized in the consolidated balance sheet (a - b)	**(629.11)**	**(769.94)**

Sensitivity analysis of the defined benefit obligation

Particulars	Change in assumption 2022-23	Change in defined benefit obligation 2022-23	Change in assumption 2021-22	Change in defined benefit obligation 2021-22
Discount rate	Increase by 1.00%	(12.41%)	Increase by 1.00%	(15.36%)
Salary increase	Increase by 0.50%	0.85%	Increase by 0.50%	1.32%
Pension increase	Increase by 0.25%	2.67%	Increase by 0.25%	3.17%

Maturity profile of defined benefit obligation

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
0-1 year	29.02	24.23
1-2 year	29.57	24.95
2-3 year	31.13	25.52
3-4 year	32.02	27.02
4-5 year	33.30	27.88
5-10 years	175.11	149.97
Total	**330.15**	**279.57**

2 **Reifencom Gmbh Hannover**

Principal assumptions

Particulars	As at March 31, 2023 (Rate%)	As at March 31, 2022 (Rate %)
Pension increase	2.30	2.00
Mortality table	Heubeck 2018G	Heubeck 2018G
Retirement age (years)	65.00	65.00
Discount rate	3.80	1.70

11 EMPLOYEE BENEFIT LIABILITY (Contd.)

Changes in the present value of the defined benefit obligation

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation as at the beginning of the year	120.23	127.04
Service cost	0.37	0.40
Interest cost	2.03	1.41
Actuarial (gain) / loss on obligation	(18.05)	(6.14)
Foreign exchange translation impact	6.23	(2.48)
Present value of obligation as at the end of the year	**110.81**	**120.23**

Changes in the fair value of plan assets

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets as at the beginning of the year	153.24	151.94
Actuarial gain on plan assets	1.97	2.88
Interest income	2.59	1.69
Foreign exchange translation impact	9.54	(3.27)
Fair value of plan assets as at the end of the year	**167.34**	**153.24**

Net asset / (liability) recognised in the consolidated balance sheet

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets as at the end of the year (a)	167.34	153.24
Present value of defined benefit obligation as at the end of the year (b)	110.81	120.23
Net asset / (liability) recognized in the consolidated balance sheet (a - b)	**56.53**	**33.01**

Sensitivity analysis of the defined benefit obligation

Particulars	Change in assumption 2022-23	Change in defined benefit obligation 2022-23	Change in assumption 2021-22	Change in defined benefit obligation 2021-22
Discount rate	Increase by 1.0%	(7.41%)	Increase by 1.0%	(8.56%)
Discount rate	Decrease by 1.0%	8.17%	Decrease by 1.0%	9.59%
Pension increase	Increase by 0.25%	0.18%	Increase by 0.25%	0.22%
Pension increase	Decrease by 0.25%	(0.17%)	Decrease by 0.25%	(0.21%)

Maturity profile of defined benefit obligation

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
0-1 year	0.25	0.21
1-2 year	0.28	0.24
2-3 year	0.30	0.26
3-4 year	0.33	0.28
4-5 year	0.91	0.31
More than 5 years	108.74	118.93
Total	**110.81**	**120.23**

11 EMPLOYEE BENEFIT LIABILITY (Contd.)

iii Other long term employee benefits

Long term compensated absences

Indian Operations

Principal assumptions for long term compensated absences

Particulars		As at March 31, 2023 (Rate%)	As at March 31, 2022 (Rate %)
a)	Discount rate	7.50	7.32
b)	Future salary increase *	6.00	6.00
c)	Retirement age (years)	58 /65	58
d)	Mortality table	100% IALM (2012-2014)	100% IALM (2012-2014)
e)	Ages (withdrawal rate %)		
	Up to 30 years	3.00	3.00
	From 31 to 44 years	2.00	2.00
	Above 44 years	1.00	1.00

* The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors.

12 CONTINGENT LIABILITIES

₹ Million

a. Particulars	As at March 31, 2023	As at March 31, 2022
Sales tax	65.23	60.77
Income tax	1,771.63	1,670.51
Claims against the Group not acknowledged as debt		
-Employee related	116.51	161.09
- Others	35.80	32.30
Excise duty, custom duty and service tax *	671.42	661.81

* Show-cause notices received from various Government Authorities pending formal demand notices have not been considered as contingent liabilities. In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of appeals.

b. The Competition Commission of India ('CCI') on February 2, 2022 had released its order dated August 31, 2018 on the Company, other Tyre Manufacturers and Automotive Tyre Manufacturer Association alleging contravention of the provisions of the Competition Act, 2002 in the year 2011-12 and imposed a penalty of ₹ 4,255.30 Million on the Company. The Company had filed an appeal against the CCI Order before the Honourable National Company Law Appellate Tribunal (NCLAT). NCLAT in its order dated December 1, 2022, had remanded the matter back to the CCI to hear the parties again and review its findings. CCI has filed an Appeal before the Supreme Court against the Order passed by the NCLAT. The Company is also a Respondent in the said Appeal. Pending disposal of the matter and based on legal advice the Company believes that it has a strong case and accordingly no provision is considered in these consolidated financial statements.

13 STATUTORY AUDITOR'S REMUNERATION

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
For audit and quarterly reviews	70.76	75.11
For reimbursement of expenses	0.46	0.38
For other services	2.14	2.68
Total	**73.36**	**78.17**

14 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue expenditure	2,826.68	2,734.89
Capital expenditure*	1,081.74	500.92
Total	**3,908.42**	**3,235.81**

The Group carries out research and development activities to bring cutting edge technology and innovation in relation to tyre manufacturing.
*includes revenue expenditure which qualified as development expenditure for intangible assets as per Ind AS-38.

15 CAPITAL COMMITMENTS

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,483.16	4,945.02

16 The Company conducts international transactions with associated enterprises. For the current year, the management maintained necessary documents as prescribed by the Income Tax Act, 1961 to establish that these international transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

17 FOLLOWING SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE HAVE BEEN CONSIDERED IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS:

S. no.	Name of the entity	Relationship	Country of incorporation	Ownership held by	% of holding and voting power either directly or indirectly through subsidiary		Remarks
					As at March 31, 2023	As at March 31, 2022	
1	Apollo Tyres Centre of Excellence Limited	Subsidiary	India	Apollo Tyres Ltd	100%	100%	
2	Apollo Tyres (Greenfield) B.V.	Subsidiary	Netherlands	Apollo Tyres Ltd	100%	100%	
3	Apollo Tyres Cooperatief U.A. (Apollo Coop)	Subsidiary	Netherlands	Apollo Tyres Ltd and Apollo Tyres (Greenfield) B.V.	100%	100%	
4	Apollo (South Africa) Holdings (Pty) Ltd (ASHPL)	Subsidiary	South Africa	Apollo Coop	100%	100%	
5	Apollo Tyres Africa (Pty) Ltd	Subsidiary	South Africa	ASHPL	100%	100%	
6	Apollo Tyres (Thailand) Limited	Subsidiary	Thailand	Apollo Coop	100%	100%	
7	Apollo Tyres (Middle East) FZE	Subsidiary	Dubai	Apollo Coop	100%	100%	
8	Apollo Tyres Holdings (Singapore) Pte Ltd (ATHS)	Subsidiary	Singapore	Apollo Coop	100%	100%	
9	ATL Singapore Pte Ltd.	Subsidiary	Singapore	ATHS	-	100%	Note (a)
10	Apollo Tyres (Malaysia) SDN BHD	Subsidiary	Malaysia	ATHS	100%	100%	Note (b)
11	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK)	Subsidiary	United Kingdom	Apollo Coop	100%	100%	
12	Apollo Tyres (London) Pvt Ltd	Subsidiary	United Kingdom	ATUK	100%	100%	

17 FOLLOWING SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE HAVE BEEN CONSIDERED IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS: (Contd.)

S. no.	Name of the entity	Relationship	Country of incorporation	Ownership held by	% of holding and voting power either directly or indirectly through subsidiary As at March 31, 2023	As at March 31, 2022	Remarks
13	Apollo Tyres Global R&D B.V.	Subsidiary	Netherlands	Apollo Coop	100%	100%	
14	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH)	Subsidiary	Germany	Apollo Coop	100%	100%	
15	Apollo Tyres AG	Subsidiary	Switzerland	Apollo Coop	100%	100%	
16	Apollo Tyres Do (Brasil) Ltda	Subsidiary	Brazil	Apollo Coop and ATEU	100%	100%	
17	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU)	Subsidiary	Netherlands	Apollo Coop	100%	100%	
18	Apollo Tyres (Hungary) Kft. (ATH Kft)	Subsidiary	Hungary	ATEU	100%	100%	
19	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL)	Subsidiary	Netherlands	ATEU	100%	100%	
20	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)	Subsidiary	Germany	ATNL	100%	100%	
21	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	Subsidiary	Sweden	ATNL	100%	100%	
22	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	Subsidiary	United Kingdom	ATNL and Finlo B.V.	100%	100%	
23	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	Subsidiary	France	ATNL and Finlo B.V.	100%	100%	
24	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	Subsidiary	Belgium	ATNL and Finlo B.V.	100%	100%	
25	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	Subsidiary	Austria	ATNL	100%	100%	
26	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	Subsidiary	Switzerland	ATNL	100%	100%	
27	Apollo Tyres Iberica S.A.U. (Formerly Apollo Vredestein Iberica SAU)	Subsidiary	Spain	ATNL	100%	100%	
28	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.)	Subsidiary	USA	Apollo Coop	100%	100%	

17 FOLLOWING SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE HAVE BEEN CONSIDERED IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS: (Contd.)

S. no.	Name of the entity	Relationship	Country of incorporation	Ownership held by	% of holding and voting power either directly or indirectly through subsidiary		Remarks
					As at March 31, 2023	As at March 31, 2022	
29	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)	Subsidiary	Hungary	ATNL	100%	100%	
30	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	Subsidiary	Poland	ATNL and AT GmbH	100%	100%	
31	Vredestein Consulting B.V.	Subsidiary	Netherlands	ATNL	100%	100%	
32	Finlo B.V.	Subsidiary	Netherlands	ATNL	100%	100%	
33	Reifencom GmbH, Hannover	Subsidiary	Germany	Apollo Coop	100%	100%	
34	Reifencom Tyre (Qingdao) Co., Ltd.	Subsidiary	China	Reifencom GmbH, Hannover	100%	100%	
35	Saturn F1 Pvt Ltd	Subsidiary	United Kingdom	Apollo Coop	100%	100%	
36	Pan Aridus LLC	Joint Venture	USA	ATHS	50.00%	50.00%	Note (c)
37	KT Telematic Solutions Private Limited	Associate	India	Apollo Tyres Ltd	25.00%	25.00%	

Notes

(a) Liquidated w.e.f. 08.08.2022.

(b) In the process of liquidation.

(c) The investment in Pan Aridus LLC, has been fully impaired in the prior years and the Group discontinued recognizing further losses in accordance with Ind AS 28 Investments in Associates and Joint Ventures. The Group does not have any further obligations to satisfy with regard to this joint venture.

(d) During the previous year, the Company had invested ₹ 93.30 million by purchasing 11,66,250 equity shares and in current year further invested ₹ 2.70 million by purchasing 33,750 equity shares of CSE Deccan Solar Private Limited, totalling equity stake 27.27% as on March 31, 2023, to get a guaranteed supply of 40 million units of electricity per annum for its Chennai Plant. This amount is refundable after the tenure. Consequent to this investment, CSE Deccan Solar Private Limited has been considered as an Associate Company as per the requirement of Companies Act, 2013. However, as per the provisions of IND AS 28 - Investment in Associates and Joint Ventures, the said investment made by the Company is not considered as an investment in associate. Therefore, this investment has been accounted for as per the provisions of IND AS 109 Financial Instruments.

18 DISCLOSURE OF RELATED PARTY TRANSACTIONS IN ACCORDANCE WITH IND AS 24 RELATED PARTY DISCLOSURES

i) Name of the related parties

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Companies in which directors are interested	Apollo International Limited	Apollo International Limited
	Apollo International FZC	Apollo International FZC
	Sunlife Tradelinks (P) Ltd.	Sunlife Tradelinks (P) Ltd.
	Classic Industries and Exports Limited	Classic Industries and Exports Limited
	PTL Enterprises Ltd.	PTL Enterprises Ltd.
	Artemis Cardiac Care Pvt Ltd	Artemis Cardiac Care Pvt Ltd
	Premedium Pharmaceuticals Pvt Ltd	Premedium Pharmaceuticals Pvt Ltd
	Nutriburst India Private Limited	Nutriburst India Private Limited
	Swaranganga Consultants Private Limited	Swaranganga Consultants Private Limited
	Artemis Medicare Services Ltd.	Artemis Medicare Services Ltd.
	Shardul Amarchand Mangaldas & Co.	Shardul Amarchand Mangaldas & Co.
	Regent Properties	Regent Properties
	Sunrays Medi Equipment Pvt Ltd	Sunrays Medi Equipment Pvt Ltd
	Scalini Limited	Scalini Limited
	Nutriburst Ltd (UK)	Nutriburst Ltd (UK)
	Rosspark Limited	Rosspark Limited
Associate	KT Telematic Solutions Private Limited	KT Telematic Solutions Private Limited
Joint venture	Pan Aridus LLC	Pan Aridus LLC
Key management personnel	Mr. Onkar Kanwar #	Mr. Onkar Kanwar
	Mr. Neeraj Kanwar	Mr. Neeraj Kanwar
	Mr. Satish Sharma	Mr. Satish Sharma
	Mr. Akshay Chudasama	Mr. Akshay Chudasama
	Gen. Bikram Singh (Retd.)	Gen. Bikram Singh (Retd.)
	Mr. Francesco Gori	Mr. Francesco Gori
	Ms. Pallavi Shroff	Ms. Pallavi Shroff
	Mr. Robert Steinmetz	Mr. Robert Steinmetz
	Mr. Sunam Sarkar	Mr. Sunam Sarkar
	Mr. Vikram S. Mehta	Mr. Vikram S. Mehta
	Mr. Vinod Rai	Mr. Vinod Rai
	Dr. Jaimini Bhagwati *	Ms. Anjali Bansal
	Mr Francesco Crispino	Mr Francesco Crispino
	Mr Vishal Kashyap Mahadevia	Mr Vishal Kashyap Mahadevia
	Ms. Lakshmi Puri	Ms. Lakshmi Puri

Note: Related parties and their relationships are as identified by the management and relied upon by the auditors. All transactions are conducted in the ordinary course of business and at arm's length.

Ceased to be a wholetime director and re-appointed as non executive director w.e.f. 1st Feb 2023.

* Appointed during the year

ii) Transactions and balances with related parties

a) Companies in which directors are interested

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Description of transactions:		
Sales: finished goods		
Apollo International Limited	211.31	70.18
Apollo International FZC	55.44	380.88
	266.75	**451.06**
Sales: raw materials		
Classic Industries and Exports Limited	**859.15**	**735.71**
Cross charge of management & other expenses received:		
PTL Enterprises Ltd.	0.85	0.85

18 DISCLOSURE OF RELATED PARTY TRANSACTIONS IN ACCORDANCE WITH IND AS 24 RELATED PARTY DISCLOSURES (Contd.)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Classic Industries and Exports Limited	1.69	1.69
Artemis Medicare Services Ltd.	0.60	0.71
	3.14	3.25
Rent received:		
PTL Enterprises Ltd.	0.39	0.39
Classic Industries and Exports Limited	1.06	1.06
Artemis Medicare Services Ltd	0.18	0.05
Artemis Cardiac Care Pvt Ltd	0.12	0.03
Premedium Pharmaceuticals Pvt Ltd	0.06	0.02
Nutriburst India Private Limited	0.09	-
Sunrays Medi Equipment Pvt Ltd	0.05	-
	1.95	1.55
Reimbursement of expenses received:		
Classic Industries and Exports Limited	13.59	11.85
Freight & Insurance recovered:		
Apollo International FZC	-	0.02
Purchases of health supplements:		
Nutriburst India Private Limited	56.94	58.31
Nutriburst Ltd (UK)	13.10	25.02
	70.04	83.33
Purchases of stock in trade:		
Classic Industries and Exports Limited	4,410.12	3,836.80
Purchase of assets:		
Classic Industries and Exports Limited	625.04	757.19
Palazzo Design Limited	2.68	-
	627.72	757.19
Legal and professional charges paid:		
Shardul Amarchand Mangaldas & Co.	9.90	6.77
Purchase of license:		
Artemis Medicare Services Ltd.	45.50	-
Reimbursement of expenses paid:		
PTL Enterprises Ltd.	639.56	669.66
Classic Industries and Exports Limited	10.00	19.44
	649.56	689.10
Payment for services received:		
Artemis Medicare Services Ltd.	24.40	94.95
Classic Industries and Exports Limited	24.39	13.70
	48.79	108.65
Lease rent paid:		
PTL Enterprises Ltd.	611.20	600.00
Rent paid:		
Sunlife Tradelinks (P) Ltd.	36.00	31.82
Swaranganga Consultants Pvt Ltd	12.08	1.58
Rosspark Limited	64.62	74.12
Regent Properties	21.34	23.76
Classic Industries and Exports Limited	0.12	0.12
	134.16	131.40
Other expenses:		
Scalini Limited	2.97	3.62
Mixing charges paid:		
Classic Industries and Exports Limited	109.67	178.07
Refund of security deposits given:		
Regent Properties	3.30	-

18 DISCLOSURE OF RELATED PARTY TRANSACTIONS IN ACCORDANCE WITH IND AS 24 RELATED PARTY DISCLOSURES (Contd.)

b) Associate

₹ Million

Particulars	FY 2022- 2023	FY 2021 - 2022
Payment for services received:		
KT Telematic Solutions Private Limited	0.51	0.88

₹ Million

Particulars	FY 2022- 2023	FY 2021 - 2022
Amount outstanding:		
Other non-current financial assets*:		
PTL Enterprises Ltd.	600.00	600.00
Sunlife Tradelinks (P) Ltd.	5.86	5.86
Regent Properties	2.10	5.40
Rosspark Limited	6.08	5.99
Swaranganga Consultants Pvt Ltd	3.15	3.15
	617.19	**620.40**
Other non-current assets:		
Classic Industries and Exports Limited	-	**194.27**
Trade receivables:		
Apollo International Limited	18.34	59.45
Artemis Cardiac Care Pvt Ltd	0.07	0.04
Artemis Medicare Services Ltd.	0.02	-
Premedium Pharmaceuticals Pvt Ltd	-	0.02
	18.43	**59.51**
Other current financial assets:		
PTL Enterprises Ltd.	50.52	51.74
KT Telematic Solutions Private Limited	0.01	-
Classic Industries and Exports Limited	201.99	263.31
	252.52	**315.05**
Trade payable:		
Classic Industries and Exports Limited	436.23	511.16
Artemis Medicare Services Ltd.	2.40	5.96
Shardul Amarchand Mangaldas & Co.	0.90	0.49
Rosspark Limited	-	6.05
	439.53	**523.66**
Other current financial liabilities:		
Classic Industries and Exports Limited	128.77	123.26
Apollo International FZC	0.37	18.11
KT Telematic Solutions Private Limited	-	0.25
	129.14	**141.62**

c) Key management personnel (KMP)

₹ Million

Particulars	FY 2022-23	FY 2021-22
Managerial remuneration:		
Mr. Onkar Kanwar	270.59	140.14
Mr. Neeraj Kanwar	284.12	122.62
Mr. Satish Sharma	99.70	89.58
	654.41	**352.34**
Sitting fees:		
Non-executive directors	4.29	4.13
Commission:		
Non-executive directors	50.00	38.00

Certain KMPs also participate in post employment benefits plans provided by the Company. The amount in respect of these towards the KMPs can not be segregated as these are based on actuarial valuation for all employees of the Company.

* This represents undiscounted value.

19 SEGMENTAL REPORTING

The Group's operations comprise only one business segment – Automobile Tyres, Automobile Tubes & Automobile Flaps in the context of reporting business / geographical segment as required under Ind AS 108 - Operating Segments.

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segment. Accordingly, information has been presented along these business segments which have been defined based on the geographical presence of various entities:

a) APMEA (Asia Pacific, Middle East and Africa)

b) Europe

c) Others

APMEA segment includes manufacturing and sales operation through India and include entities in UAE, Thailand, Malaysia and South Africa. Europe segment includes manufacturing and sales operation through the entities in Europe. Others segment includes sales operations in Americas and all other corporate entities.

The accounting principles used in the preparation of the consolidated financial statements are consistently applied in individual segments to prepare segment reporting.

₹ Million

Particulars	APMEA		Europe		Others		Eliminations		Total	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
1. REVENUE										
Total revenue	174,668.97	148,265.16	72,974.23	65,543.45	48,783.10	40,971.73	(50,745.00)	(45,304.56)	245,681.30	209,475.78
Inter segment revenue	(8,241.71)	(6,168.88)	(3,123.95)	(1,778.35)	(39,379.34)	(37,357.33)	50,745.00	45,304.56	-	-
External revenue	**166,427.26**	**142,096.28**	**69,850.28**	**63,765.10**	**9,403.76**	**3,614.40**	**-**	**-**	**245,681.30**	**209,475.78**
2. RESULT										
Segment result	12,346.87	7,151.27	5,107.68	4,481.18	1,901.48	1,346.64	-	-	19,356.03	12,979.09
Interest expense	(4,683.05)	(3,831.35)	(442.50)	(524.47)	(186.80)	(88.41)	-	-	(5,312.35)	(4,444.23)
Share of profit / (loss) in associates / joint venture	2.42	0.96	-	-	-	-	-	-	2.42	0.96
Exceptional items	-	(59.08)	225.77	-	-	-	-	-	225.77	(59.08)
Income taxes	(2,217.68)	(938.91)	(1,007.56)	(890.99)	(0.27)	(260.84)	-	-	(3,225.51)	(2,090.74)
Net profit after tax	**5,448.56**	**2,322.89**	**3,883.39**	**3,065.72**	**1,714.41**	**997.39**	**-**	**-**	**11,046.36**	**6,386.00**
3. OTHER INFORMATION										
Depreciation and amortisation	9,141.26	8,306.47	4,671.05	5,268.76	379.11	421.50	-	-	14,191.42	13,996.73

₹ Million

Particulars	APMEA		Europe		Others		Eliminations		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Segment assets	178,683.40	183,300.55	86,961.08	83,352.06	15,537.73	15,775.01	(7,590.11)	(10,969.58)	273,592.10	271,458.04
Segment liabilities	103,168.78	111,456.35	39,322.59	41,383.17	9,573.81	11,768.24	(7,250.91)	(10,671.04)	144,814.27	153,936.72
Non-current assets*	120,258.40	124,302.83	55,270.09	54,282.85	1,921.32	2,007.45	-	-	177,449.81	180,593.13
Capital Expenditure	4,584.83	18,458.50	2,586.92	2,483.93	202.25	156.55	-	-	7,374.00	21,098.98

*Non-current assets consists of property, plant and equipment, capital work-in-progress, intangible assets under development, capital advances, right of use assets and other intangible assets.

Information about major customers	None of the individual customer accounted for more than 10% of the consolidated revenue for the years ended March 31, 2023 and March 31, 2022.

20 EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors have recommended a final dividend of ₹ **4.00** per share amounting to ₹ **2,540.40 Million** and a Special Dividend of ₹ **0.50** per share amounting to ₹ **317.55 Million** on occasion of 50th Annual General Meeting (AGM) of the Company, aggregating to ₹ **4.50** (₹3.25) per share amounting to ₹ **2,857.95 Million** (₹ 2,064.08 Million) on equity shares of ₹ 1/- each for the year, subject to approval from Shareholders.

21 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE ACT

S. No	Name of the entity	Net assets as at March 31, 2023		Share in profit or (loss) for the year ended March 31, 2023		Share in other comprehensive income for the year ended March 31, 2023		Share in total comprehensive income or (loss) for the year ended March 31, 2023	
		As a % of consolidated net assets	₹ Million	As a % of consolidated profit or (loss)	₹ Million	As a % of consolidated other comprehensive income	₹ Million	As a % of consolidated total comprehensive income or (loss)	₹ Million
	Company								
1	Apollo Tyres Limited	76.88	98,999.03	52.39	5,787.38	4.00	90.99	44.13	5,878.37
	Indian subsidiary								
2	Apollo Tyres Centre of Excellence Limited	0.09	120.78	0.07	7.78	(0.04)	(0.99)	0.05	6.79
	Foreign subsidiaries								
3	Apollo Tyres (Greenfield) B.V.	0.02	25.96	-	0.05	-	-	-	0.05
4	Apollo Tyres Cooperatief U.A. & Others (refer Note 1 below)	139.45	179,580.30	97.58	10,779.38	8.57	194.96	82.39	10,974.34
	Indian associate								
5	KT Telematic Solutions Private Limited	0.01	17.00	0.02	1.79	-	-	0.01	1.79
6	Add / (Less): Effect of GAAP, Consolidation adjustments / eliminations	(116.45)	(149,965.24)	(50.06)	(5,530.02)	87.47	1,989.27	(26.58)	(3,540.75)
Total		**100.00**	**128,777.83**	**100.00**	**11,046.36**	**100.00**	**2,274.23**	**100.00**	**13,320.59**

Note 1 Apollo Tyres Cooperatief U.A. and Others:

₹ Million

S. No	Name of the entity	Net assets as at March 31, 2023	Share in profit or (loss) for the year ended March 31, 2023	Share in other comprehensive income for the year ended March 31, 2023	Share in total comprehensive income or (loss) for the year ended March 31, 2023
1	Apollo Tyres Cooperatief U.A. (Apollo Coop)	70,141.62	456.33	-	456.33
2	Apollo (South Africa) Holdings (Pty) Ltd (ASHPL)	303.26	0.42	-	0.42
3	Apollo Tyres Africa (Pty) Ltd	220.02	72.26	-	72.26
4	Apollo Tyres (Thailand) Limited	95.47	(163.62)	-	(163.62)
5	Apollo Tyres (Middle East) FZE	23.54	(249.82)	-	(249.82)
6	Apollo Tyres Holdings (Singapore) Pte Ltd (ATHS)	3,047.91	775.33	-	775.33
7	Apollo Tyres (Malaysia) SDN BHD	5.52	-	-	-
8	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK)	1,923.02	60.23	-	60.23
9	Apollo Tyres (London) Pvt Ltd	1,061.34	-	-	-
10	Apollo Tyres Global R&D B.V.	516.29	213.17	-	213.17
11	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH)	207.45	20.03	-	20.03
12	Apollo Tyres AG	583.11	143.68	-	143.68
13	Apollo Tyres Do (Brasil) Ltda	(4.23)	2.17	-	2.17
14	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU)	44,362.75	3,926.37	-	3,926.37
15	Apollo Tyres (Hungary) Kft. (ATH Kft)	34,115.71	1,434.44	-	1,434.44
16	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL)	16,418.39	3,051.63	-	3,051.63

21 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE ACT (Contd.)

₹ Million

S. No	Name of the entity	Net assets as at March 31, 2023	Share in profit or (loss) for the year ended March 31, 2023	Share in other comprehensive income for the year ended March 31, 2023	Share in total comprehensive income or (loss) for the year ended March 31, 2023
17	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)	3,582.43	289.18	180.94	470.12
18	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	97.51	8.35	-	8.35
19	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	270.36	11.52	-	11.52
20	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	205.02	7.06	-	7.06
21	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	160.73	40.82	-	40.82
22	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	53.09	24.93	-	24.93
23	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	302.42	12.02	-	12.02
24	Apollo Tyres Iberica S.A.U. (Formerly Apollo Vredestein Iberica SAU)	515.12	32.97	-	32.97
25	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.)	263.83	501.14	-	501.14
26	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)	27.83	61.29	-	61.29
27	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	216.55	23.36	-	23.36
28	Vredestein Consulting B.V.	283.11	0.90	-	0.90
29	Finlo B.V.	(20.05)	-	-	-
30	Reifencom GmbH, Hannover	416.11	16.53	14.02	30.55
31	Reifencom Tyre (Qingdao) Co., Ltd.	(1.29)	(0.65)	-	(0.65)
32	Saturn F1 Pvt Ltd	186.36	7.34	-	7.34
Total		**179,580.30**	**10,779.38**	**194.96**	**10,974.34**

S. No	Name of the entity	Net assets as at March 31, 2022		Share in profit or (loss) for the year ended March 31, 2022		Share in other comprehensive income for the year ended March 31, 2022		Share in total comprehensive income or (loss) for the year ended March 31, 2022	
		As a % of consolidated net assets	₹ Million	As a % of consolidated profit or (loss)	₹ Million	As a % of consolidated other comprehensive income	₹ Million	As a % of consolidated total comprehensive income or (loss)	₹ Million
	Company								
1	Apollo Tyres Limited	80.99	95,184.74	40.88	2,610.64	(6.65)	71.34	50.48	2,681.98
	Indian subsidiary								
2	Apollo Tyres Centre of Excellence Limited	0.04	48.85	(0.02)	(1.08)	-	-	(0.02)	(1.08)
	Foreign subsidiaries								
3	Apollo Tyres (Greenfield) B.V.	0.02	24.44	0.01	0.37	-	-	0.01	0.37
4	Apollo Tyres Cooperatief U.A. & Others (refer Note 1 below)	138.18	162,390.36	198.63	12,684.42	(5.46)	58.54	239.85	12,742.96
	Indian associate								
5	KT Telematic Solutions Private Limited	0.01	15.21	0.02	1.59	-	-	0.03	1.59
6	Add / (Less): Effect of GAAP, Consolidation adjustments / eliminations	(119.24)	(140,142.28)	(139.52)	(8,909.94)	112.11	(1,203.02)	(190.35)	(10,112.96)
Total		**100.00**	**117,521.32**	**100.00**	**6,386.00**	**100.00**	**(1,073.14)**	**100.00**	**5,312.86**

21 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE ACT (Contd.)

Note 1 Apollo Tyres Cooperatief U.A. and Others:

₹ Million

S. No	Name of the entity	Net assets as at March 31, 2022	Share in profit or (loss) for the year ended March 31, 2022	Share in other comprehensive income for the year ended March 31, 2022	Share in total comprehensive income or (loss) for the year ended March 31, 2022
1	Apollo Tyres Cooperatief U.A. (Apollo Coop)	65,671.54	4,767.58	-	4,767.58
2	Apollo (South Africa) Holdings (Pty) Ltd (ASHPL)	340.79	0.06	-	0.06
3	Apollo Tyres Africa (Pty) Ltd	168.38	56.43	-	56.43
4	Apollo Tyres (Thailand) Limited	254.22	(26.81)	-	(26.81)
5	Apollo Tyres (Middle East) FZE	257.62	(134.33)	-	(134.33)
6	Apollo Tyres Holdings (Singapore) Pte Ltd (ATHS)	2,494.42	655.98	-	655.98
7	ATL Singapore Pte Ltd.	-	4.99	-	4.99
8	Apollo Tyres (Malaysia) SDN BHD	5.35	(27.24)	-	(27.24)
9	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK)	1,830.94	54.39	-	54.39
10	Apollo Tyres (London) Pvt Ltd	1,044.76	-	-	-
11	Apollo Tyres Global R&D B.V.	272.81	166.96	-	166.96
12	"Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH)"	175.52	16.91	-	16.91
13	Apollo Tyres AG	468.06	112.76	-	112.76
14	Apollo Tyres Do (Brasil) Ltda	(6.41)	1.52	-	1.52
15	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU)	37,895.54	2,936.52	-	2,936.52
16	Apollo Tyres (Hungary) Kft. (ATH Kft)	32,644.73	1,264.06	-	1,264.06
17	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL)	13,679.72	2,521.86	-	2,521.86
18	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)	3,088.19	223.79	52.23	276.02
19	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	90.85	20.71	-	20.71
20	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	254.30	24.98	-	24.98
21	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	179.40	37.98	-	37.98
22	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	110.55	45.39	-	45.39
23	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	25.02	42.98	-	42.98
24	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	279.82	10.34	-	10.34
25	Apollo Tyres Iberica S.A.U. (Formerly Apollo Vredestein Iberica SAU)	452.69	19.41	-	19.41
26	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.)	(229.43)	(196.98)	-	(196.98)
27	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)	(38.99)	(56.21)	-	(56.21)
28	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	181.66	23.95	-	23.95
29	Vredestein Consulting B.V.	266.11	(0.01)	-	(0.01)
30	Finlo B.V.	(18.90)	-	-	-
31	Reifencom GmbH, Hannover	375.83	110.12	6.31	116.43
32	Reifencom Tyre (Qingdao) Co., Ltd.	(0.63)	0.60	-	0.60
33	Saturn F1 Pvt Ltd	175.90	5.73	-	5.73
Total		**162,390.36**	**12,684.42**	**58.54**	**12,742.96**

22 INFORMATION ON DETAILS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE ACT READ WITH COMPANIES (MEETINGS OF BOARD AND ITS POWERS) RULES, 2014

i) Details of investments made are given in note B2 and B3.*

ii) There are no loans / guarantees given by the Company (other than on behalf of wholly owned subsidiary) in accordance with Section 186 of the Act read with rules issued thereunder.

* All transactions are in the ordinary course of business

23 Ageing of Trade Payables

₹ Million

Particulars	As at March 31, 2023						
	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	306.28	-	-	-	-	306.28
Others	4,929.03	23,411.28	3,840.63	56.09	842.87	152.32	33,232.22
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	**4,929.03**	**23,717.56**	**3,840.63**	**56.09**	**842.87**	**152.32**	**33,538.50**

₹ Million

Particulars	As at March 31, 2022						
	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	337.63	-	-	-	-	337.63
Others	4,953.01	23,009.82	6,001.66	852.34	1.49	153.50	34,971.82
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	**4,953.01**	**23,347.45**	**6,001.66**	**852.34**	**1.49**	**153.50**	**35,309.45**

Include amount of ₹ **4,176.61 million** (₹ 3,673.63 million) which are interest bearing in nature and payable to banks at the behest of certain vendors.

24 Ageing of Trade Receivables

₹ Million

Particulars	As at March 31, 2023							
	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	49.50	23,128.74	1,569.70	121.91	4.24	2.65	8.60	24,885.34
Undisputed trade receivables – which have significant increase in credit risk	-	-	57.28	50.71	194.38	141.19	422.54	866.10
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**49.50**	**23,128.74**	**1,626.98**	**172.62**	**198.62**	**143.84**	**431.14**	**25,751.44**

24 AGEING OF TRADE RECEIVABLES (contd.)

₹ Million

Particulars	As at March 31, 2022							
	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	54.83	19,146.68	1,294.37	3.49	3.50	2.19	7.86	20,512.92
Undisputed trade receivables – which have significant increase in credit risk	-	-	191.19	16.79	138.21	60.79	451.64	858.62
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**54.83**	**19,146.68**	**1,485.56**	**20.28**	**141.71**	**62.98**	**459.50**	**21,371.54**

i) Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.

ii) Amount received from customer under recurring advance scheme (RAS) have been reclassified from trade receivable to other current liabilities (Note B21) and provision for schemes & discounts is reclassified from other current liabilities (Note B21) to trade receivables.

25 Capital Work In Progress (CWIP) and Intangible Assets Under Development

a) Ageing schedule

₹ Million

Particulars	As at March 31, 2023				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in progress	1,789.31	92.89	44.96	66.43	1,993.59
Intagible assets under development	179.00	192.64	160.39	-	532.03
Total	**1,968.31**	**285.53**	**205.35**	**66.43**	**2,525.62**

₹ Million

Particulars	As at March 31, 2022				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in progress	4,437.61	661.33	247.71	600.74	5,947.39
Intagible assets under development	114.83	13.86	104.15	2.11	234.95
Total	**4,552.44**	**675.19**	**351.86**	**602.85**	**6,182.34**

b) Changes in the carrying value of capital work in progress and intangible assets under development

₹ Million

Particulars	Capital work-in-progress	Intangible assets under development	Total
Carrying value			
As on April 01, 2021			
Additions	10,686.50	378.62	11,065.12
Capitalised	20,150.25	948.73	21,098.98
As on March 31, 2022	**24,889.36**	**1,092.40**	**25,981.76**
Additions	5,947.39	234.95	6,182.34
Capitalised	6,147.58	1,226.42	7,374.00
As on March 31, 2023	10,101.38	929.34	11,030.72
	1,993.59	**532.03**	**2,525.62**

c) There are no projects which are temporarily suspended

d) There is no project in CWIP, whose completion is overdue or has exceeded its cost compared to its original plan.

26 Reconciliation of Liabilities from Financing Activities

₹ Million

Particulars	As at April 01, 2022	Cash flows	Non cash changes				As at March 31, 2023
			Foreign exchange movement*	Interest expense	New leases	Others	
Non-current borrowings (including current maturities)	53,097.05	(4,064.99)	980.58	-	-	117.83	50,130.47
Current borrowings	8,839.55	(3,413.42)	314.32	-	-	5.58	5,746.03
Lease liability	8,672.55	(2,576.75)	167.23	468.18	1,734.92	(137.33)	8,328.80

₹ Million

Particulars	As at April 01, 2021	Cash flows	Non cash changes				As at March 31, 2022
			Foreign exchange movement*	Interest expense	New leases	Others	
"Non-current borrowings (including current maturities)	61,022.59	(7,637.12)	(364.54)	-	-	76.12	53,097.05
Current borrowings	3,033.43	5,761.31	45.48	-	-	(0.67)	8,839.55
Lease liability	9,279.10	(2,694.07)	(74.87)	511.81	1,720.21	(69.63)	8,672.55

* Foreign exchange movement for the Company is hedged by derivative instrument and includes currency translation impact for subsidiaries arising out of consolidation.

27 The Group's revenue disaggregated by geographical markets has been disclosed in note C19.

Reconciling the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue as per contracted price (as invoiced)	252,710.62	215,256.10
Reduction towards variable consideration components	(11,487.38)	(9,447.96)
Revenue from contract with customers	**241,223.24**	**205,808.14**

Contract balances

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade receivables	24,885.34	20,512.92
Advances received / credit balance from customers	10,927.92	10,891.23

The Group receives payment from customers based on a billing schedule, as established in the contracts with customers. Trade receivable are recognised when the right to consideration becomes unconditional. Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognised as revenue as (or when) the Group perform under the contract.

28 a) During the current year, one of the subsidiary companies has reassessed impairment loss recognized in the earlier period. Consequently, a part of the recognised loss amounting to ₹ **225.77 million** [₹ 141.10 million in property, plant and equipment and ₹ 84.67 in other assets] has been written back and presented as an exceptional item in these financial statements.

b) The Company and other subsidiaries in APMEA had carried out an employee re-organisation exercise for its employees. The amount (including foreign exchange) paid to the employees who opted for this scheme aggregated to ₹ **Nil** (₹ 59.08 Million) during the year ended March 31, 2023, has been disclosed as an exceptional item.

29 Earnings Per Share (EPS) – The Numerator And Denominator Used to Calculate Basic and Diluted Earnings Per Share:

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic and diluted earnings per share		
Profit attributable to the equity shareholders used as numerator (₹ Million) - (A)	11,046.36	6,386.00
The weighted average number of equity shares outstanding during the year used as denominator - (B)	635,100,946	635,100,946
Basic / Diluted earnings per share (₹) – (A) / (B) (Face value of ₹ 1 each)	17.39	10.06

30 Previous year's figures has been regrouped and / or reclassed wherever necessary to confirm to the current year's groupings and classifications.

31 Other Statutory Information

(i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group do not have any transactions with companies struck off.

(iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

(v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Group has not been declared wilful defaulter by any bank or financial institution or any of the lender.

(ix) The quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

As per our report of even date

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
Firm's Registration No. 301003E/E300005

per Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: May 9, 2023

For and on behalf of the Board of Directors

ONKAR KANWAR
Chairman
DIN 00058921

NEERAJ KANWAR
Vice Chairman & Managing Director
DIN 00058951

VINOD RAI
Director
DIN 00041867

GAURAV KUMAR
Chief Financial Officer

SEEMA THAPAR
Company Secretary
Membership No - FCS 6690

Place: Amsterdam
Date: May 9, 2023

Form AOC 1

(pursuant to first proviso to sub section (3) of sec. 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associates / joint venture

Part A: Subsidiaries

₹ Million

S. No	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Reporting currency	Exchange rate as at 31.03.2023	As at March 31, 2023						For the year ended March 31, 2023			
					Share capital	Reserves & surplus	Total assets	Total liabilities	Investment (other than in subsidiary)	% of Shareholding	Turnover (including other income)	Profit before tax	Tax expense	Profit after tax
1	Apollo Tyres Centre of Excellence Limited	October 10, 2020	INR	1.00	53.90	66.88	233.33	112.55	-	100%	121.43	10.40	2.62	7.78
2	Apollo Tyres (Greenfield) B.V.	June 4, 2014	EURO	89.10	3.21	22.75	26.06	0.10	-	100%	0.71	0.05	-	0.05
3	Apollo Tyres Cooperatief U.A. (Apollo Coop)	May 1, 2009	EURO	89.10	27,277.43	42,864.19	71,890.37	1,748.75	213.40	100%	498.35	466.55	10.22	456.33
4	Apollo (South Africa) Holdings (Pty) Ltd (ASHPL)	September 29, 2006	ZAR	4.62	-	303.26	303.41	0.15	-	100%	0.70	0.58	0.16	0.42
5	Apollo Tyres Africa (Pty) Ltd	July 29, 2013	ZAR	4.62	1,847.51	(1,627.49)	1,049.60	829.58	-	100%	2,264.55	98.10	25.84	72.26
6	Apollo Tyres (Thailand) Limited	January 22, 2013	THB	2.40	240.43	(144.96)	678.71	583.24	-	100%	2,767.11	(163.62)	-	(163.62)
7	Apollo Tyres (Middle East) FZE	January 2, 2011	AED	22.38	44.76	(21.22)	768.62	745.08	-	100%	6,348.67	(249.82)	-	(249.82)
8	Apollo Tyres Holdings (Singapore) Pte Ltd (ATHS)	September 8, 2010	USD	82.18	1,077.46	1,970.45	8,873.62	5,825.71	-	100%	39,368.24	934.93	159.60	775.33
9	Apollo Tyres (Malaysia) SDN BHD	March 15, 2016	MYR	18.63	120.78	(115.26)	6.73	1.21	-	100%	-	-	-	-
10	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK)	March 16, 2012	GBP	101.33	1.87	1,921.15	2,146.05	223.03	-	100%	1,523.46	79.10	18.87	60.23
11	Apollo Tyres (London) Pvt Ltd	December 12, 2014	GBP	101.33	0.10	1,061.24	1,063.17	1.83	-	100%	-	-	-	-
12	Apollo Tyres Global R&D B.V.	January 2, 2013	EURO	89.10	0.01	516.28	1,113.60	597.31	-	100%	2,918.46	287.29	74.12	213.17
13	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH)	November 11, 2015	EURO	89.10	2.23	205.22	220.41	12.96	-	100%	301.50	28.87	8.84	20.03
14	Apollo Tyres AG	July 4, 2007	CHF	89.77	336.50	246.61	608.46	25.35	-	100%	305.67	160.13	16.45	143.68
15	Apollo Tyres Do (Brasil) Ltda	September 15, 2011	BRL	16.23	12.82	(17.05)	0.24	4.47	-	100%	-	2.17	-	2.17
16	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU)	March 2, 2012	EURO	89.10	1.60	44,361.15	58,661.72	14,298.97	-	100%	-	4,948.56	1,022.19	3,926.37
17	Apollo Tyres (Hungary) Kft. (ATH Kft)	June 4, 2014	HUF	0.23	24.04	34,091.67	40,844.95	6,729.24	-	100%	23,832.99	1,447.77	13.33	1,434.44
18	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL)	May 15, 2009	EURO	89.10	3.79	16,414.60	33,007.27	16,588.88	-	100%	50,486.53	4,099.11	1,047.48	3,051.63
19	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)	May 15, 2009	EURO	89.10	45.62	3,536.81	5,436.18	1,853.75	-	100%	13,683.20	438.67	149.49	289.18

Form AOC 1 (Contd.)

Part A: Subsidiaries (Contd.)

₹ Million

S. No	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Reporting currency	Exchange rate as at 31.03.2023	As at March 31, 2023						For the year ended March 31, 2023			
					Share capital	Reserves & surplus	Total assets	Total liabilities	Investment (other than in subsidiary)	% of Shareholding	Turnover (including other income)	Profit before tax	Tax expense	Profit after tax
20	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	May 15, 2009	SEK	7.91	7.52	89.99	459.27	361.76	-	100%	1,099.95	9.06	0.71	8.35
21	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	May 15, 2009	GBP	101.33	101.44	168.92	678.43	408.07	-	100%	1,728.21	15.01	3.49	11.52
22	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	May 15, 2009	EURO	89.10	3.74	201.28	957.69	752.67	-	100%	3,875.11	29.66	22.60	7.06
23	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	May 15, 2009	EURO	89.10	5.52	155.21	613.07	452.34	-	100%	2,903.96	57.05	16.23	40.82
24	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	May 15, 2009	EURO	89.10	3.24	49.85	928.86	875.77	-	100%	3,506.30	32.24	7.31	24.93
25	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	May 15, 2009	CHF	89.77	201.97	100.45	355.89	53.47	-	100%	1,134.44	14.15	2.13	12.02
26	Apollo Tyres Iberica S.A.U. (Formerly Apollo Vredestein Iberica SAU)	May 15, 2009	EURO	89.10	276.31	238.81	724.84	209.72	-	100%	2,834.09	58.21	25.24	32.97
27	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.)	May 15, 2009	USD	82.18	1,088.95	(825.12)	4,343.20	4,079.37	-	100%	9,403.75	202.19	(298.95)	501.14
28	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)	May 15, 2009	HUF	0.23	0.70	27.13	1,031.37	1,003.54	-	100%	1,448.59	70.37	9.08	61.29
29	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	May 15, 2009	PLN	19.06	0.95	215.60	1,113.45	896.90	-	100%	2,572.69	34.55	11.19	23.36
30	Vredestein Consulting B.V.	May 15, 2009	EURO	89.10	2.02	281.09	14.22	(268.89)	-	100%	-	1.21	0.31	0.90
31	Finlo B.V.	May 15, 2009	EURO	89.10	0.80	(20.85)	-	20.05	-	100%	-	-	-	-
32	Reifencom GmbH, Hannover	January 1, 2016	EURO	89.10	66.82	349.29	5,632.15	5,216.04	-	100%	17,521.37	24.37	7.84	16.53
33	Reifencom Tyre (Qingdao) Co., Ltd.	January 1, 2016	CNY	11.96	5.90	(7.19)	-	1.29	-	100%	2.46	(0.65)	-	(0.65)
34	Saturn F1 Pvt Ltd	September 16, 2016	GBP	101.33	323.00	(136.64)	197.07	10.71	-	100%	176.30	8.35	1.01	7.34

Form AOC 1 (Contd.)

Part A: Subsidiaries (Contd.)

Note 1 Name of subsidiaries which are yet to commence operations/non-operating - Finlo B.V.
Note 2 ATL Singapore Pte Ltd., subsidiary was liquidated w.e.f. 08.08.2022
Note 3 Financial period for all the subsidiaries is April to March.
Note 4 Details of dividend proposed by subsidiaries to their parent entity as on March 31, 2023 are as under:

Name of the subsidiary	₹ Million
Apollo Tyres (Hungary) Kft. (ATH Kft)	3,508.50
Apollo Tyres AG	145.87

Part B: Joint Venture & Associate

S. No.	Name of the Associate	KT Telematic Solutions Private Limited	CSE Deccan Solar Private Limited
1	Date on which the Associate was associated or acquired	February 21, 2018	January 14, 2022
2	Latest Audited Balance Sheet date	March 31, 2023	March 31, 2023
3	Shares of associate entity held by the company at the year end		
	No.	3,334	1,200,000
	Extent of Holding %	25.00%	27.27%
	Amount of Investment in associate entity (₹ Million)	45.01	96.00
4	Description of how there is significant influence	Refer note 1 below	Refer note 2 below
5	Reason why the associate is not consolidated	Not applicable	Refer note 2 below
6	Net worth attributable to Shareholding as per latest Balance Sheet (₹ Million)	17.00	91.01
7	Profit / (Loss) for the year		
	i. Considered in Consolidation (₹ Million)	1.79	-
	ii. Not Considered in Consolidation (₹ Million)	NA	NA

Note 1 By virtue of significant influence in certain business decisions under an agreement, KT Telematic Solutions Private Limited had become an associate of the Company w.e.f. February 21, 2018

Note 2 During the previous year, the Company had invested ₹ 93.30 million by purchasing 11,66,250 equity shares and in current year further invested ₹ 2.70 million by purchasing 33,750 equity shares of CSE Deccan Solar Private Limited, totalling equity stake 27.27% as on March 31, 2023, to get a guaranteed supply of 40 million units of electricity per annum for its Chennai Plant. This amount is refundable after the tenure. Consequent to this investment, CSE Deccan Solar Private Limited has been considered as an Associate Company as per the requirement of Companies Act, 2013. However, as per the provisions of IND AS 28 - Investment in Associates and Joint Ventures, the said investment made by the Company is not considered as an investment in associate. Therefore, this investment has been accounted for as per the provisions of IND AS 109 Financial Instruments.

Form AOC 1 (Contd.)

Part B: Joint Venture & Associate (Contd.)

Note 3 The investment in Pan Aridus LLC, has been fully impaired in the prior years and the Group discontinued recognizing further losses in accordance with Ind AS 28 Investments in Associates and Joint Ventures. The Group does not have any further obligations to satisfy with regard to this joint venture.

Note 4 **Name of associates or joint ventures which are yet to commence operations**

None

Note 5 **Name of associates or joint ventures which have been liquidated or sold during the year**

None

For and on behalf of the Board of Directors

ONKAR KANWAR Chairman DIN 00058921	**NEERAJ KANWAR** Vice Chairman & Managing Director DIN 00058951	**VINOD RAI** Director DIN 00041867
	GAURAV KUMAR Chief Financial Officer	**SEEMA THAPAR** Company Secretary Membership No - FCS 6690

Place: Amsterdam
Date: May 9, 2023