Independent Auditor's Report

To the Members of Apollo Tyres Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Apollo Tyres Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the standalone 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 standalone 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 standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone 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 standalone 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 standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Provision for sales related obligations *(as described in Note B7, B14 and B20 of the standalone financial statements)*	
The Company provides various incentives, discounts and warranty to its customers. These sales related obligations require accruals based on the commitments, established trade practices, historical trends and other assumptions which are inherently judgmental including those relating to outflow of resources. The accruals amount to ₹ 6,585 Million as at March 31, 2023. 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	Our audit procedures included the following: • Evaluated the design and tested the operating effectiveness of controls in respect of accounting of these obligations. • Obtained from the management a list of documents supporting commitments made to the customers; • Tested on 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 standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Tax litigations and claims (as described in Note C12 of the standalone financial statements)	
The Company 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.	Our audit procedures included the following: • Evaluated the design and tested the operating effectiveness of controls in respect of the identification and evaluation of taxation related demands, proceedings, investigations 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 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 litigation matters. • Assessed the adequacy of disclosures made in the standalone financial statements.

Other Information

The 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 standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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 Standalone Financial Statements

The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 standalone 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

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

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 we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive

Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) 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 as on March 31, 2023 taken on record by the Board of Directors, none of the directors 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 these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

(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:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note C12 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note C9 to the standalone financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

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

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company 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 standalone financial statements, the Board of Directors of the 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 for the Company only w.e.f. April 1, 2023, 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: 23091813BGQOXN9364
Place: Gurugram
Date: May 9, 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")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i) (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note B1 to the financial statements held in the name of the Company except freehold land acquired through the agreement to sale executed between the Company and Andhra Pradesh government dated March 13, 2018 and July 26, 2019.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure of such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2023 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(ii) (b) As disclosed in note B13 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the audited books of accounts of the Company.

(iii) (a) During the year the Company has provided advances in the nature of loans to employees and stood guarantee to company as follows:

	Guarantees (₹ million)	**Advances in nature of loans** (₹ million)
Aggregate amount of loan granted/ provided during the year		
- Subsidiaries	1,471	Nil
- Employees	Nil	21
Balance outstanding as at balance sheet date in respect of		
- Subsidiaries	1,471	Nil
- Employees	Nil	32

During the year the Company has not provided loans or provided security to companies, firms, Limited Liability Partnerships or any other parties.

(iii) (b) During the year the guarantees provided and the terms and conditions of the grant of all advances in the nature of loans to employees and guarantees to companies are not prejudicial to the Company's interest. The Company has not made investments and granted any loans during the year.

(iii) (c) The Company has granted advance in the nature of loans during the year to employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has not granted any other loans.

(iii) (d) There are no amounts of advances in the nature of loans granted to employees which are overdue for more than ninety days. The Company has not granted any other loans.

(iii) (e) There were no advance in the nature of loan granted to employees which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. The Company has not granted any other loans.

(iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture Tyres & tubes, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount* (₹ million)	Period to which the amount relates	Forum where dispute is pending
Sales Tax Act applicable to various states	Sales tax	65.23	1992-93 to 2022-23	Various appellate authorities/ Revenue board/ High Court
Central Excise Act, 1944/ Customs Act, 1962	Excise duty, Custom duty and additional excise duty	588.66	2002-03 to 2017-18	Various appellate authorities/ Supreme Court
Finance Act, 1994	Service Tax	507.76	2004-05 to 2017-18	Various appellate authorities
Income-tax Act, 1961	Income tax	1,179.53	1990-91 to 2017-18	Various appellate authorities/ High Court

* The amounts are net of deposits made by the Company under protest

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) Term loans were applied for the purpose for which the loans were obtained.

(ix) (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has utilized the monies raised during the year by way of initial public offer / further public offer (including debt instruments) in the nature of Non-Convertible Debenture for the purposes for which they were raised.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(xvi) (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note C26 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note C16 to the financial statements.

(xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note C16 to the financial statements.

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

per **Pankaj Chadha**
Partner
Membership Number: 091813
UDIN: 23091813BGQOXN9364
Place: Gurugram
Date: May 9, 2023

Annexure '2' to the Independent Auditor's Report of even date on the Standalone 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")

We have audited the internal financial controls with reference to standalone financial statements of Apollo Tyres Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 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 Company's internal financial controls with reference to these standalone 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, as 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 these standalone 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 these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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 Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per **Pankaj Chadha**
Partner
Membership Number: 091813
UDIN: 23091813BGQOXN9364
Place: Gurugram
Date: May 9, 2023

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	113,012.02	112,462.68
(b) Capital work-in-progress	C25	1,159.22	5,418.53
(c) Right of use assets	C4	4,665.11	5,391.62
(d) Intangible assets	B1	462.08	439.00
(e) Intangible assets under development	C25	185.73	61.83
(f) Financial assets			
i. Investments	B2	24,213.61	24,146.60
ii. Other financial assets	B3	4,019.87	3,828.55
(g) Other non-current assets	B4	577.73	336.11
Total non-current assets		**148,295.37**	**152,084.92**
2. Current assets			
(a) Inventories	B5	22,768.68	24,638.92
(b) Financial assets			
i. Investments	B6	4,016.94	4,506.06
ii. Trade receivables	B7	15,883.94	15,423.01
iii. Cash and cash equivalents	B8	5,004.40	3,154.06
iv. Bank balances other than (iii) above	B9	102.21	2,100.20
v. Other financial assets	B10	2,365.44	2,140.01
(c) Other current assets	B11	2,709.46	1,641.32
Total current assets		**52,851.07**	**53,603.58**
TOTAL ASSETS (1+2)		**201,146.44**	**205,688.50**
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Share capital	B12	635.10	635.10
(b) Other equity	B12 (a)	98,363.93	94,549.64
Total equity		**98,999.03**	**95,184.74**
Liabilities			
2. Non-current liabilities			
(a) Financial liabilities			
i. Borrowings	B13	31,748.13	35,310.10
ii. Lease liability	C4	4,006.33	4,666.99
(b) Provisions	B14	492.96	490.44
(c) Deferred tax liabilities (net)	C6	7,955.36	7,053.34
(d) Other non-current liabilities	B15	2,609.70	3,957.37
Total non-current liabilities		**46,812.48**	**51,478.24**
3. Current Liabilities			
(a) Financial liabilities			
i. Borrowings	B16	9,006.46	8,552.79
ii. Lease liability	C4	931.02	849.36
iii. Trade payables	B17		
- 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		23,984.80	27,505.50
iv. Other financial liabilities	B18	4,006.50	4,634.99
(b) Other current liabilities	B19	14,819.28	14,753.62
(c) Provisions	B20	2,072.35	1,947.76
(d) Current tax liabilities (net)	B21	208.24	443.87
Total current liabilities		**55,334.93**	**59,025.52**
TOTAL EQUITY AND LIABILITIES (1+2+3)		**201,146.44**	**205,688.50**

See accompanying notes forming part of the 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

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	168,899.09	143,067.87
Other operating income	B22	4,111.10	3,426.17
		173,010.19	146,494.04
2. Other income	B23	751.26	1,268.96
3. Total income (1 +2)		173,761.45	147,763.00
4. Expenses :			
(a) Cost of materials consumed	B24A	106,937.72	94,937.71
(b) Purchase of stock-in-trade	B24B	9,628.17	8,465.86
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	B25	455.54	(3,484.45)
(d) Employee benefits expense	B24C	10,259.15	10,240.18
(e) Finance costs	B26	4,672.28	3,821.56
(f) Depreciation and amortisation expense	B1	9,070.50	8,239.13
(g) Other expenses	B24D	24,620.42	22,026.81
Total expenses		165,643.78	144,246.80
5. Profit before exceptional items and tax (3 - 4)		8,117.67	3,516.20
6. Exceptional items	C28	-	12.68
7. Profit before tax (5 - 6)		8,117.67	3,503.52
8. Tax expense :	C6		
(a) Current tax expense		1,477.15	611.59
(b) Deferred tax		853.14	281.29
Total		2,330.29	892.88
9. Profit for the year (7 - 8)		5,787.38	2,610.64
10. Other comprehensive income			
I i. Items that will not be classified to profit or loss			
a. Re-measurement gain/ (loss) on defined benefit plans		76.37	(41.71)
ii. Income tax		(26.69)	14.58
		49.68	(27.13)
II i. Items that will be reclassified to profit or loss			
a. 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)
		41.31	98.47
Other comprehensive (loss) (I + II)		90.99	71.34
Total comprehensive income for the year (9 + 10)		5,878.37	2,681.98
Earnings per share (of ₹ 1 each)	C29		
(a) Basic (₹)		9.11	4.11
(b) Diluted (₹)		9.11	4.11

See accompanying notes forming part of the 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

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 (refer note B12)	-
Balance as at March 31, 2022	**635.10**
Changes during the year (refer note B12)	-
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 AMHPL merger	Debenture redemption reserve	Capital subsidy	Capital redemption reserve	Capital reserve on forefeiture of shares	Retained earnings	Effective portion of cash flow hedge	Revaluation surplus	Total
Balance as at March 31, 2021	**31,317.67**	**16,006.63**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**44,339.15**	**(97.31)**	**31.22**	**94,090.51**
Profit for the year								2,610.64			2,610.64
Effective portion of cash flow hedge (net)									98.47		98.47
Remeasurements of the defined benefit plans (net)								(27.13)			(27.13)
Total comprehensive income for the year								**2,583.51**	**98.47**		**2,681.98**
Transaction with owners in their capacity as owners											
Payment of dividend (₹ 3.50 per share)								(2,222.85)			(2,222.85)
Transfer from retained earnings		1,000.00						(1,000.00)			-
Balance as at March 31, 2022	**31,317.67**	**17,006.63**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**43,699.81**	**1.16**	**31.22**	**94,549.64**

Statement of Changes in Equity

for the year ended March 31, 2023

B. Other Equity

₹ Million

Particulars	Reserves and surplus								Items of other comprehensive income		Total
	Securities premium	General reserve	Capital reserve on AMHPL merger	Debenture redemption reserve	Capital subsidy	Capital redemption reserve	Capital reserve on forefeiture of shares	Retained earnings	Effective portion of cash flow hedge	Revaluation surplus	Total
Profit for the Year								5,787.38			5,787.38
Effective portion of cash flow hedge (net)									41.31		41.31
Remeasurements of the defined benefit plans (net)								49.68			49.68
Total comprehensive income for the year								**5,837.06**	**41.31**		**5,878.37**
Transaction with owners in their capacity as owners											
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**	**1,383.68**	**1,039.50**	**25.50**	**44.40**	**0.07**	**47,472.79**	**42.47**	**31.22**	**98,363.93**

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

Standalone Cash Flow Statement

for the year ended March 31, 2023

₹ Million

	For the year ended March 31, 2023 AUDITED		For the year ended March 31, 2022 AUDITED	
A CASH FLOW FROM OPERATING ACTIVITIES				
(i) Profit before tax		8,117.67		3,503.52
Add: **Adjustments for:**				
Depreciation and amortisation expenses	9,070.50		8,239.13	
Profit on sale of property, plant and equipment (net)	(37.02)		(81.39)	
Gain from current investments	(55.19)		(24.15)	
Unwinding of deferred income	(2,266.57)		(1,540.68)	
Finance cost	4,672.28		3,821.56	
Interest income	(222.73)		(396.60)	
Unrealised loss / (gain) on foreign exchange fluctuations	501.35	11,662.62	(132.66)	**9,885.21**
(ii) Operating profit before working capital changes		19,780.29		**13,388.73**
Changes in working capital				
Adjustments for (increase) / decrease in operating assets:				
Inventories	1,870.24		(3,872.92)	
Trade receivables	(524.95)		(3,596.88)	
Other financial assets (current and non current)	(427.91)		1,328.58	
Other assets (current and non current)	(1,070.43)	(153.05)	761.04	(5,380.18)
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(3,585.62)		8,617.08	
Other financial liabilities (current and non current)	76.04		(470.32)	
Other liabilities (current and non current)	705.01		852.48	
Provisions (current and non-current)	203.48	(2,601.09)	20.08	9,019.32
(iii)Cash generated from operations		17,026.15		17,027.87
Less: Direct taxes paid (net of refund)		1,712.78		875.59
Net cash generated from operating activities		15,313.37		**16,152.28**
B CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment and intangible assets	(5,230.91)		(15,598.87)	
Proceeds from sale of property, plant and equipment	140.01		231.97	
Maturity of / (Investments in) mutual funds, net	544.31		(3,581.23)	
Non-current investment (made)/ matured, net	(2.18)		0.77	
Investment in Subsidiaries	(64.83)		(49.00)	
Maturity of fixed deposits, net	2,000.00		9,650.00	
Interest received	297.39		475.28	
Net cash used in investing activities		(2,316.21)		**(8,871.08)**
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from non-current borrowings	5,000.00		14,000.00	
(Repayment) of non-current borrowings	(6,555.20)		(14,599.08)	
(Repayment of) / proceeds from current borrowings (net) (excluding current maturities of non-current borrowings)	(2,000.00)		1,000.00	
Payment of dividend	(2,064.08)		(2,222.85)	
Payment of principal portion of lease liabilities	(948.99)		(885.11)	
Payment of interest on lease liabilities	(414.32)		(455.53)	
Finance charges paid	(4,169.81)		(3,417.77)	
Net cash used in financing activities		(11,152.40)		**(6,580.34)**

Standalone Cash Flow Statement

for the year ended March 31, 2023

₹ Million

	For the year ended March 31, 2023 AUDITED	For the year ended March 31, 2022 AUDITED
Net increase in cash and cash equivalents	**1,844.76**	**700.86**
Cash and cash equivalents as at the beginning of the year	3,154.06	2,258.12
Less: Cash credits as at the beginning of the year	4.18	4.85
Adjusted cash and cash equivalents as at beginning of the year	**3,149.88**	**2,253.27**
Cash and cash equivalents as at the end of the year	5,004.40	3,154.06
Less: Cash credits as at the end of the year	9.76	4.18
Adjusted cash and cash equivalents as at the end of the year	**4,994.64**	**3,149.88**

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

See accompanying notes forming part of the 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

A. Notes

Forming Part of the Financial Statements

1 Corporate information

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 Company

(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 financial statements of the Company 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 1 April 2022. This amendment had no impact on the consolidated financial statements of the Company 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 financial statements of the Company as there were no modifications of the Company'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

A. Notes
Forming Part of the Financial Statements

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 31 March 2023 to amend the following Ind AS which are effective from 01 April 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 1 April 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 Company's 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 1 April 2023. Consequential amendment has been made in Ind AS 107. The Company 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 1 April 2023.

This amendment is likely to have an impact on the Company'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 accounting and preparation of financial statements

3.1 Statement of Compliance

The financial statements have been prepared to comply in all respects with the Indian Accounting Standards (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 financial statements.

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

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

3.2 Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. The Company 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.

A. Notes

Forming Part of the Financial Statements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on above basis, 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 Company 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 Company 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 Company has identified twelve months as its operating cycle.

The significant accounting policies are set out below:

3.3 Business Combinations

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a Company.

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

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

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

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

(iii) The financial information in the financial

A. Notes
Forming Part of the Financial Statements

statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

(iv) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

3.4 Inventories

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

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

3.5 Taxation

Income tax expense recognised in Statement of Profit and Loss comprised the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable income tax laws of India. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. 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 Company 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 recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are 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

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 Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

The Company 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 Company 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.

A. Notes
Forming Part of the Financial Statements

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 Company 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 Company 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.

3.6 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 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 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 capitalized. 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 Company, 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 useful life considered for the assets are as under.

Category of assets	Number of years
Building *	5 - 60
Plant and equipment	3 - 25
Electrical installations	1 - 10
Furniture and fixtures	4 - 10
Vehicles	4 - 10
Office equipment	4 - 10

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 amortized over the primary period of lease.

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

3.7 Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such

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expenditure is added to the cost of the asset. Internally generated intangibles are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

The intangible assets are amortized over their respective estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period 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

Derecognition of intangible assets

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

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

Category of Assets	Number of years
Computer Software	3-6

3.8 Revenue recognition

In accordance with Ind AS 115, the Company recognises the amount as revenue from contracts with customers, which is received for the transfer of promised goods 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 Company recognises revenue at point in time. Revenue is reduced for customer returns, taxes on sales, estimated rebates and other similar allowances. To determine when to recognise revenue and at what amount, the five-step model is applied. By applying the five-step model distinct performance obligations are identified. 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 obligations according to the requirements of Ind AS 115. Performance obligation are deemed to have been met when the control of goods or services transferred to the customer.

The Company 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 Company considers the effects of variable consideration, the existence of significant financing components, if any.

Contract balances

Trade receivables

A receivable represents the Company'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 3.19 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 Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

3.9 Other income

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

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

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

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3.10 Employee benefits

Employee benefits include wages and salaries, provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plans

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

Defined Benefit Plans

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

Defined benefit costs are categorised as follows:

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. net interest expense or income; and

c. re-measurement

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

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

Other current and non-current employee benefits

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

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

3.11 Government grants, subsidies and export incentives

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

Government grants and subsidies whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet which is disclosed as investment promotion subsidy receivable and transferred to the 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 the Balance Sheet and recognized in the Statement of Profit and Loss as an income in the period in which related obligations are met.

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

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

3.12 Foreign currency transactions and translations

The Company's financial statements are presented in INR which is also the Company'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.

According to Appendix B of Ind AS 21 "Foreign currency transactions and advance consideration", purchase or sale transactions must be translated at the exchange

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rate prevailing on the date the asset or liability is initially recognized. In practice, this is usually the date on which the advance payment is paid or received. In the case of multiple advances, the exchange rate must be determined for each payment and collection transaction.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in which they arise except for:

a. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

b. exchange differences on transactions entered into in order to hedge certain foreign currency risks; and

c. exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the Statement of Profit and Loss on repayment of the monetary items.

3.13 Borrowing costs

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

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. Other finance costs includes interest on other contractual obligations.

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.

3.14 Leases

The Company as lessee

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

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

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

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the date of commencement of the lease on a straight line basis over the shorter of the lease term and the useful life of the underlying asset.

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

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

The weighted average incremental borrowing rate applied to lease liabilities is 8% p.a.

3.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

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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.

3.16 Impairment of tangible and intangible assets

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

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

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

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

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

3.17 Provisions and contingencies

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

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

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

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

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3.18 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, trade receivable 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 and loss are recognised immediately in the Statement of Profit and Loss.

3.19 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.

3.19.1 Classification of financial asset

a. Loans and receivable

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

i. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

b. Assets available for sale

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

i. the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

c. Assets held for trading

A financial asset is held for trading if:

i. it has been acquired principally for the purpose of selling it in the near term; or

ii. on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

iii. it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in the Statement of Profit and Loss when the right to receive the dividends is established and it is probable that the economic benefits associated with the

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dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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

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

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

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

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

3.19.2 Impairment of financial assets

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

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

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

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

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

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For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company 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.

3.19.3 De-recognition of financial assets

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

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

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

3.20 Financial liabilities and equity instruments

3.20.1 Classification as debt or equity

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

3.20.2 Equity instruments

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

3.20.3 Financial liabilities

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

3.20.3.1 Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

i. it has been incurred principally for the purpose of repurchasing it in the near term; or

ii. on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

iii. it is a derivative that is not designated and effective as a hedging instrument.

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

i. such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

ii. the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or

iii. it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 - Financial Instruments permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss.

3.20.3.2 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 Company 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 Company on such arrangements is disclosed as finance cost.

3.20.3.3 Financial guarantee contracts

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

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

i. amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments; and

ii. amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies of Ind AS 115, Revenue from Contracts with Customers.

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

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

3.20.3.4 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they

A. Notes

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expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

3.21 Derivative financial instruments

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

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

3.22 Hedge Accounting

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

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

Fair Value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the statement of profit and 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 the hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to statement of profit and 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 are recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss and is included in the 'Other income'/ 'Other expense' line item. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit and Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains, and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non -financial asset or non-financial liability.

In cases where the designated hedging instruments are options and forward contracts, the Company has an option, for each designation, to designate on an instrument only the changes in the 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 for based on the type of hedged item which those options hedge.

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

A. Notes

Forming Part of the Financial Statements

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

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

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

3.23 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 Company's cash management. The cash flow statement is prepared using indirect method.

3.24 Rounding off amounts

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

3.25 Critical accounting judgments 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 financial statements represent as accurate an outlook as possible for the Company. These judgments and estimates only represent the interpretation of the Company as of the dates on which they were prepared.

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

B. Notes

Forming Part of the Financial Statements

B 1 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS AS AT MARCH 31, 2023

Description of assets	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	Depreciation / amortisation expense	Eliminated on disposal of assets	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
A. Property, plant and equipment - owned unless otherwise stated										
Land:										
Freehold land	144.64	528.30	-	672.94	-	-	-	-	672.94	144.64
Buildings	24,505.42	758.41	21.11	25,242.72	5,299.30	940.36	3.43	6,236.23	19,006.49	19,206.12
Plant and equipment *	127,422.05	5,985.07	687.45	132,719.67	38,043.73	6,037.15	679.94	43,400.94	89,318.73	89,378.32
Electrical installations	4,260.32	451.18	11.27	4,700.23	2,171.67	324.20	11.27	2,484.60	2,215.63	2,088.65
Furniture and fixtures	2,633.70	312.87	0.78	2,945.79	1,932.88	205.55	0.76	2,137.67	808.12	700.82
Vehicles	1,164.61	237.74	204.15	1,198.20	436.30	153.42	126.37	463.35	734.85	728.31
Office equipment	899.87	194.91	0.02	1,094.76	684.05	155.47	0.02	839.50	255.26	215.82
Total tangible assets	**161,030.61**	**8,468.48**	**924.78**	**168,574.31**	**48,567.93**	**7,816.15**	**821.79**	**55,562.29**	**113,012.02**	**112,462.68**
B. Intangible assets:										
Computer software	1,232.64	180.92	-	1,413.56	793.64	157.84	-	951.48	462.08	439.00
TOTAL (A + B)	**162,263.25**	**8,649.40**	**924.78**	**169,987.87**	**49,361.57**	**7,973.99**	**821.79**	**56,513.77**	**113,474.10**	**112,901.68**

PROPERTY, PLANT AND EQUIPMENT AND 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	As at March 31, 2022	As at April 1, 2021	Depreciation / amortisation expense	Eliminated on disposal of assets	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
A Property, plant and equipment - owned unless otherwise stated										
Land:										
Freehold land	144.64	-	-	144.64	-	-	-	-	144.64	144.64
Buildings	22,204.31	2,417.39	116.28	24,505.42	4,442.59	877.02	20.31	5,299.30	19,206.12	17,761.72
Plant and equipment *	108,122.33	19,420.78	121.06	127,422.05	32,801.97	5,348.72	106.96	38,043.73	89,378.32	75,320.36
Electrical installations	3,692.21	569.16	1.05	4,260.32	1,869.51	303.21	1.05	2,171.67	2,088.65	1,822.70
Furniture and fixtures	2,366.75	274.99	8.04	2,633.70	1,724.74	216.18	8.04	1,932.88	700.82	642.01
Vehicles	952.44	361.90	149.73	1,164.61	413.14	132.38	109.22	436.30	728.31	539.30
Office equipment	874.01	28.33	2.47	899.87	553.37	133.15	2.47	684.05	215.82	320.64
Total tangible assets	**138,356.69**	**23,072.55**	**398.63**	**161,030.61**	**41,805.32**	**7,010.66**	**248.05**	**48,567.93**	**112,462.68**	**96,551.37**
B Intangible assets:										
Computer software	1,033.39	199.25	-	1,232.64	657.44	136.20	-	793.64	439.00	375.95
TOTAL (A + B)	**139,390.08**	**23,271.80**	**398.63**	**162,263.25**	**42,462.76**	**7,146.86**	**248.05**	**49,361.57**	**112,901.68**	**96,927.32**

B. Notes

Forming Part of the Financial Statements

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS AS AT MARCH 31, 2022 (Contd..)

DEPRECIATION AND AMORTISATION EXPENSE

₹ Million

	Year ended March 31, 2023	Year ended March 31, 2022
Property, plant and equipment	7,816.15	7,010.66
Right-to-use assets (refer note C4)	1,096.51	1,092.27
Other intangible assets	157.84	136.20
Total	**9,070.50**	**8,239.13**

* 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.

(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** (₹ 9,325.37 Million).

(c) Refer note B13 (a) for details on pledges and securities.

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

FINANCIAL ASSETS (NON-CURRENT)

B 2 INVESTMENTS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
I **At fair value through profit and loss**		
A **Quoted investments ***		
Investment in equity instruments:		
16,394 (16,394) equity shares of ₹ 10/- each in Bharat Gears Limited - fully paid up	2.06	2.36
	2.06	**2.36**
B **Unquoted investments ****		
Investment in equity instruments:		
Other companies:		
312,000 (312,000) equity shares of ₹ 10 each in Green Infra Wind Power Projects Limited - fully paid up	3.12	3.12
2,256,000 (2,256,000) equity shares of ₹ 30 each in Suryadev Alloys and Power Private Limited - fully paid up	67.68	67.68
406,700 (217,100) equity shares of ₹ 11.50 each in OPG Power Generation Private Limited - fully paid up	4.68	2.50
	75.48	**73.30**
Investments carried at fair value through profit and loss (FVTPL)	**77.54**	**75.66**

B. Notes
Forming Part of the Financial Statements

B 2 INVESTMENTS (Contd..)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
II At cost* **		
Unquoted investments		
(a) Investment in equity instruments:		
Subsidiary companies:		
50,001 (50,001) equity shares of EUR 0.72 each in Apollo Tyres (Green Field) B. V. - fully paid up	2.74	2.74
5,390,000 (5,000,000) equity shares of ₹ 10 each in Apollo Tyres Centre of Excellence Limited - fully paid up	115.13	50.00
Associate company:		
3,334 (3,334) equity shares of ₹ 10 each in KT Telematic Solutions Private Limited - fully paid up	45.01	45.01
(b) Investment in membership interest:		
Apollo Tyres Co-operatief U.A. - wholly owned subsidiary	23,973.19	23,973.19
Investments carried at cost	**24,136.07**	**24,070.94**
	24,213.61	**24,146.60**
*Aggregate amount of quoted investments at market value	2.06	2.36
**Aggregate amount of unquoted investments at FVTPL	75.48	73.30
***Aggregate amount of unquoted investments at cost	24,136.07	24,070.94

B3 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	14.76	19.06
Security deposits	838.25	615.26
Security deposits to related parties (refer note C17)	313.38	307.97
Investment promotion subsidy receivable (refer note C7(a))	1,961.13	1,831.66
Derivative assets measured at fair value (refer note C9)	892.35	1,054.60
	4,019.87	**3,828.55**

B4 OTHER NON - CURRENT ASSETS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless otherwise stated)		
Capital advances	571.87	138.27
Capital advances to related parties (refer note C17)	-	194.27
	571.87	**332.54**
Balance with statutory authorities	5.86	2.58
Others	-	0.99
	577.73	**336.11**

B. Notes

Forming Part of the Financial Statements

B5 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	7,224.45	8,574.19
- In transit	606.71	701.50
	7,831.16	9,275.69
(ii) Work-in-progress	1,426.58	1,706.10
(iii) Finished goods		
- In hand	10,192.85	9,714.94
- In transit	676.45	930.74
	10,869.30	10,645.68
(iv) Stock-in-trade		
- In hand	1,033.35	1,427.84
- In transit	18.72	23.87
	1,052.07	1,451.71
(v) Stores and spares	1,589.57	1,559.74
	22,768.68	24,638.92

FINANCIAL ASSETS (CURRENT)

B6 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

₹ Million

Mutual Funds	Number of Units	Amount in (₹ Million)	Number of Units	Amount in (₹ Million)
Aditya Birla Sun Life Overnight Fund - GrowthDirect 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
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

B. Notes
Forming Part of the Financial Statements

B7 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*	15,883.94	15,423.01
Trade Receivables which have significant increase in credit risk	24.40	24.40
	15,908.34	15,447.41
Provision for loss allowance	(24.40)	(24.40)
	15,883.94	15,423.01

* Includes balances with related parties (refer note C17)

B8 CASH AND CASH EQUIVALENTS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Balances with banks:		
Current accounts	2,307.47	1,854.50
Other deposit accounts		
- original maturity of 3 months or less	1,354.50	351.00
(ii) Cheques on hand / remittances in transit	1,340.31	946.78
(iii) Cash on hand	2.12	1.78
	5,004.40	3,154.06

B9 BANK BALANCES OTHER THAN CASH AND CASH

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
EQUIVALENTS		
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 B18.

B10 OTHER FINANCIAL ASSETS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good and measured at amortized cost unless otherwise stated)		
Employee advances	119.53	126.00
Other recoverables from related parties (refer note C17)	790.85	670.64
Derivative assets measured at fair value (refer note C9)	272.91	87.29
Investment promotion subsidy receivable (refer note C7(a))	1,181.75	1,181.02
Interest accrued on deposits	0.40	75.06
	2,365.44	2,140.01

B. Notes
Forming Part of the Financial Statements

NON-FINANCIAL ASSETS (CURRENT)

B11 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	577.34	367.95
Doubtful advances	20.56	20.56
Provision for doubtful advances	(20.56)	(20.56)
	577.34	**367.95**
Export obligations - advance licence benefit	471.47	481.35
Export incentives recoverable	16.42	120.54
Balance with statutory authorities	964.41	309.04
Gratuity (refer Note C8)	299.24	32.57
Prepaid expenses	380.58	329.87
	2,709.46	1,641.32

B12 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 on March 31, 2023		As on March 31, 2022	
	Number of shares	Amount in ₹ Million	Number of shares	Amount in ₹ 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**

B. Notes
Forming Part of the Financial Statements

B12 SHARE CAPITAL (Contd..)

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

Name of the Shareholder	As on March 31, 2023		As on 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.	-	0.00%	39,041,880	6.15%
Apollo Finance Limited	76,570,752	12.06%	37,528,872	5.91%

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

S. No.	Promoters	March 31, 2023			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	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%**

B. Notes

Forming Part of the Financial Statements

(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.

B12 (a) 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 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 forefeiture of shares	0.07	0.07
Retained earnings	47,472.79	43,699.81
Effective portion of cash flow hedge	42.47	1.16
Revaluation surplus	31.22	31.22
Total other equity	**98,363.93**	**94,549.64**

Refer Note C3 for description of nature and purpose of each reserve

NON - CURRENT LIABILITIES

B13 BORROWINGS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Measured 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 loan	11,905.30	13,376.14
(iii) Deferred payment liabilities		
Deferred payment credit	20.34	25.96
Total borrowings	**31,748.13**	**35,310.10**

* For details regarding repayment terms, interest rate and nature of security on non current borrowings (Note B13 (a))

B. Notes
Forming Part of the Financial Statements

B13 (a) Borrowings

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			
Non-convertible debentures							
1,150 - 8.65 % Non-convertible debentures of ₹ 1 Million each	1,150.00	-	1,150.00	-	8.65%	Bullet payment on April 30, 2026	Refer note below
1,050 - 8.65 % Non-convertible debentures of ₹ 1 Million each	1,050.00	-	1,050.00	-	8.65%	Bullet payment on April 30, 2025	Refer note below
1,050 - 8.65 % Non-convertible debentures of ₹ 1 Million each	1,050.00	-	1,050.00	-	8.65%	Bullet payment on April 30, 2024	Refer note below
1,500 - 7.80 % Non-convertible debentures of ₹ 1 Million each	1,499.18	-	1,499.14	-	7.80%	Bullet payment on April 30, 2024	Refer note below
900 - 7.50 % Non-convertible debentures of ₹ 1 Million each	-	900.00	900.00	-	7.50%	Bullet payment on October 20, 2023	Refer note below
1,500 - 7.80 % Non-convertible debentures of ₹ 1 Million each	-	1,499.89	1,499.14	-	7.80%	Bullet payment on April 28, 2023	Refer note below
1,050 - 7.50 % Non-convertible debentures of ₹ 1 Million each	-	-	-	1,050.00	7.50%	Bullet payment on October 21, 2022	Refer note below
1,500 - 7.80 % Non-convertible debentures of ₹ 1 Million each	-	-	-	1,499.14	7.80%	Bullet payment on April 29, 2022	Refer note 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 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 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 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 below
Total	**17,226.44**	**4,898.00**	**17,122.07**	**2,549.14**			

B. Notes

Forming Part of the Financial Statements

B13 (a) Borrowings (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 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 below
ECB III	683.16	684.79	1,259.63	631.65	0-1% above USD-LIBOR	3 Equal annual instalments starting from FY 2022-23	Refer note 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 below
Total	**2,596.05**	**2,602.20**	**4,785.93**	**2,400.20**			

Foreign currency non-resident (FCNR) term loan

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 below
FCNR II	-	-	-	94.13	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from January 15, 2020	Refer note below
FCNR III	-	-	-	291.98	0-1% above USD-LIBOR	Repayment in 6 equal semi-annual instalments starting from September 30, 2020	Refer note below
Total	**-**	**-**	**-**	**479.69**			

B. Notes

Forming Part of the Financial Statements

B13 (a) Borrowings (Contd..)

Rupee term loans

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 below
Rupee Term Loan II	-	-	-	200.00	0-2% above one year T-bill	Bullet payment on March 27, 2023	Refer note below
Rupee Term Loan III	-	249.63	250.00	-	0-2% above one year T-bill	Bullet payment on December 29, 2023	Refer note 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 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 below
Total	**11,905.30**	**1,490.88**	**13,376.14**	**1,114.38**			

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 : 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.

B. Notes

Forming Part of the Financial Statements

NON - CURRENT LIABILITIES

B 14 PROVISIONS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for constructive liability (refer note C5)	165.41	181.31
Provision for sales related obligations (refer note C5)	327.55	309.13
	492.96	490.44

B 15 OTHER NON CURRENT LIABILITIES

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred revenue arising from government grant (refer note C7(b))	2,404.57	3,764.69
Security deposits - others	205.13	192.68
	2,609.70	3,957.37

CURRENT LIABILITIES

B 16 BORROWINGS

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured **		
From banks - cash credit *	9.76	4.18
Unsecured		
From others - Commercial paper	-	2,000.00
Current maturities of non current borrowings		
Secured #		
(a) Debentures	4,898.00	2,549.14
(b) Term loans:		
Foreign currency non-resident term loan	-	479.69
External commercial borrowings (ECB)	2,602.20	2,400.20
Rupee Term Loans	1,490.88	1,114.38
(c) Deferred payment liabilities		
Deferred payment credit I	5.62	5.20
	9,006.46	8,552.79

* 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.)

** Secured by a first charge on raw materials, work-in-progress, stocks, stores and book debts.

For details regarding repayment terms, interest rate and nature of security on current maturities of non current borrowings (Note B13 (a)).

B. Notes
Forming Part of the Financial Statements

B 17 TRADE PAYABLES (refer note C23) *

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
(Measured at amortised cost)		
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	18,055.99	18,562.46
Employee related payables	1,468.21	1,686.19
Payable to related parties (refer note C17)	4,460.60	7,256.85
	23,984.80	27,505.50

* 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).

B 18 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	1,452.05	1,402.20
Unclaimed dividends #	102.20	100.19
Accounts payable - capital	1,555.37	2,248.36
Payable to micro enterprises and small enterprises - capital (refer note C15)	57.68	121.08
Interest payable to micro, small and medium Enterprises (refer note C15)	10.58	10.58
Payable to related parties (refer note C17)	183.91	147.78
Security deposits	619.53	568.75
Derivative liabilities measured at fair value (refer note C9)	25.18	36.05
	4,006.50	4,634.99

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.

CURRENT LIABILITIES

B 19 OTHER CURRENT LIABILITIES

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred revenue arising from government grant (refer note C7(b))	1,469.00	2,235.65
Statutory dues payable	2,655.77	1,899.73
Advances received from / credit balance of customers (refer note C24)	10,694.51	10,618.24
	14,819.28	14,753.62

B 20 PROVISIONS (refer note C5)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for constructive liability	75.54	49.68
Provision for compensated absences	263.32	259.19
Provision for superannuation	38.91	40.16

B. Notes
Forming Part of the Financial Statements

B 20 PROVISIONS (refer note C5) (Contd..)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for contingencies	425.00	425.00
Provision for sales related obligations	1,269.58	1,173.73
	2,072.35	1,947.76

B 21 CURRENT TAX LIABILITIES (NET) (refer note C6)

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax liabilities (net)	208.24	443.87

B 22 OTHER OPERATING INCOME

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Investment promotion subsidy (refer note C7 (a))	1,106.04	1,211.52
Unwinding of deferred income (refer note C7 (b))	2,266.57	1,540.68
Scrap sales	580.83	517.97
Others	157.66	156.00
	4,111.10	3,426.17

B 23 OTHER INCOME

₹ Million

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
(a) Interest income				
- Bank deposits	6.73		206.10	
- Others *	216.00	222.73	190.50	396.60
(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)	37.02		81.39	
Gain on foreign currency transactions and translations (net)	371.87		660.57	
Miscellaneous income	64.45	473.34	106.25	848.21
		751.26		1,268.96

* This includes interest recognised on Government grant (refer note C7 (a))

EXPENSES

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
B 24A Cost of materials consumed *	106,937.72	94,937.71
B 24B Purchase of stock-in-trade:		
Purchase of finished goods - tyres, tubes and flaps	9,628.17	8,465.86

B. Notes

Forming Part of the Financial Statements

EXPENSES (Contd..)

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
B 24C Employee benefits expense: *		
Salaries and wages	8,323.60	8,389.02
Contribution to provident and other funds (refer note C8)	630.34	617.65
Staff welfare expenses	1,305.21	1,233.51
	10,259.15	**10,240.18**
B 24D Other expenses: *		
Consumption of stores and spare parts	1,326.27	1,098.66
Power and fuel	5,525.74	4,987.03
Conversion charges	900.44	995.56
Repairs and maintenance		
- Machinery	384.66	270.59
- Buildings	53.00	42.65
- Others	1,967.59	1,832.20
Rent (refer note C4)	19.14	25.91
Insurance	380.76	325.00
Rates and taxes	98.00	73.48
Sitting fees to non-executive directors (refer note C17)	4.29	4.13
Commission to non-executive directors (refer note C17)	50.00	38.00
Travelling, conveyance and vehicle expenses	1,197.89	844.47
Postage, telephone and stationery	91.53	81.55
Conference	46.32	7.70
Royalty (refer note C17)	127.62	110.68
Freight and forwarding	5,492.17	5,158.52
Commission on sales	152.46	131.46
Advertisement and sales promotion	2,717.36	2,449.53
Corporate social responsibility (refer note C16)	132.25	187.17
Bank charges	19.44	37.94
Statutory auditors' remuneration (refer note C10)	11.85	12.59
Legal and professional	1,422.24	1,145.80
Miscellaneous	2,499.40	2,166.19
	24,620.42	**22,026.81**
	151,445.46	**135,670.56**

* Includes expense towards research and development (refer note C11).

B 25 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
OPENING STOCK		
Work in progress	1,706.10	1,663.64
Finished goods	10,645.68	7,637.86
Stock-in-trade	1,451.71	1,017.54
	13,803.49	**10,319.04**

B. Notes

Forming Part of the Financial Statements

B 25 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS (Contd..)

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Less:		
CLOSING STOCK		
Work in progress	1,426.58	1,706.10
Finished goods	10,869.30	10,645.68
Stock-in-trade	1,052.07	1,451.71
	13,347.95	**13,803.49**
	455.54	**(3,484.45)**

B 26 FINANCE COSTS

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on fixed-term loans	1,196.09	1,129.11
Interest on debentures	1,577.42	1,334.98
Interest on current loans	98.99	75.62
Interest on income taxes	260.00	38.48
Interest on lease liabilities (refer note C4)	414.32	455.53
Interest - others	1,078.57	691.16
Other borrowing costs	46.89	96.68
	4,672.28	**3,821.56**

C. Notes

Forming Part of the Financial Statements

1 Borrowings

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

The amount of write-down of inventories to net realizable value recognized as an expense was ₹ **292.26 Million** (₹ 187.52 Million).

3 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 purposes. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

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

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

iv. Debenture redemption reserve

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

v. Capital subsidy

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

vi. Capital redemption reserve

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

vii. Capital reserve on forfeiture of shares

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

viii. Retained earnings

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

ix. Cash Flow Hedge

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

x. 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.

4 Leases

i Nature of leasing activities

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

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

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

C. Notes
Forming Part of the Financial Statements

4 Leases (Contd..)

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

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Non current	4,006.33	4,666.99
Current	931.02	849.36
Total	**4,937.35**	**5,516.35**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Short term leases	19.14	25.91
Total	**19.14**	**25.91**

vi Changes in the carrying value of right-of-use assets by class of assets is as follows:

₹ Million

Particulars	Land & Building *	Plant and equipment	Total
Gross carrying value			
As at April 01, 2022	**7,704.97**	**283.32**	**7,988.29**
Additions	410.97	96.35	507.32
Disposals	168.20	-	168.20
As at March 31, 2023	**7,947.74**	**379.67**	**8,327.41**
Accumulated depreciation			
As at April 01, 2022	**2,431.65**	**165.02**	**2,596.67**
Depreciation expense	1,011.89	84.62	1,096.51
Eliminated on disposal	30.88	-	30.88
As at March 31, 2023	**3,412.66**	**249.64**	**3,662.30**
Net carrying value			
As at March 31, 2023	**4,535.08**	**130.03**	**4,665.11**

₹ Million

Particulars	Land & Building *	Plant and equipment	Total
Gross carrying value			
As at April 01, 2021	**7,022.99**	**155.42**	**7,178.41**
Additions	1,008.07	127.90	1,135.97
Disposals	326.09	-	326.09
As at March 31, 2022	**7,704.97**	**283.32**	**7,988.29**
Accumulated depreciation			
As at April 01, 2021	**1,675.37**	**89.01**	**1,764.38**
Depreciation expense	1,016.26	76.01	1,092.27
Eliminated on disposal	259.98	-	259.98
As at March 31, 2022	**2,431.65**	**165.02**	**2,596.67**
Net carrying value			
As at March 31, 2022	**5,273.32**	**118.30**	**5,391.62**

* Includes balance with related parties (refer note C17).

C. Notes

Forming Part of the Financial Statements

4 Leases (Contd..)

vii The following are the amounts recognised in 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	1,096.51	1,092.27
Interest expense on lease liabilities	414.32	455.53
Interest income on fair value of security deposit	(34.41)	(29.00)
Expense relating to short-term leases (included in other expenses)	19.14	25.91
Total	**1,495.56**	**1,544.71**

viii Total Cash outflow pertaining to leases during the year ended March 31, 2023 is ₹ **1,363.31** Million **(₹ 1,340.64 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

₹ Million

Particulars	Non current		Current				
	Provision for sales related obligation *	Provision for constructive liability**	Provision for compensated absences	Provision for sales related obligation *	Provision for constructive liability**	Provision for contingencies	Provision for superannuation
As at March 31, 2021	**313.63**	**181.12**	**233.32**	**1,098.28**	**53.93**	**425.00**	**31.37**
Addition during the year	-	0.19	259.19	1,173.73	49.68	-	152.71
Utilisation/ reversal during the year	4.50	-	233.32	1,098.28	53.93	-	143.92
As at March 31, 2022	**309.13**	**181.31**	**259.19**	**1,173.73**	**49.68**	**425.00**	**40.16**
Addition during the year	18.42	-	263.32	1,269.58	75.54	-	132.40
Utilisation/ reversal during the year	-	15.90	259.19	1,173.73	49.68	-	133.65
As at March 31, 2023	**327.55**	**165.41**	**263.32**	**1,269.58**	**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 at its Kalamassery plant taken on lease by the company.

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	**8,117.67**		**3,503.52**	
Income tax using the Company's domestic tax rate	2,836.64	34.94%	1,224.27	34.94%
Tax effect of :				
Non deductible expenses	144.36	1.78%	85.99	2.45%
Others	(650.71)	(8.02%)	(417.38)	(11.91%)
Income tax expenses recognised in the statement of profit and loss	**2,330.29**	**28.71%**	**892.88**	**25.49%**

C. Notes

Forming Part of the Financial Statements

6 Income taxes (Contd..)

ii. Components of deferred tax liability (net)

₹ Million

Particulars	As on March 31, 2023				As on March 31, 2022			
	Opening Balance	Recognised in statement of Profit and Loss	Recognised in other comprehensive income	Closing Balance	Opening Balance	Recognised in statement of Profit and Loss	Recognised in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities								
Employee benefits	-	-	-	-	-	-	-	-
Depreciation and amortisation	14,462.79	1,383.35	-	15,846.14	12,528.59	1,934.20	-	14,462.79
Others	-	-	-	-	-	-	-	-
Gross deferred tax liabilities (a)	**14,462.79**	**1,383.35**	**-**	**15,846.14**	**12,528.59**	**1,934.20**	**-**	**14,462.79**
Tax effect of items constituting deferred tax assets								
Employee benefits	-	-	-	-	-	-	-	-
Provision for doubtful debts / advances	-	-	-	-	-	-	-	-
Minimum alternate tax (MAT) entitlement	5,696.14	1,477.17	-	7,173.31	5,084.54	611.60	-	5,696.14
Carry forward of losses	1,102.27	(844.35)	-	257.92	15.97	1,086.30	-	1,102.27
Others	611.04	(102.61)	(48.88)	459.54	694.34	(44.99)	(38.31)	611.04
Gross deferred tax assets (b)	**7,409.45**	**530.21**	**(48.88)**	**7,890.77**	**5,794.85**	**1,652.91**	**(38.31)**	**7,409.45**
Net deferred tax liability (a - b)	**7,053.34**	**853.14**	**48.88**	**7,955.37**	**6,733.74**	**281.29**	**38.31**	**7,053.34**

iii. The Company 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.

7 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

C. Notes

Forming Part of the Financial Statements

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.

8 Employee benefit liability

A. Defined contribution plans

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

B. Defined benefit plans

Gratuity

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

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the respective plan:

Statement of profit and loss:

₹ Million

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 statement of profit and loss	**129.46**	**131.82**

^ Included in employee benefit expense

* Included in finance cost

C. Notes
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8 Employee benefit liability (Contd..)

Other comprehensive income (experience adjustment)

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial loss/(gain) 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**

Balance sheet:

Net asset/(liability) recognised in the 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 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 loss/(gain) on obligation	(80.31)	84.57
Present value of obligations 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 at 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 Life Insurance Corporation and therefore the composition of the fund assets is not presently ascertained.

Maturity Profile of Defined Benefit Obligation

₹ Million

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

C. Notes

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8 Employee benefit liability (Contd..)

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)

C. Other long term employee benefits

Long term compensated absences

Principal assumptions for long term compensated absences

₹ 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	58.00
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.

C. Notes
Forming Part of the Financial Statements

9 Financial instrument

A. Capital risk management

The capital structure of the Company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Company which comprises issued share capital (including premium) and accumulated reserves disclosed in the Statement of Changes in Equity.

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is debt divided by total equity. The Company's policy is to keep an optimum gearing ratio. The Company includes within debt, interest bearing loans and borrowings.

₹ Million

Particulars	As at March 31, 2023	As at March 31, 2022
Non current borrowings (refer note B13)	31,748.13	35,310.10
Current borrowings * (refer note B16)	9,006.46	8,552.79
Sub total (a)	**40,754.59**	**43,862.89**
Equity (refer note B12)	635.10	635.10
Other equity (refer note B12(a))	98,363.93	94,549.64
Sub total (b)	**98,999.03**	**95,184.74**
Capital gearing ratio ((a) / (b))	**0.41**	**0.46**

* Includes current maturities of long term borrowings.

B. Financial risk management

a. Market risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and changes in interest rates. The Company enters into a variety of derivate financial instrument to manage its exposure to foreign currency and interest rates. There have been no changes to the Company's exposure to market risk or the manner in which it manages and measures the risk in recent past.

i) Currency risk

The Company's exposure arises mainly on import of raw material and capital items and export of finished goods. The Company follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Company, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters.

Currency wise net exposure of the Company

₹ Million

Currency	As at March 31, 2023	Sensitivity + 5%	Sensitivity -5%	As at March 31, 2022	Sensitivity + 5%	Sensitivity -5%
USD	(1,473.18)	(73.66)	73.66	(2,276.80)	(113.84)	113.84
Euro	90.09	4.50	(4.50)	1,336.04	66.80	(66.80)
GBP	(77.41)	(3.87)	3.87	(169.12)	(8.46)	8.46
Others	649.67	32.48	(32.48)	501.76	25.09	(25.09)

C. Notes

Forming Part of the Financial Statements

9 Financial instrument (Contd..)

ii) Interest rate risk

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

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

b) Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company had adopted a policy of only dealing with creditworthy customers.

In many cases an appropriate advance or letter of credit / bank guarantee is taken from the customers to cover the risk. In other cases credit limit is granted to customer after assessing the credit worthiness based on the information supplied by credit rating agencies, publicly available financial information or its own past trading records and trends.

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

c) Liquidity risk

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

The Company had established an appropriate liquidity risk management framework for it's short term, medium term and long term funding requirement.

d) Commodity risk

The Company 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 Company's financial assets and financial liabilities

i. Non derivative financial assets

₹ Million

Particulars	As on March 31, 2023			As on 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	25,745.11	1,913.88	25,427.25	24,809.98	1,603.44	25,317.11
Fixed interest rate instruments	1,354.91	-	-	2,426.07	-	-

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	26,820.35	-	-	31,039.87	-	-
Lease liability	931.02	2,637.23	1,369.10	849.36	2,702.46	1,964.53
Variable interest rate instruments	5,545.14	10,556.81	3,944.06	5,396.47	10,919.68	7,242.39
Fixed interest rate instruments	4,913.58	12,259.73	4,986.84	4,558.52	12,162.45	4,985.58

C. Notes

Forming Part of the Financial Statements

9 Financial instrument (Contd..)

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	(25.18)	-	-	(36.05)	-	-
Foreign currency forward contracts, futures and options measured at FVTPL	-	-	-	87.29	-	-
Gross settled:						
Cross currency interest rate swaps measured at FVTOCI	272.91	892.35	-	-	1,054.60	-
Total	**247.73**	**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 had 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 Company 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.

d) The below tables summarise the fair value of the financial assets / 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	-	87.29	2
- Cross currency interest rate swaps measured at FVTOCI	1,165.26	1,054.60	2
Total	**1,165.26**	**1,141.89**	
Derivative financial liabilities (b)			
- Foreign currency forward contracts measured at FVTPL	25.18	36.05	2
Total	**25.18**	**36.05**	
Net derivative financial assets (a - b)	**1,140.08**	**1,105.84**	

C. Notes
Forming Part of the Financial Statements

9 Financial instrument (Contd..)

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	75.48	73.30	3
– Current investments - quoted	4,016.94	4,506.06	1
Total	**4,094.48**	**4,581.72**	

iii. Fair value of financial assets / liabilities (other than investment in subsidiaries) that are not measured at fair value

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

* Level 1 - Quoted (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.

e) 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					
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 swaps					
USD / INR	US Dollar	63.33	82.18	5,204.14	Buy
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 swaps					
USD / INR	US Dollar	104.50	75.80	7,920.58	Buy

For fair value of outstanding contracts, refer note C9 (d)(i).

C. Notes
Forming Part of the Financial Statements

9 Financial instrument (Contd..)

f) Impact of hedging activities

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

Type of hedge and risks	Notional amount (Million)	Carrying amount of hedging instruments (₹ Million)		Maturity dates	Hedge ratio	Strike price range	Change in fair value of hedging instruments (₹ Million)	Change in value of hedged item used as the basis for recognising hedge effectiveness (₹ Million)
		Assets	Liabilities					
As 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								
USD/INR	USD 8.45	-	(0.99)	Apr-22	1:1	76.105 to 76.105	(0.99)	0.99

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

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9 Financial instrument (Contd..)

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

₹ Million

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
For the year ended March 31, 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 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 Profit and loss	(445.25)
Less: Deferred tax relating to above (net)	(22.19)
Balance as at March 31, 2023	**42.47**

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10 Statutory auditors' remuneration

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
For audits and quarterly reviews	11.00	10.50
For reimbursement of expenses	0.42	0.34
For other services	0.43	1.75
Total	**11.85**	**12.59**

11 Research and development expenditure

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue expenditure	1,404.11	1,443.74
Capital expenditure	541.76	35.90
Total	**1,945.87**	**1,479.64**

The company carries out research and development activities to bring cutting edge technology and innovation in relation to tyre manufacturing.

12 Contingent liabilities

a

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales tax	65.23	60.77
Income tax	1,771.63	1,670.51
Claims against the Company not acknowledged as debts – employee related	116.51	160.29
– 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.

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13 Capital and other commitments

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	747.46	3,963.51
B Other commitments		
Corporate guarantee given* (refer note C24)	1,471.39	1,849.54

*The company had provided corporate guarantee on behalf of its wholly owned subsidiary Apollo Tyres Cooperatief U.A.

14 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 that aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

15 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	694.40	904.49
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	10.58	10.58
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	10.58	10.58
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	10.58	10.58

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This had been relied upon by the auditors.

16 Expenditure towards corporate social responsibility (CSR) activities -

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a CSR committee. The details for CSR activities are as follows:

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Gross amount required to be spent by the Company during the year	132.25	163.89
ii) Amount spent during the year on the following:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	132.25	163.89
iii) Amount unspent during the year and deposited in a scheduled bank	-	-
iv) Amount spent during the year pertaining to previous year	-	23.28
v) Shortfall at the end of the year	-	-
vi) Reason of Shortfall	NA	NA

C. Notes

Forming Part of the Financial Statements

16 Expenditure towards corporate social responsibility (CSR) activities -

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard"	-	-
Total	132.25	187.17

Nature of CSR activities: Healthcare, Solid Waste Management & Sanitation, Livelihood for Rural Women, Biodiversity Conservation

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures

Name of the Related Parties

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Subsidiaries	Apollo Tyres Cooperatief U.A.,(AT Coop), Netherlands	Apollo Tyres Cooperatief U.A.,(AT Coop), Netherlands
	Apollo Tyres (Greenfield) B.V., Netherlands	Apollo Tyres (Greenfield) B.V., Netherlands
	Apollo (South Africa) Holdings (Pty) Ltd. (ASHPL) (Subsidiary through AT Coop)	Apollo (South Africa) Holdings (Pty) Ltd. (ASHPL) (Subsidiary through AT Coop)
	Apollo Tyres Africa (Pty) Ltd. (Subsidiary through ASHPL)	Apollo Tyres Africa (Pty) Ltd. (Subsidiary through ASHPL)
	Apollo Tyres (Thailand) Limited, Thailand (Subsidiary through AT Coop)	Apollo Tyres (Thailand) Limited, Thailand (Subsidiary through AT Coop)
	Apollo Tyres (Middle East) FZE (ATFZE), Dubai (Subsidiary through AT Coop)	Apollo Tyres (Middle East) FZE (ATFZE), Dubai (Subsidiary through AT Coop)
	Apollo Tyres Holdings (Singapore) Pte. Ltd., (ATHS), Singapore (Subsidiary through AT Coop)	Apollo Tyres Holdings (Singapore) Pte. Ltd., (ATHS), Singapore (Subsidiary through AT Coop)
	Apollo Tyres (Malaysia) SDN. BHD (Subsidiary through ATHS) (note a)	Apollo Tyres (Malaysia) SDN. BHD (Subsidiary through ATHS) (note a)
	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK) (Subsidiary through AT Coop)	Apollo Tyres (UK) Holdings Ltd (Formerly Apollo Tyres (UK) Pvt Ltd) (ATUK) (Subsidiary through AT Coop)
	Apollo Tyres (London) Pvt. Ltd. (Subsidiary through ATUK)	Apollo Tyres (London) Pvt. Ltd. (Subsidiary through ATUK)
	Apollo Tyres Global R&D B.V. (Subsidiary through AT Coop)	Apollo Tyres Global R&D B.V. (Subsidiary through AT Coop)
	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH) (Subsidiary through AT Coop)	Apollo Tyres (R&D) GmbH (Formerly Apollo Tyres (Germany) GmbH) (Subsidiary through AT Coop)
	Apollo Tyres AG, Switzerland (AT AG) (Subsidiary through AT Coop)	Apollo Tyres AG, Switzerland (AT AG) (Subsidiary through AT Coop)
	Apollo Tyres do (Brasil) LTDA (Subsidiary through ATCoop and ATEU)	Apollo Tyres do (Brasil) LTDA (Subsidiary through ATCoop and ATEU)
	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU), Netherlands (Subsidiary through ATEU)	Apollo Tyres (Europe) B.V. (Formerly Apollo Tyres B.V.) (ATEU), Netherlands (Subsidiary through ATEU)
	Apollo Tyres (Hungary) Kft (Subsidiary through ATEU)	Apollo Tyres (Hungary) Kft (Subsidiary through ATEU)
	Reifencom GmbH, Hannover (Subsidiary through AT Coop)	Reifencom GmbH, Hannover (Subsidiary through AT Coop)

C. Notes

Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Reifencom Tyre (Qingdao) Co., Ltd. (Subsidiary through Reifencom GmbH, Hannover)	Reifencom Tyre (Qingdao) Co., Ltd. (Subsidiary through Reifencom GmbH, Hannover)
	Saturn F1 Pvt Ltd (Subsidiary through AT Coop)	Saturn F1 Pvt Ltd (Subsidiary through AT Coop)
	ATL Singapore Pte Limited (note b)	ATL Singapore Pte Limited (note a)
	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.) (Subsidiary through AT Coop)	Apollo Tires (US) Inc. (Formerly Apollo Vredestein Tires Inc.) (Subsidiary through AT Coop)
	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL) (Subsidiary through ATEU)	Apollo Tyres (NL) B.V. (Formerly Apollo Vredestein B.V.) (ATNL) (Subsidiary through ATEU)
	Apollo Tyres Centre of Excellence Limited	Apollo Tyres Centre of Excellence Limited
	Subsidiaries of Apollo Tyres (NL) B.V.:	Subsidiaries of Apollo Vredestein B.V (AVBV):
	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)	Apollo Tyres (Germany) GmbH (Formerly Apollo Vredestein GmbH) (AT GmbH)
	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)	Apollo Tyres (Nordic) A.B. (Formerly Apollo Vredestein Nordic A.B.)
	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)	Apollo Tyres (UK) Sales Ltd (Formerly Apollo Vredestein (UK) Limited)
	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)	Apollo Tyres (France) SAS (Formerly Apollo Vredestein France SAS)
	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)	Apollo Tyres (Belux) SA (Formerly Apollo Vredestein Belux)
	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)	Apollo Tyres (Austria) Gesellschaft m.b.H. (Formerly Apollo Vredestein Gesellschaft m.b.H.)
	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)	Apollo Tyres (Schweiz) AG (Formerly Apollo Vredestein Schweiz AG)
	Apollo Tyres Iberica S.A. (Formerly Apollo Vredestein Iberica SAU)	Apollo Tyres Iberica S.A. (Formerly Apollo Vredestein Iberica SAU)
	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)	Apollo Tyres (Hungary) Sales Kft (Formerly Apollo Vredestein Kft) (AT Kft)
	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)	Apollo Tyres (Polska) Sp. Z.o.o. (Formerly Apollo Vredestein Opony Polska Sp. Z.o.o.)
	Vredestein Consulting B.V.,Netherlands	Vredestein Consulting B.V.,Netherlands
	Finlo B.V. Netherlands	Finlo B.V. Netherlands
Associate	KT Telematic Solutions Private Limited	KT Telematic Solutions Private Limited
Joint venture	PanAridus LLC, USA (JV through ATHS) (note(c))	PanAridus LLC, USA (JV through ATHS) (note(c))
Companies in which directors are interested	Apollo International Limited	Apollo International Limited
	Apollo International FZC	Apollo International FZC
	SunLife Tradelinks (P) Ltd.	SunLife Tradelinks (P) Ltd.
	Nutriburst India Pvt. Ltd.	Nutriburst India Pvt. Ltd.
	Classic Industries and Exports Limited	Classic Industries and Exports Limited
	PTL Enterprises Ltd.	PTL Enterprises Ltd.
	Artemis Medicare Services Ltd.	Artemis Medicare Services Ltd.
	Shardul Amarchand Mangaldas & Co.	Shardul Amarchand Mangaldas & Co.
	Regent Properties	Regent Properties

C. Notes
Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
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
	Mr. Francesco Cripino	Ms. Anjali Bansal
	Mr. Vishal Kashyap Mahadevia	Mr. Francesco Cripino
	Ms. Lakshmi Puri	Mr. Vishal Kashyap Mahadevia
	Dr. Jaimini Bhagwati *	Ms. Lakshmi Puri

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

(a) In the process of liquidation.

(b) Liquidated during the year

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

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

* Appointed during the year

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Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

Transactions and balances with Related Parties:

FY 2022-23

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Description of transactions:					
Sales: Finished goods					
Apollo Tyres Global R&D B.V.	1.59				1.59
Apollo Tyres (NL) B.V.	4,533.59				4,533.59
Apollo Tyres (Middle East) FZE	5,295.71				5,295.71
Apollo Tyres (Thailand) Limited	2,281.34				2,281.34
Apollo Tyres Africa (Pty) Ltd	1,383.29				1,383.29
Apollo Tyres (Malaysia) SDN BHD	-				-
Apollo Tyres (Hungary) Kft.	152.23				152.23
Apollo Tires (US) INC.	3,554.31				3,554.31
Apollo International FZC		55.44			55.44
Apollo International Trading LLC, Middle East		-			-
Apollo International Limited		211.31			211.31
	17,202.06	266.75	-	-	17,468.81
Sales: Raw materials					
Classic Industries and Exports Ltd.		859.15			859.15
Investments made:					
Apollo Tyres Centre of Excellence Limited	65.13				65.13
Royalty income:					
Apollo Tyres Middle East Fze.	19.82				19.82
Apollo Tyres Thailand Ltd.	15.37				15.37
Apollo Tyres Africa (Pty) Ltd	50.09				50.09
	85.28	-	-	-	85.28
Cross charge of management and other expenses received :					
Apollo Tyres (NL) B.V.	133.91				133.91
Apollo Tyres (Middle East) FZE	1.65				1.65
Apollo Tyres Global R&D B.V.	3.01				3.01
Apollo Tyres (UK) Holdings Ltd.	0.67				0.67
Apollo Tyres (Thailand) Limited	2.12				2.12
Apollo Tyres Africa (Pty) Ltd	1.94				1.94
Apollo Tyres (Hungary) Kft.	127.51				127.51
Apollo Tyres Holdings (Singapore) Pte Ltd	66.93				66.93
Apollo Tyres (Malaysia) SDN BHD	-				-
Apollo Tires (US) INC.	98.99				98.99
Apollo Tyres Centre of Excellence Limited	2.12				2.12
Artemis Medicare Services Ltd.		0.60			0.60
PTL Enterprises Ltd.		0.85			0.85
Classic Industries and Exports Limited		1.69			1.69
	438.85	3.14	-	-	441.99

C. Notes
Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Cross charges for business support services paid:					
Apollo Tyres Centre Of Excellence Limited					-
Cross charges for facility mgt. & support services received:					
Apollo Tyres Centre Of Excellence Limited					-
Rent received:					
Classic Industries and Exports Limited		1.06			1.06
PTL Enterprises Ltd.		0.39			0.39
	-	1.45	-	-	1.45
Reimbursement of expenses received:					
Apollo Tyres (NL) B.V.	219.20				219.20
Apollo Tyres (Middle East) FZE	4.31				4.31
Apollo Tyres Global R&D B.V.	14.81				14.81
Apollo Tyres (Thailand) Limited	6.69				6.69
Apollo Tyres (UK) Holdings Ltd.	31.33				31.33
Apollo Tyres Africa (Pty) Ltd	2.66				2.66
Apollo Tyres (Hungary) Kft.	108.77				108.77
Apollo Tyres Holdings (Singapore) Pte Ltd	104.78				104.78
Apollo Tyres AG	94.83				94.83
Saturn F1 Pvt Ltd	2.52				2.52
Apollo Tires (US) INC.	9.06				9.06
Classic Industries and Exports Limited		13.59			13.59
	598.96	13.59	-	-	612.55
Freight and insurance recovered:					
Apollo Tyres (Middle East) FZE	502.26				502.26
Apollo Tyres (Thailand) Limited	45.49				45.49
Apollo Tyres Africa (Pty) Ltd	139.73				139.73
Apollo Tyres (NL) B.V.	754.23				754.23
Apollo Tyres Global R&D B.V.	2.67				2.67
Apollo Tyres (Hungary) Kft.	23.62				23.62
Apollo Tires (US) INC.	1,236.14				1,236.14
	2,704.14	-	-	-	2,704.14
Royalty expense:					
Apollo Tyres AG, Switzerland	127.62				127.62
Purchase of raw material					
Apollo Tyres Holdings (Singapore) Pte Ltd.	35,054.75				35,054.75
Purchase of stock in trade:					
Apollo Tyres (NL) B.V.	166.87				166.87
Classic Industries and Exports Limited		4,410.12			4,410.12
	166.87	4,410.12	-	-	4,576.99

C. Notes

Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Purchase of asset:					
Apollo Tyres (NL) B.V.	2.02				2.02
Apollo Tyres (Hungary) Kft.	4.11				4.11
Classic Industries and Exports Limited		625.04			625.04
Palazzo Design Limited		2.68			2.68
	6.13	627.72	-	-	633.85
Legal and professional charges paid:					
Shardul Amarchand Mangaldas & Co		6.96			6.96
Purchase of license:					
Artemis Medicare Services Ltd.		45.50			45.50
Reimbursement of expenses paid:					
Apollo Tyres (NL) B.V.	39.51				39.51
Apollo Tyres (Thailand) Limited	34.35				34.35
Apollo Tyres (Middle East) FZE	6.72				6.72
Apollo Tyres (UK) Holdings Ltd.	11.15				11.15
Apollo Tyres Global R&D B.V.	91.19				91.19
Apollo Tyres Africa (Pty) Ltd	0.90				0.90
Apollo Tires (US) INC.	5.94				5.94
PTL Enterprises Ltd.		639.56			639.56
Classic Industries and Exports Limited		10.00			10.00
	189.76	649.56	-	-	839.32
Payment for services received:					
Artemis Medicare Services Ltd.		24.40			24.40
KT Telematic Solutions Private Limited			0.51		0.51
Classic Industries and Exports Ltd.		24.39			24.39
	-	48.79	0.51	-	49.30
Cross charge of R & D expenses paid:					
Apollo Tyres Global R & D B.V.	475.19				475.19
Cross charge of other expenses paid:					
Apollo Tyres (UK) Holdings Ltd.	774.64				774.64
Saturn F1 Pvt Ltd	158.94				
Apollo Tyres Centre of Excellence Limited	119.94				
Apollo Tyres Holdings (Singapore) Pte Ltd	273.41				273.41
	1,326.93	-	-	-	1,048.05
Lease rent paid:					
PTL Enterprises Ltd.		611.20			611.20
Rent paid:					
Sunlife Tradelinks (P) Ltd.		36.00			36.00
Regent Properties		21.34			21.34
Classic Industries and Exports Ltd.		0.12			0.12
	-	57.46	-	-	57.46
Mixing charges paid:					
Classic Industries and Exports Ltd.		109.67			109.67
Sale of assets:					
Apollo Tyres (Hungary) Kft.					-

C. Notes

Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Purchase of supplements for employees:					
Nutriburst India Pvt. Ltd.		56.94			56.94
Commission on sales paid					
Apollo Tyres (Thailand) Limited	75.87				75.87
Apollo Tyres (Middle East) FZE	1.12				1.12
	76.99	-	-	-	76.99
Refund of security deposits given:					
Regent Properties		3.30			3.30
Guarantee commission received					
Apollo Tyres Co-Operatief U.A	2.96				2.96
Managerial remuneration:					
Mr. Onkar Kanwar				270.59	270.59
Mr. Neeraj Kanwar				284.12	284.12
Mr. Satish Sharma				99.70	99.70
	-	-	-	654.41	654.40
Sitting fees:					
Non-executive directors	-	-	-	4.29	4.29
Commission:					
Non-executive directors	-	-	-	50.00	50.00

Amount outstanding as at March 31, 2023

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Trade payable:					
Classic Industries and Exports Limited		436.23			436.23
Artemis Medicare Services Ltd.		2.40			2.40
Shardul Amarchand Mangaldas & Co.		0.90			0.90
Apollo Tyres AG	25.01				25.01
Apollo Tyres (NL) B.V.	99.26				99.26
Apollo Tyres (Middle East) FZE	12.10				12.10
Apollo Tyres (UK) Holdings Ltd.	95.19				95.19
Apollo Tyres Global R&D B.V.	112.37				112.37
Apollo Tyres (Thailand) Limited	37.46				37.46
Apollo Tyres Africa (Pty) Ltd	0.89				0.89
Apollo Tires (US) INC.	5.60				5.60
Apollo Tyres Holdings (Singapore) Pte Ltd	3,556.43				3,556.43
Saturn F1 Pvt Ltd	27.13				27.13
Apollo Tyres Centre of Excellence Limited	49.63				49.63
	4,021.07	439.53	-	-	4,460.60
Other current liabilities (financial):					
Apollo International FZC		0.37			0.37
Classic Industries and Exports Limited		128.77			128.77

C. Notes

Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Apollo Tyres (NL) B.V.	13.35				13.35
Apollo Tyres (Middle East) FZE	32.47				32.47
Apollo Tyres (Thailand) Limited	0.45				0.45
Apollo Tyres (Hungary) Kft.	3.75				3.75
Apollo Tires (US) INC.	4.75				4.75
	54.77	**129.14**	**-**	**-**	**183.91**

Amount outstanding as at March 31, 2023

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Other non current financial assets*					
PTL Enterprises Ltd.		600.00			600.00
Sunlife Tradelinks		5.86			5.86
Regent Properties		2.10			2.10
	-	**607.96**	**-**	**-**	**607.96**
Other non current assets					
Classic Industries and Exports Ltd.					-
Trade receivable:					
Apollo International Limited		18.34			18.34
Apollo Tyres (NL) B.V.	362.11				362.11
Apollo Tyres Global R&D B.V.	-				-
Apollo Tyres (Thailand) Limited	185.43				185.43
Apollo Tyres Africa (Pty) Ltd	439.14				439.14
Apollo Tyres (Hungary) Kft.	15.63				15.63
Apollo Tires (US) INC.	470.33				470.33
	1,472.64	**18.34**	**-**	**-**	**1,490.98**
Other current assets					
PTL Enterprises Ltd.		50.52			50.52
Classic Industries and Exports Limited		201.99			201.99
Apollo Tyres (NL) B.V.	300.0500				300.05
Apollo Tyres (Middle East) FZE	19.0700				19.07
Apollo Tyres (UK) Holdings Ltd.	4.24				4.24
Apollo Tyres Global R&D B.V.	6.44				6.44
Apollo Tyres (Thailand) Limited	6.25				6.25
Apollo Tyres Africa (Pty) Ltd	120.93				120.93
Apollo Tyres (Hungary) Kft.	42.68				42.68
Apollo Tires (US) INC.	25.12				25.12
Apollo Tyres Holdings (Singapore) Pte Ltd	11.35				11.35
Saturn F1 Pvt Ltd	0.48				0.48
KT Telematic Solutions Private Limited			0.01		0.01
Apollo Tyres Centre of Excellence Limited	1.72				1.72
	538.33	**252.51**	**0.01**	**-**	**790.85**

C. Notes

Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

Transactions and balances with Related Parties:

FY 2021-22

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Description of transactions:					
Sales: Finished goods					
Apollo Tyres (NL) B.V.	4,427.85	-	-	-	4,427.85
Apollo Tyres Middle East Fze.	4,969.89	-	-	-	4,969.89
Apollo Tyres Thailand Ltd.	2,183.70	-	-	-	2,183.70
Apollo Tyres Africa (Pty) Ltd	1,024.71	-	-	-	1,024.71
Apollo Tyres (Malaysia) Sdn Bhd	5.74	-	-	-	5.74
Apollo Tyres (Hungary) Kft	285.28	-	-	-	285.28
Apollo International FZC	-	380.88	-	-	380.88
Apollo Tyres Global R&D B.V	1.86	-	-	-	1.86
Apollo International Limited	-	70.18	-	-	70.18
Apollo Tires (US) INC.	1,453.90	-	-	-	1,453.90
	14,352.93	**451.06**	**-**	**-**	**14,803.99**
Sales: Raw materials					
Classic Industries and Exports Ltd.	-	735.71	-	-	735.71
Royalty income:					
Apollo Tyres Middle East Fze.	22.32	-	-	-	22.32
Apollo Tyres Thailand Ltd.	17.00	-	-	-	17.00
Apollo Tyres Africa (Pty) Ltd	44.21	-	-	-	44.21
Apollo Tyres (Malaysia) Sdn Bhd	0.13	-	-	-	0.13
	83.66	**-**	**-**	**-**	**83.66**
Cross charge of management and other expenses received :					
Apollo Tyres Middle East Fze.	1.57	-	-	-	1.57
Apollo Tyres Global R & D B.V.	1.76	-	-	-	1.76
Apollo Tyres Thailand Ltd.	1.69	-	-	-	1.69
PTL Enterprises Ltd.	-	0.85	-	-	0.85
Classic Industries and Exports Ltd.	-	1.69	-	-	1.69
Apollo Tyres Africa (Pty) Ltd	1.73	-	-	-	1.73
Artemis Medicare Services Ltd.	-	0.71	-	-	0.71
Apollo Tyres (Hungary) Kft	83.37	-	-	-	83.37
Apollo Tyres Holdings (Singapore) Pte Ltd.	65.04	-	-	-	65.04
Apollo Tyres (Malaysia) Sdn Bhd	0.58	-	-	-	0.58
Apollo Tyres (US) INC.	98.72	-	-	-	98.72
Apollo Tyres (UK) Holdings Ltd.	0.29	-	-	-	0.29
Apollo Tyres (NL) B.V.	94.22	-	-	-	94.22
	348.97	**3.25**	**-**	**-**	**352.22**

C. Notes
Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Cross charges for business support services paid:					
Apollo Tyres Centre Of Excellence Limited	9.96	-	-	-	9.96
Cross charges for facility mgt. & support services received:					
Apollo Tyres Centre Of Excellence Limited	1.41	-	-	-	1.41

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Rent received:					
PTL Enterprises Ltd.	-	0.39	-	-	0.39
Classic Industries and Exports Ltd.	-	1.06	-	-	1.06
	-	1.45	-	-	1.45
Reimbursement of expenses received:					
Apollo Tyres Middle East Fze.	3.74	-	-	-	3.74
Apollo Tyres Global R & D B.V.	15.68	-	-	-	15.68
Apollo Tyres Thailand Ltd.	4.44	-	-	-	4.44
Classic Industries and Exports Ltd.	-	11.85	-	-	11.85
Apollo Tyres Africa (Pty) Ltd	2.47	-	-	-	2.47
Apollo Tyres (Hungary) Kft	78.87	-	-	-	78.87
Apollo Tyres Holdings (Singapore) Pte Ltd.	96.48	-	-	-	96.48
Apollo Tyres AG, Switzerland	100.02	-	-	-	100.02
Apollo Tyres (Malaysia) Sdn Bhd	2.19	-	-	-	2.19
Reifencom GmbH	0.06	-	-	-	0.06
Apollo Tyres (NL) B.V.	161.66	-	-	-	161.66
Apollo Tyres (UK) Holdings Ltd.	15.35	-	-	-	15.35
Apollo Tires (US) INC.	1.37	-	-	-	1.37
	482.33	**11.85**	**-**	**-**	**494.18**
Freight and insurance recovered:					
Apollo Tyres Middle East Fze.	482.52	-	-	-	482.52
Apollo Tyres Thailand Ltd.	62.96	-	-	-	62.96
Apollo Tyres Africa (Pty) Ltd	170.26	-	-	-	170.26
Apollo Tyres (NL) B.V.	1,159.58	-	-	-	1,159.58
Apollo Tyres Global R&D B.V	4.76	-	-	-	4.76
Apollo Tyres (Hungary) Kft	49.76	-	-	-	49.76
Apollo Tyres (Malaysia) Sdn Bhd	0.11	-	-	-	0.11
Apollo Tires (US) INC.	671.29	-	-	-	671.29
Apollo International FZC	-	0.02	-	-	0.02
	2,601.24	**0.02**	**-**	**-**	**2,601.26**

C. Notes
Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Royalty expense:					
Apollo Tyres AG, Switzerland	110.68	-	-	-	110.68
Purchase of raw material					
Apollo Tyres Holdings (Singapore) Pte Ltd.	34,589.81	-	-	-	34,589.81
Purchase of stock in trade:					
Classic Industries and Exports Ltd.	-	3,836.80	-	-	3,836.80
Apollo Tyres (NL) B.V.	196.99	-	-	-	196.99
	196.99	**3,836.80**	**-**	**-**	**4,033.79**
Purchase of asset:					
Classic Industries and Exports Ltd.	-	757.19	-	-	757.19
Apollo Tyres (NL) B.V.	21.25	-	-	-	21.25
Apollo Tyres (Hungary) Kft	40.21	-	-	-	40.21
	61.46	**757.19**	**-**	**-**	**818.65**
Legal and professional charges paid:					
Shardul Amarchand Mangaldas & Co	-	3.21	-	-	3.21
Reimbursement of expenses paid:					
PTL Enterprises Ltd.	-	669.66	-	-	669.66
Classic Industries and Exports Ltd.	-	19.44	-	-	19.44
Apollo Tyres (NL) B.V.	171.44	-	-	-	171.44
Apollo Tyres Thailand Ltd.	17.89	-	-	-	17.89
Apollo Tyres Middle East Fze.	26.71	-	-	-	26.71
Apollo Tyres Global R & D B.V.	74.56	-	-	-	74.56
Apollo Tyres Holdings (Singapore) Pte Ltd.	5.13	-	-	-	5.13
Apollo Tyres (Malaysia) Sdn Bhd	0.24	-	-	-	0.24
Apollo Tyres (Hungary) Kft	0.38	-	-	-	0.38
Apollo Tyres (UK) Holdings Ltd.	1.87	-	-	-	1.87
Apollo Tyres Africa (Pty) Ltd	0.51	-	-	-	0.51
Apollo Tires (US) INC.	10.67	-	-	-	10.67
	309.40	**689.10**	**-**	**-**	**998.50**
Payment for services received:					
Artemis Medicare Services Ltd.	-	94.95	-	-	94.95
KT Telematic Solutions Private Limited	-	-	0.88	-	0.88
Classic Industries and Exports Ltd.	-	13.70	-	-	13.70
	-	108.65	0.88	-	109.53
Cross charge of R & D expenses paid:					
Apollo Tyres Global R & D B.V.	**575.95**	**-**	**-**	**-**	**575.95**
Cross charge of other expenses paid:					
Apollo Tyres (UK) Holdings Ltd.	916.11	-	-	-	916.11
Apollo Tyres Holdings (Singapore) Pte Ltd.	261.35	-	-	-	261.35
	1,177.46	**-**	**-**	**-**	**1,177.46**

C. Notes

Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Lease rent paid:					
PTL Enterprises Ltd.	-	600.00	-	-	600.00
Rent paid:					
Sunlife Tradelinks (P) Ltd.	-	31.82	-	-	31.82
Regent Properties	-	23.76	-	-	23.76
Classic Industries and Exports Ltd.	-	0.12	-	-	0.12
	-	**55.70**	**-**	**-**	**55.70**
Mixing charges paid:					
Classic Industries and Exports Ltd.	-	178.07	-	-	178.07
Sale of assets:					
Apollo Tyres (Hungary) Kft.	1.75	-	-	-	1.75
Purchase of supplements for employees:					
Nutriburst India Pvt. Ltd.	-	58.31	-	-	58.31
Commission on sales paid					
Apollo Tyres Thailand Ltd.	74.83	-	-	-	74.83
Guarantee commission received					
Apollo Tyres Co-Operatief U.A	8.28	-	-	-	8.28
Managerial remuneration:					
Mr. Onkar Kanwar	-	-	-	140.14	140.14
Mr. Neeraj Kanwar	-	-	-	122.62	122.62
Mr. Satish Sharma	-	-	-	89.58	89.58
	-	**-**	**-**	**352.34**	**352.34**
Sitting fees:					
Non-executive directors	-	-	-	4.13	4.13
Commission:					
Non-executive directors	-	-	-	38.00	38.00

Amount outstanding as at March 31, 2022

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Trade payable:					
Apollo Tyres AG, Switzerland	29.83	-	-	-	29.83
Apollo Tyres (NL) B.V.	69.15	-	-	-	69.15
Apollo Tyres (UK) Holdings Ltd.	244.61	-	-	-	244.61
Apollo Tyres Global R&D B.V.	191.58	-	-	-	191.58
Apollo Tyres Middle East Fze.	19.75	-	-	-	19.75
Classic Industries and Exports Ltd.	-	511.16	-	-	511.16
Apollo Tyres (Thailand) Ltd.	245.72	-	-	-	245.72
Apollo Tyres Africa (Pty) Ltd	3.89	-	-	-	3.89
Artemis Medicare Services Ltd.	-	5.96	-	-	5.96
Shardul Amarchand Mangaldas & Co.	-	0.49	-	-	0.49

C. Notes

Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

₹ Million

Particulars	Subsidiaries	Entities in which Directors are interested	Associate	Key Management Personnel	Total
Apollo Tyres Centre of Excellence Limited	10.67	-	-	-	10.67
Apollo Tyres Holdings (Singapore) Pte Ltd.	5,924.04	-	-	-	5,924.04
	6,739.24	**517.61**	**-**	**-**	**7,256.85**
Other current liabilities (financial):					
Apollo Tyres (NL) B.V.	1.37	-	-	-	1.37
Classic Industries and Exports Ltd.	-	123.26	-	-	123.26
Apollo International FZC	-	18.11	-	-	18.11
KT Telematic Solutions Private Limited	-	-	0.25	-	0.25
Apollo Tyres Global R&D B.V.	0.39	-	-	-	0.39
Apollo Tires (US) INC.	0.45	-	-	-	0.45
Apollo Tyres (Hungary) Kft	3.95	-	-	-	3.95
	6.16	**141.37**	**0.25**	**-**	**147.78**
Other non current financial assets*					
PTL Enterprises Ltd.	-	600.00	-	-	600.00
Sunlife Tradelinks	-	5.86	-	-	5.86
Regent Properties	-	5.40	-	-	5.40
	-	**611.26**	**-**	**-**	**611.26**
Other non current assets					
Classic Industries and Exports Ltd.	-	194.27	-	-	194.27
Trade receivable:					
Apollo Tyres (NL) B.V.	1,432.06	-	-	-	1,432.06
Apollo Tyres Africa (Pty) Ltd	330.77	-	-	-	330.77
Apollo International Limited	-	59.45	-	-	59.45
Apollo Tyres Middle East Fze.	336.70	-	-	-	336.70
Apollo Tyres (Hungary) Kft	101.40	-	-	-	101.40
Apollo Tyres (Thailand) Ltd.	250.48	-	-	-	250.48
Apollo Tyres Global R & D B.V.	0.69	-	-	-	0.69
Apollo Tires (US) INC.	1,063.93	-	-	-	1,063.93
	3,516.03	**59.45**	**-**	**-**	**3,575.48**
Other current assets					
Apollo Tyres Africa (Pty) Ltd	117.32	-	-	-	117.32
Apollo Tyres (NL) B.V.	63.13	-	-	-	63.13
Apollo Tyres Thailand Ltd.	59.00	-	-	-	59.00
PTL Enterprises Ltd.	-	51.74	-	-	51.74
Classic Industries and Exports Ltd.	-	263.31	-	-	263.31
Apollo Tyres (Hungary) Kft	27.36	-	-	-	27.36
Apollo Tyres Middle East Fze.	28.20	-	-	-	28.20
Apollo Tyres Co-Operatief U.A	10.53	-	-	-	10.53
Apollo Tyres Global R&D B.V	9.03	-	-	-	9.03
Apollo Tyres Holdings (Singapore) Pte Ltd.	14.26	-	-	-	14.26
Apollo Tires (US) INC.	16.70	-	-	-	16.70
Apollo Tyres (UK) Holdings Ltd.	8.39	-	-	-	8.39
Apollo Tyres Centre of Excellence Limited	1.67	-	-	-	1.67
	355.59	**315.05**	**-**	**-**	**670.64**

C. Notes

Forming Part of the Financial Statements

17 Disclosure of related party transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd..)

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.

18 Disclosure required by Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding the related parties

Amount of loans / advances in the nature of loans outstanding from Subsidiaries and Companies in which Directors are interested

₹ Million

Particulars	Outstanding as at the end of the year	Maximum amount outstanding during the year	Investments outstanding and maximum balance during the year
Subsidiaries			
Year ended March 31, 2023			
Apollo Tyres Cooperatief U.A	-	-	23,973.19
Apollo Tyres (Green Field) B.V.	-	-	2.74
Apollo Tyres Centre of Excellence Limited	-	-	115.13
Year ended March 31, 2022			
Apollo Tyres Cooperatief U.A	-	-	23,973.19
Apollo Tyres (Green Field) B.V.	-	-	2.74
Apollo Tyres Centre of Excellence Limited	-	-	50.00
Associates			
Year ended March 31, 2023			
KT Telematic Solutions Private Limited	-	-	45.01
Year ended March 31, 2022			
KT Telematic Solutions Private Limited	-	-	45.01

19 Segment reporting

The Company has opted to provide segment information in its consolidated Ind AS financial statements in accordance with para 4 of Ind AS 108 - Operating Segments.

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 Re. 1/- each for the year, subject to approval from Shareholders.

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21 Information on details of loans, guarantees and investments under section 186 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014

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

ii) Corporate guarantees issued for the loan taken by the subsidiary company and outstanding in accordance with Section 186 of the Act read with rules issued thereunder.

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Apollo Tyres Cooperatief U.A	1,471.39	1,849.54
Total	**1,471.39**	**1,849.54**

22 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)	41,858.71	(1,555.20)	403.76	-	-	38.30	40,745.57
Current borrowings	2,004.18	(2,000.00)	-	-	-	5.58	9.76
Lease liability	5,516.35	(1,363.31)	-	414.32	507.32	(137.33)	4,937.35

₹ 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)	42,460.45	(599.08)	(14.39)	-	-	11.73	41,858.71
Current borrowings	1,004.85	1,000.00	-	-	-	(0.67)	2,004.18
Lease liability	5,351.07	(1,340.64)	-	455.53	1,120.02	(69.63)	5,516.35

* Foreign exchange movement is hedged by derivative instrument.

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	3,399.31	16,716.64	2,764.94	89.93	853.92	160.06	23,984.80
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	**3,399.31**	**17,022.92**	**2,764.94**	**89.93**	**853.92**	**160.06**	**24,291.08**

C. Notes

Forming Part of the Financial Statements

23 Ageing of Trade Payables (Contd..)

₹ 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	3,331.26	19,214.08	3,946.18	853.92	-	160.06	27,505.50
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	**3,331.26**	**19,551.71**	**3,946.18**	**853.92**	**-**	**160.06**	**27,843.13**

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 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	15,257.52	626.42	-	-	-	-	15,883.94
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	24.40	24.40
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	**15,257.52**	**626.42**	**-**	**-**	**-**	**24.40**	**15,908.34**

₹ 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
Undisputed Trade receivables – considered good	12,682.79	2,740.22	-	-	-	-	15,423.01
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	24.40	24.40
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-

C. Notes

Forming Part of the Financial Statements

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 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**12,682.79**	**2,740.22**	**-**	**-**	**-**	**24.40**	**15,447.41**

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

The amount received from customers under the recurring advance scheme (RAS) have been reclassified from trade receivable to other current liabilities (Note B19) and provision for schemes & discounts is reclassified from other current liabilities (Note B19) 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 for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in Progress	955.01	92.82	44.96	66.43	1,159.22
Intangible assets under development	168.10	17.63	-	-	185.73
Total	**1,123.11**	**110.45**	**44.96**	**66.43**	**1,344.95**

₹ Million

Particulars	As at March 31, 2022				
	Amount for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in Progress	3,919.90	650.17	247.71	600.74	5,418.52
Intangible assets under development	31.45	13.86	14.41	2.11	61.83
Total	**3,951.35**	**664.02**	**262.13**	**602.86**	**5,480.36**

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 at April 01, 2021	10,256.69	42.86	10,299.55
Additions	18,234.39	218.22	18,452.61
Capitalised	23,072.55	199.25	23,271.80
As at March 31, 2022	**5,418.53**	**61.83**	**5,480.36**

C. Notes

Forming Part of the Financial Statements

25 Capital Work in Progress (CWIP) and intangible assets under development (Contd..)

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
Additions	4,209.17	304.82	**4,513.99**
Capitalised	8,468.48	180.92	8,649.40
As at March 31, 2023	**1,159.22**	**185.73**	**1,344.95**

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 Analytical Ratios

₹ Million

	March 31, 2023	March 31, 2022	Variance	Reasons
Current ratio (in times) (Current assets / Current liabilities)	0.96	0.91	5.17%	
Debt equity ratio (in times) [Total debt / equity]	0.41	0.46	(10.67%)	
Debt service coverage ratio (in times) # [(Profit after tax + interest expense + depreciation & amortisation expense + exceptional items + loss/(gain) on sale of fixed assets) / (Gross interest + lease payment + repayment of non-current borrowings excluding pre-payments)]	1.65	1.37	20.24%	
Return on equity (ROE) (Net Profits after taxes – Preference Dividend (if any)/ Average Shareholder's Equity)	5.96%	2.75%	116.81%	Higher profitability led to increase in return on equity.
Inventory turnover (in times) # [Revenue from operations / Average inventory]	7.30	6.45	13.11%	
"Trade receivables turnover (in times) # [Revenue from operations / Average trade receivables]"	11.05	10.78	2.54%	
Trade payables turnover (in times) # (Net Purchases/ Average Trade Payables)	4.42	4.41	0.21%	
Net capital turnover ratio (Revenue from operation/ Working capital)	26.56	130.02	(79.57%)	Higher working capital led to reduction in capital turnover ratio
Net profit margin (in %) [Profit after tax / Revenue from operations]	3.35%	1.78%	87.71%	Lower expenses led to increase in net profit margin.
Return on capital employed (ROCE) (Earning before interest and taxes/ Capital Employed)	8.66%	5.02%	72.41%	Higher profitability led to increase in return on capital employed
Return on investment ((Interest on bankl deposits + gain on mutual funds)/ average current investment)	2.15%	2.68%	(19.72%)	

C. Notes

Forming Part of the Financial Statements

27 The Company's revenue disaggregated by geographical markets is as follows:

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
India	142,976.62	120,413.18
Rest of the world	25,922.47	22,654.69
Total	**168,899.09**	**143,067.87**

Reconciling the amount of revenue recognised in 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)	175,738.21	148,008.91
Reduction towards variable consideration components	(6,839.12)	(4,941.04)
Revenue from contract with customers	**168,899.09**	**143,067.87**

Contract balances

₹ Million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade receivables	15,883.94	15,423.01
Advance from customers	10,694.51	10,618.24

The Company receives payment from customers based on a billing schedule, as established in the contracts with customers. Trade receivables 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 Company performs under the contract.

28 The Company had carried out an employee re-organisation exercise for its employees. The amount paid to the employees who opted for this scheme aggregated to ₹ **Nil million** (₹ 12.68 million) for 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, 2023
Basic and diluted earnings per share		
Profit attributable to the equity shareholders used as numerator (₹ Million) - (A)	5,787.38	2,610.64
The weighted average number of equity shares outstanding during the year used as denominator - (B)	635,100,946	635,100,946
Basic and diluted earnings per share (₹) – (A) / (B) (Face value of Re 1 each)	**9.11**	**4.11**

C. Notes

Forming Part of the Financial Statements

30 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 an equity stake of **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 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 in the form of a deposit which will be returned to the Company at the end of the tenure with no residual interest. Therefore, this investment has been accounted for as per the provisions of IND AS 109 Financial Instruments.

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

32 Other Statutory Information

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

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

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

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

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

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

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

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

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

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

(viii) The company has not been declared a wilful defaulter by any bank or financial institution or any of the lenders.

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

See accompanying notes forming part of the 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